
2005

COST ALLOCATION PLAN

County of
Lapeer, Michigan
December 31, 2005



Stewart,
Bearvais
& Whipple P.C.



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN BASED ON ACTUAL COSTS FOR THE YEAR ENDED DECEMBER 31, 2005

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LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN BASED ON ACTUAL COSTS FOR THE YEAR ENDED DECEMBER 31, 2005

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August 1, 2006

Mr. John Biscoe, Administrator/Controller
Lapeer County
Lapeer County Complex
Lapeer, Michigan 48446

Dear Mr. Biscoe:

We have completed our assignment to assist you in the development of a plan for allocation of allowable indirect costs to the individual departments of the County of Lapeer, Michigan, for the calendar year ended December 31, 2005, in accordance with Office of Management and Budget Circular A-87. The application of these indirect costs should provide additional resources to the County and substantially reduce the financial burden placed on the County's General Fund in administering the Federal and State grants of the County.

The results of this study indicate that funds can be recovered by applying these indirect costs to the various Federal and State programs. However, the real benefit of the study is the development of information which may be used to strengthen the County's position in negotiation of future grants. The County personnel who are responsible for negotiating grants should be made aware of the information which is available so they can make maximum use of the data in future negotiations. Moreover, this study will provide more accurate assessment of costs relating to County services when other costs and rates are established (i.e. Internal Service Funds, etc.).

Our study was conducted in cooperation with County personnel and included the following specific tasks:

1. Review the interrelationships of County departments and service cost centers to develop a sound basis for the allocation and distribution of indirect costs incurred. This review included an analysis of the County's organizational structure and discussion with representatives of selected departments to identify -
 - a. Those departments and service functions which provide services to other County departments.
 - b. Those specific vendor costs that are part of the department and service functions which provide services to other County functions.
 - c. Those departments which receive services from other County departments and service functions.

The description of the Central Service Vendor Costs on page 6 provides a summary of the nature of the vendor costs and the extent of services performed for other departments.

The description of Central Service Departments on pages 7-8 provides a summary of the nature of central support services and the extent of services performed for other departments.

2. Analyze expenditures entered in the County's general ledger and reported in the audited financial statements of the County of Lapeer, Michigan, for the calendar year ended December 31, 2004.
3. Prepare appropriate proposed adjustments or eliminations necessary to reclassify certain direct costs into proper cost centers prior to the allocation. This task also included the elimination of unallowable costs stipulated in OMB Circular A-87, such as capital outlay.
4. For each central service and indirect cost center, propose an appropriate and equitable basis for allocation of allowable indirect costs incurred to recipient cost centers, being cognizant of the following:
 - a. Total cost to be allocated, and
 - b. Cost/benefit of collecting the allocation statistical data.

The allocation factors considered as relevant to the appropriate cost centers can be found on page 10.

5. Assist in the preparation of statistical data collection sheets to capture data needed for the allocation of cost, review the data collected, and propose modifications as required.
6. Prepare cost allocation schedules utilizing the "step-down" method of allocation as prescribed by Health, Education and Welfare Publication OASC-10, wherein the expenditures of each central service cost center is distributed to recipient departments in a logical order. The Summary of Allocation Costs of the central service departments shows the results of this allocation.
7. Prepare the schedule of indirect costs to be charged to each recipient department.
8. Prepare the schedule of indirect costs charged to each recipient department as a percentage of the recipient department direct salaries and wages.
9. Prepare the Indirect Cost Rate Proposal utilizing the simplified method as prescribed by Health, Education and Welfare Publication OASC-10.

The direct expenditures of each cost center were obtained from the audited financial statements of the County of Lapeer, Michigan, for the calendar year ended December 31, 2005. The data which was used as the basis for allocation of costs were obtained from information on file in the County or through special review and account analysis which were performed by representatives of the County of Lapeer and is readily available and verifiable.

It was not within the scope of this assignment to perform an audit of the underlying data which was used. Therefore, we make no representation relative to such underlying data.

The indirect cost allocation process presented in this report and the accompanying documentation should be reviewed and updated each calendar year in accordance with OMB Circular A-87.

We appreciate the opportunity of working with you and other County personnel on this important engagement and wish to express our gratitude for the cooperation afforded us during this project. Larry J. Allen, CPA, Principal will be available to answer any questions you may have regarding this project and to discuss any further assistance our firm can provide the County of Lapeer, Michigan.

Sincerely,



LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN

INTRODUCTION

Lapeer County, Michigan, receives and administers numerous Federal and State grants for a variety of programs and projects. Prior to 1985, the County never had a Central Service Cost Allocation Plan that allocates the costs of identified Central Service departments into all the other departments of the County. Since 1985, plans have been developed to accomplish that objective, allowing the department heads of the County the opportunity to allocate the costs brought into their departments to the various programs, projects, and grants under their responsibility. Implemented with the 1993 Central Service Cost Allocation Plan was the development of a separate set of cost centers from the Central Service Departments. These cost centers are classified as Central Service Vendor Costs and represent substantial costs of the Central Service Departments that can readily be verified as expenditures to outside vendors. These costs have been selected by Lapeer County to be allocated first in the cost allocation process. The vendor costs that are allocated are Property and Liability Insurance, Utilities, Audit and Legal expenditures. The various Central Service departments that provide services are Building and Grounds, Administrative, Computer Operations, Finance, Prosecuting Attorney and County Treasurer departments. Through an improved understanding of the cost allocation process and the County accounting system, the application of these indirect costs should again provide additional resources to the County for the cost of Central Support Services charged to Federal and State grants.

The format used to determine the indirect costs for the County was the Central Service Cost Allocation Plan as described in OASC-10, published by the U.S. Department of Health, Education and Welfare. Also incorporated was the Step Method, which recognizes services provided by a Central Service department to other departments including Central Service departments, as well as Federal and State programs. The Step Method, however, ignores the fact that reciprocal services are used between Central Service departments. As a result, no costs are allocated to a department after its costs have been distributed. In addition, the costs reported for the Central Service departments do not include expenditures for which reimbursements have already been received by the County.

The 2005 plan includes an Indirect Cost Rate Proposal prepared utilizing the Simplified Method as prescribed by HEW OASC-10. Under this method, the ratio of indirect costs to direct salaries and wages provides a rate to apply to the direct salaries and wages of a department or activity to approximate the indirect central service costs of that department or activity. This rate may also be utilized during the grant application process to determine the indirect central service expenditures to incorporate into a grant funding request.

Also, included is a schedule of indirect costs charged to each recipient department as a percentage of the recipient department direct salaries and wages. These departmental indirect cost rates may be used as an alternative in situations when departmental rates vary significantly from the rate determined by the Indirect Cost Rate Proposal.



MICHIGAN'S OLDEST COURTHOUSE

*Lapeer County
Administration Office*

255 Clay Street
Lapeer, Michigan 48446

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667-0366
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www.county.lapeer.org

CERTIFICATION OF COST ALLOCATION PLAN

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

- 1) All costs included in this proposal based on 2005 actual costs to establish cost allocations or billings for the year ended December 31, 2007 are allowable in accordance with the requirements of OMB Circular A-87, "Cost Principles for State and Local Governments," and the Federal awards to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.
- 2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

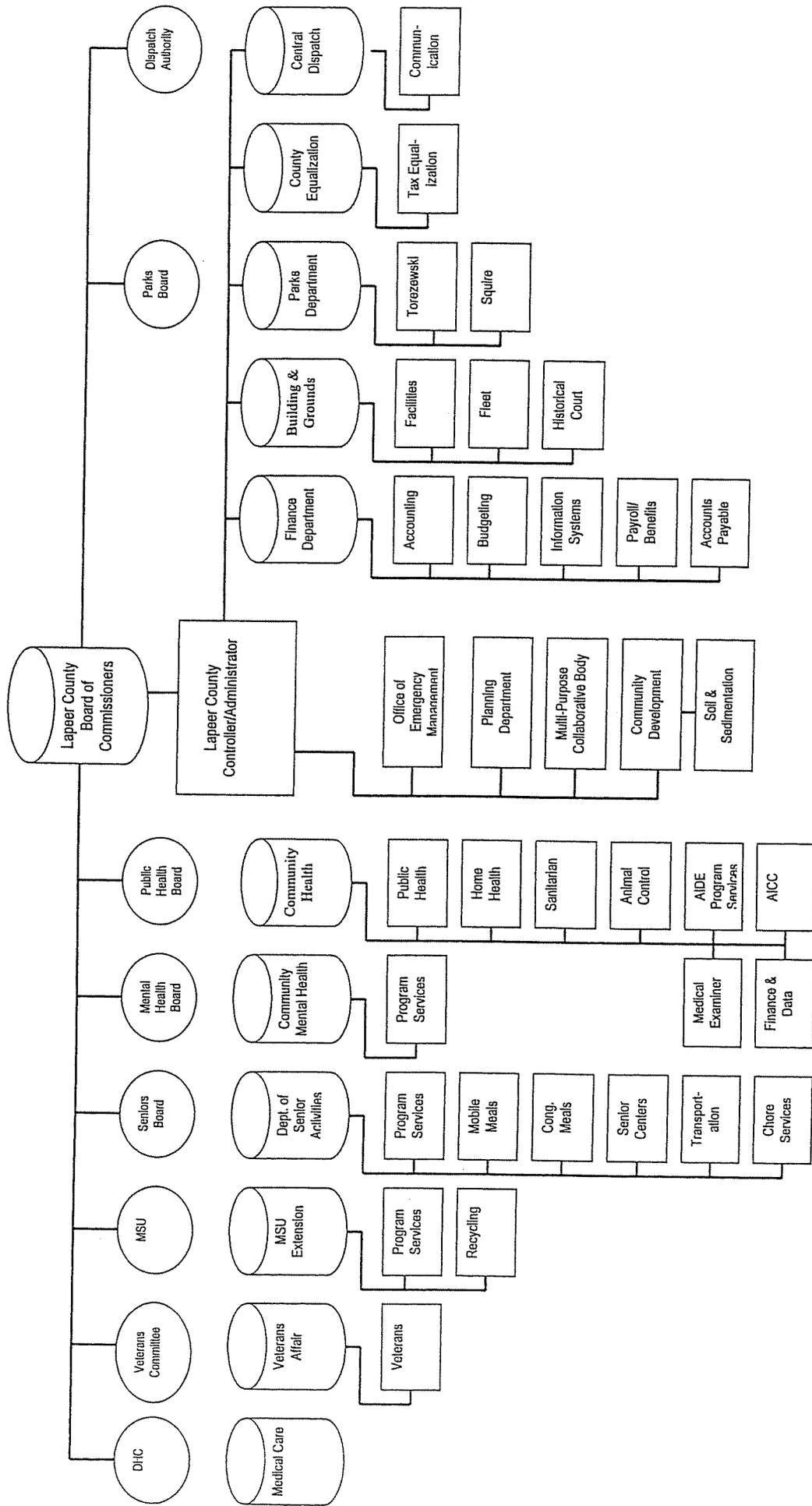
I declare that the foregoing is true and correct.

Lapeer County, Michigan

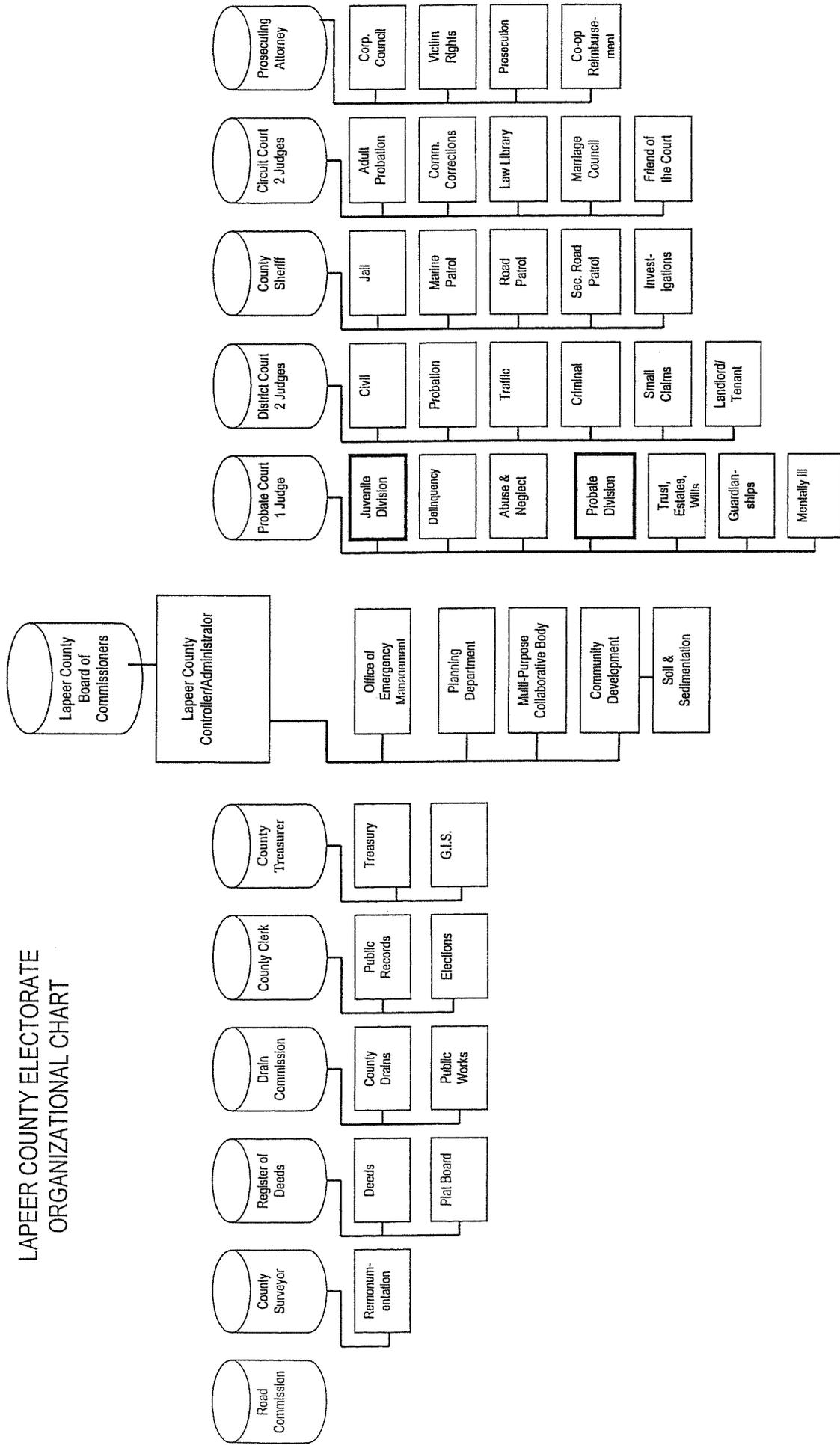
John Biscoe
Administrator/Controller

Date of Execution – January 1, 2007

LAPEER COUNTY APPOINTED ORGANIZATIONAL CHART



LAPEER COUNTY ELECTORATE ORGANIZATIONAL CHART



LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN SCHEDULE OF PROVIDERS AND RECIPIENTS OF CENTRAL SUPPORT SERVICES

<u>Central Service Vendor Costs</u>	<u>County Departments Receiving Service</u>
Property and Liability Insurance	Board of Commissioners
Utilities	Circuit Court
Audit/Cost Allocation	District Court
Legal	Jury Board
	Indigent Counsel
	Probate Court
	Adult Probation
	Elections
	County Clerk
	Tax Equalization
	Register of Deeds
	County Surveyor
	Geo. Info. Systems
	Drain Commissioner
	Postage
	Sheriff
	Jail/Feeding Prisoners
	Cooperative Extension
	Planning Commission
	Road Commission
	Parks Department
	E-911
	Friend of the Court
	Marriage Counseling
	Health Department
	Mental Health
	Animal Control
	Environmental/Recycling
	Emergency Management
	Community Services Grant
	Police Service Contracts
	Law Enforcement Programs
	Road Patrol Program
	Juvenile Grant
	Law Library
	Community Development
	D.O.S.A.
	4-H Programs
	Youth Coordinator
	Medical Care Facility
	Child Care
	Department of Human Services
	Veterans' Affairs
	Multi-Purpose Collaborative Body
	Internal Service excluding DTR
	General Government

LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN SUMMARY OF THE NATURE AND EXTENT OF SERVICES CENTRAL SERVICE VENDOR COSTS

PROPERTY AND LIABILITY INSURANCE - Lapeer County belongs to the Michigan Municipal Risk Management Authority, a Michigan Self-Insured Association, to which annual contributions are made to provide protection from financial losses caused from exposures that could occur in the course of their normal daily operations. The County budgets and accounts for the cost of property and liability insurance within the Bonds and Insurance activity in the General Fund. It has been identified as a Central Service Vendor Cost and, accordingly, requires the property and liability insurance expenditures charged to it to be allocated to other departments of the County.

UTILITIES - Lapeer County's Building and Grounds Department is responsible for the payment and accounting of utility costs incurred to provide a comfortable work environment for all building occupants. All departments receive benefit from services provided by this department. The utility costs reported within the Building Operations activity have been identified as Central Service Vendor Costs. Therefore, the utility costs are central service in nature, and accordingly, should be allocated to the departments of the County and to all other identifiable users of County-paid utilities.

AUDIT/COST ALLOCATION - Lapeer County has an annual audit of the County's financial statements. The costs associated with the audit and cost allocation plan reported within the Professional Services activity have been identified as Central Service Vendor Costs. Therefore, the audit and cost allocation costs are central service in nature, and accordingly, should be allocated to departments of the County.

LEGAL - Lapeer County retains corporate counsel for the various boards, departments, and elected officials of the County. The corporate counsel assists as defense counsel on behalf of County interests, reviewing and preparing legal opinions and contracts, representing County interests at union contract negotiations and other legal consulting advice provided for the County. These legal costs reported within the Professional Services activity have been identified as Central Service Vendor Costs. Therefore, the costs associated with these corporate counsel services are central service in nature and should be allocated to other departments of the County.

LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN SUMMARY OF THE NATURE AND EXTENT OF SERVICES CENTRAL SERVICE DEPARTMENTS (cont'd)

BUILDING AND GROUNDS - Lapeer County employs maintenance and custodial personnel to maintain and clean the buildings and property utilized by the various departments of the County. All the costs associated with providing these services are budgeted and accounted for in the Building and Grounds Department. All the costs associated with this department are central service in nature and accordingly should be allocated to all departments and identifiable users receiving benefit of County provided maintenance and custodial services.

ADMINISTRATIVE - The Administrative Department under the direction of the County Administrator/Controller is responsible for the direct supervision of the operations of the Finance, Computer Operations, Building and Grounds and various other departments as designated by the County Board of Commissioners. Additionally, the Administrator/Controller's staff is responsible for direct operational assistance to County departments in the areas of insurance administration and labor negotiations.

All the costs associated with this department are central service in nature and accordingly should be allocated to all departments and identifiable users receiving benefit of County provided Administrative Department services.

The Finance, Computer Operations and Building and Grounds departments are reported as separate central service departments because each is accounted and budgeted in separate activities within the General Fund with each utilizing a basis of allocation consistent with the nature of its functions.

COMPUTER OPERATIONS - The Lapeer County Computer Operations Department provides automated data processing services for all County departments including departments which receive Federal and State funds. The services consist of computer operations, data entry and report distribution. The computer has the capacity to store, manipulate and interact large volumes of data quickly and efficiently. This service provides users with a cost savings in the labor and record retention areas. Therefore, the costs associated with these services are central service in nature and accordingly should be allocated to other departments of the County.

FINANCE DEPARTMENT - The Finance Department is responsible for maintaining the general ledger of the County. The specific responsibilities in this area include monthly reconciliation of all balance sheet accounts to subsidiary records, data entry of journal entries and cash receipts, analytical review of all financial reports generated by the County and preparation of schedules and trial balances for the annual County audit. This department also provides advisory services and inquiry responses regarding financial matters to other County departments. The Chief Financial Officer also is responsible for the review and approval of all proposed adjusting journal entries.

LAPEER COUNTY, MICHIGAN

2005 CENTRAL SERVICE COST ALLOCATION PLAN SUMMARY OF THE NATURE AND EXTENT OF SERVICES CENTRAL SERVICE DEPARTMENTS (cont'd)

The Finance Department also is responsible for the payroll and accounts payable processing functions for the County. This department is responsible for the data entry into the computer of all information necessary to process payroll, the maintenance of all payroll and personnel records, and the preparation of all required federal, state and local payroll and unemployment tax returns and reports. In the accounts payable area this department assembles, organizes and inputs data into the computer from the vouchers, invoices and other supporting documentation received from the other County departments necessary to process accounts payable. The Finance Department also maintains a file of all paid invoices and cash disbursement records generated by the computer.

The costs associated with providing these services are necessary to provide reliable accounting information for the various reporting objectives required by the departments including grant reporting needs. Therefore, the costs associated with these services are central service in nature and should be allocated to other departments of the County.

PROSECUTING ATTORNEY - The Prosecuting Attorney serves as corporate counsel to the various boards, departments and elected officials of the County. The corporate counsel function consists of the costs associated with the Prosecuting Attorney acting as defense counsel on behalf of County interests, reviewing and preparing legal opinions and contracts, representing County interests at union contract negotiations and other legal consulting advice provided for the County. Therefore, the costs associated with these corporate counsel services are central service in nature and should be allocated to other departments of the County.

COUNTY TREASURER - The County Treasurer's Department is responsible for the collection, recording, depositing and investing of all money received from and for the other departments of the County including federal and state grant remittances. The costs associated with these services are central service in nature and accordingly should be allocated to other departments of the County.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
SUMMARY OF ALLOCABLE COSTS**

<u>Central Service Vendor Activities</u>	Page in Audited Financial Statements	Expenditures Per Audit	Re- classification	Expenditures	Adjustments	Allocable Costs
101-954 Property and Liability Insurance (Bonds and Insurance)	69	\$ 635,550	\$ -	\$ 635,550	\$ -	\$ 635,550
101-264 Utilities (Building Operations)	68	415,992	-	415,992	-	415,992
101-210 Audit/Cost Allocation Add - Transfer from Legal	68	-	(a) 59,760	59,760	-	59,760
101-210 Legal (Professional Services) Less - Transfer to Audit/Cost Allocation	68	241,246	(a)(59,760)	181,486	(b)(8,158)	173,328
<u>Central Service Departments</u>						
101-265 Building and Grounds	68	699,885	-	699,885	(c)(113,301)	586,584
101-102 Administrative	68	227,178	-	227,178	(c)(7,028)	220,150
101-258 Computer Operations	68	171,724	-	171,724	(c)(3,972)	167,752
101-259 Finance Department (Accounting)	68	261,903	-	261,903	(c)(13,070)	248,823
101-229 Prosecuting Attorney	68	1,134,955	-	1,134,955	-	1,134,955
101-253 County Treasurer	68	<u>481,235</u>	<u>-</u>	<u>481,235</u>	<u>-</u>	<u>481,235</u>
		<u>\$ 4,269,668</u>	<u>\$ -</u>	<u>\$ 4,269,668</u>	<u>\$ (145,529)</u>	4,124,129
Less reported as allocated to General Government						<u>1,846,712</u>
Net allocable costs						<u>\$2,277,417</u>

(a) The cost was not identified separately in the Audited Financial Statements but reported as part of another cost title.

(b) Elimination of professional services other than legal charged to this activity.

(c) Adjustments for direct charges, service fees and cost allocation paid in 2005.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION FACTORS**

<u>Cost Center</u>	<u>Allocation Factor</u>
Property and Liability Insurance	
Specific Liability	Specific Billing
General Liability	Dollar Amount of Salaries and Wages
Vehicle Insurance	Number of Vehicles
Property Insurance	Amount of Square Footage Utilized
Other	Dollar Amount of Salaries and Wages
Utilities	Amount of Square Footage Utilized
Audit/Cost Allocation	Number of Receipts Processed and Vendor Checks Written
Legal	Average Number of Employees
Building and Grounds	Amount of Square Footage Utilized
Administrative	Average Number of Employees
Computer Operations	Number of Payroll and Vendor Checks Written
Finance Department	Number of Receipts Processed and Vendor and Payroll Checks Written
Prosecuting Attorney	Average Number of Employees
County Treasurer	Number of Receipts Processed and Vendor Checks Written

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
SUMMARY OF ALLOCATION OF COSTS**

Departments	Allocable Costs	Property & Liability	Utilities	Audit/ Cost Allocation	Legal	Subtotal	
Property & Liability	101-954	\$ 635,550	\$(635,550)				
Utilities	101-264	415,992	-	\$(415,992)			
Audit	101-210	59,760	-	-\$ (59,760)			
Legal	101-210	173,328	-	-	\$(173,328)		
Building and Grounds	101-265	-	11,188	1,219	1,386	\$ 16,705	
Administrative	101-102	-	6,685	2,590	30	10,553	
Computer Operations	101-258	-	1,645	1,175	36	3,272	
Finance Department	101-259	-	7,341	2,633	114	11,752	
Prosecuting Attorney	101-229	-	32,147	10,360	460	49,640	
County Treasurer	101-253	-	9,115	4,636	25,875	42,122	
General Government		-	16,110	113,107	1,225	-	130,442
Board of Commissioners	101-101	-	5,723	6,594	108	2,912	15,337
Circuit Court	101-131	-	13,552	16,062	3,018	2,912	35,544
District Court	101-136	-	38,355	27,074	2,157	9,585	77,171
Probate Court	101-148	-	30,363	17,999	831	5,425	54,618
Adult Probation	101-151	-	301	3,025	30	-	3,356
County Clerk	101-215	-	12,229	10,512	353	3,328	26,422
Tax Equalization	101-225	-	1,789	2,612	48	416	4,865
Register of Deeds	101-236	-	8,581	5,721	538	2,496	17,336
Drain Commissioner	101-275	-	11,364	3,417	645	2,496	17,922
Sheriff	101-301	-	72,418	20,539	687	14,178	107,822
Jail/Feeding Prisoners	101-351	-	38,650	108,721	550	12,913	160,834
Cooperative Extension	101-731	-	4,506	3,981	209	1,248	9,944
Road Commission	201-000	-	-	-	-	-	-
Parks and Recreation	208-000	-	16,462	-	861	4,593	21,916
E-911	211-000	-	35,655	-	855	8,337	44,847
Friend of the Court	215-000	-	33,725	14,212	1,106	7,921	56,964
Health Department	221-000	-	73,460	28,879	3,598	27,507	133,444
Mental Health	222-000	-	76,424	-	6,985	30,003	113,412
Animal Control	224-000	-	11,005	-	215	2,080	13,300
Emergency Management	260-000	-	1,901	-	233	416	2,550
Community Services Grant	261-000	-	6,209	1,893	1,237	1,664	11,003
Police Service Contracts	263-000	-	17,065	-	66	7,089	24,220
Road Patrol Program	266-000	-	2,275	-	209	832	3,316
Juvenile Grant	268-000	-	-	-	12	832	844
Community Development	274-000	-	4,783	1,502	950	1,248	8,483
D.O.S.A.	277-000	-	13,743	2,116	747	3,328	19,934
Medical Care Facility	291-000	-	-	-	209	-	209
Child Care	292 & 293	-	4,101	-	735	-	4,836
Veterans Affairs	294-000	-	2,542	1,361	293	416	4,612
Multi Purp. Collab. Body	299-000	-	8,264	-	412	2,912	11,588
Internal Service		-	3,318	3,660	926	-	7,904
Other Departments (pages 14 and 15)		-	2,556	392	1,811	832	5,591
		<u>\$1,284,630</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,284,630</u>

<u>Allocable Costs</u>	<u>Building and Grounds</u>	<u>Administrative</u>	<u>Computer Operations</u>	<u>Finance Department</u>	<u>Prosecuting Attorney</u>	<u>County Treasurer</u>	<u>Total</u>
\$ 586,584	\$ (603,289)						
220,150	2,574	\$ (233,277)					
167,752	1,169	583	\$ (172,776)				
248,823	2,632	2,309	950	\$ (266,466)			
1,134,955	10,627	9,191	4,112	4,530	\$(1,213,055)		
481,235	4,619	3,430	13,857	78,502	667	\$ (624,432)	
-	164,754	-	2,834	3,730	1,170,293	374,659	\$ 1,846,712
-	6,551	4,012	1,607	1,705	779	-	29,991
-	16,300	4,012	9,796	10,392	779	25,852	102,675
-	27,628	13,227	7,464	10,872	2,553	18,408	157,323
-	17,896	7,465	4,406	5,036	1,445	7,119	97,985
-	2,985	-	86	80	-	-	6,507
-	10,411	4,596	1,987	2,611	885	3,023	49,935
-	2,575	583	311	320	111	-	8,765
-	7,341	3,430	1,676	2,798	667	4,621	37,869
-	3,392	3,430	2,661	3,118	667	5,520	36,710
-	20,154	19,525	7,861	8,660	3,776	5,870	173,668
-	106,987	17,822	6,876	7,514	3,442	4,721	308,196
-	8,174	1,726	1,158	1,226	334	1,798	24,360
-	-	-	-	1,252	-	2,073	3,325
-	-	6,322	4,838	5,169	1,223	7,368	46,836
-	16,698	11,501	4,751	6,262	2,219	7,343	93,621
-	14,097	10,917	4,734	7,035	2,112	9,441	105,300
-	53,766	37,932	27,350	29,392	7,329	30,797	320,010
-	76,198	41,360	34,797	37,598	7,996	59,796	371,157
-	5,981	2,869	1,348	1,625	556	1,848	27,527
-	-	583	674	879	111	1,998	6,795
-	1,871	2,309	1,883	4,983	445	10,565	33,059
-	-	9,774	3,265	3,624	1,891	574	43,348
-	-	1,143	1,192	1,386	222	1,823	9,082
-	-	1,143	397	426	222	100	3,132
-	1,520	1,726	1,296	3,597	334	8,168	25,124
-	3,961	4,596	3,335	4,290	885	6,419	43,420
-	-	-	69	613	-	1,773	2,664
-	-	-	1,901	2,185	-	6,269	15,191
-	2,542	583	1,019	1,146	111	-	10,013
-	-	4,012	3,957	4,503	779	3,522	28,361
-	9,476	-	2,574	2,771	-	7,943	30,668
-	410	1,166	5,754	6,636	222	5,021	24,800
<u>\$ 2,839,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,124,129</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
SUMMARY OF ALLOCATION OF COSTS OF OTHER DEPARTMENTS**

<u>Departments</u>	<u>Property & Liability</u>	<u>Utilities</u>	<u>Audit/Cost Allocation</u>	<u>Legal</u>	<u>Subtotal</u>
Jury Board 101-145	\$ -	\$ -	\$ 60	\$ -	\$ 60
Indigent Counsel 101-147	-	-	729	-	729
Elections 101-191	45	-	173	-	218
County Surveyor 101-242	-	-	48	416	464
Geo. Info. Systems 101-243	-	-	-	-	-
Postage 101-290	39	392	-	-	431
Planning Commission 101-801	186	-	245	-	431
Marriage Counseling 216-000	-	-	18	-	18
Environmental/Recycling 227-000	-	-	18	-	18
Thumb Narcotics Unit 262-000	-	-	221	-	221
Law Enforcement Prgms. 264-000	397	-	84	-	481
Law Library 269-000	-	-	36	-	36
Youth Coordinator 287-000	1,297	-	18	416	1,731
4-H Programs 288-000	468	-	-	-	468
Dept. of Human Services 290-000	124	-	161	-	285
	<u>\$ 2,556</u>	<u>\$ 392</u>	<u>\$ 1,811</u>	<u>\$ 832</u>	<u>\$ 5,591</u>

<u>Building and Grounds</u>	<u>Administrative</u>	<u>Computer Operations</u>	<u>Finance Department</u>	<u>Prosecuting Attorney</u>	<u>County Treasurer</u>	<u>Total</u>
\$ -	\$ -	\$ 173	\$ 187	\$ -	\$ -	\$ 420
-	-	2,004	2,158	-	-	4,891
-	-	484	506	-	1,474	2,682
-	583	311	346	111	-	1,815
-	-	-	-	-	-	-
410	-	-	-	-	-	841
-	-	726	773	-	-	1,930
-	-	17	53	-	150	238
-	-	52	53	-	-	123
-	-	553	640	-	1,873	3,287
-	-	466	480	-	-	1,427
-	-	104	107	-	-	247
-	583	518	613	111	175	3,731
-	-	225	240	-	-	933
-	-	121	480	-	1,349	2,235
<u>\$ 410</u>	<u>\$ 1,166</u>	<u>\$ 5,754</u>	<u>\$ 6,636</u>	<u>\$ 222</u>	<u>\$ 5,021</u>	<u>\$ 24,800</u>

DETAILED SCHEDULES

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**PROPERTY AND LIABILITY INSURANCE
(101-954)**

Lapeer County belongs to the Michigan Municipal Risk Management Authority, a Michigan Self-Insured Association, to which an annual contribution of \$635,550 was made in 2005 to provide protection from financial losses caused from exposures that could occur in the course of its normal daily operations.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	69	\$ <u>635,550</u>
Total Allocable Costs		\$ <u>635,550</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE

The County, being a member of an insurance pool, pays annual contributions for protection against various risks. Specific types of insurance coverage are identified with the annual contribution.

The allocation basis for the insurance is as follows:

<u>Insurance</u>	<u>Allocation</u>
Specific Liability	Specific Billing
General Liability	Dollar amount of salaries and wages
Vehicle Insurance	Number of Vehicles
Property Insurance	Amount of Square Footage Utilized
Stop Loss Risk Retention	Dollar amount of salaries and wages

The utilization of the dollar amount of salaries and wages as the basis of allocation for General Liability and Stop Loss Risk Retention provided a reasonable method to approximate the premium costs. It is assumed that the dollar amount of salaries and wages would have a direct relationship to the County's liability exposure since both number and cost of employment is considered the base, data is readily available and verifiable.

LAPEER COUNTY, MICHIGAN
2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS

SUMMARIZATION OF PROPERTY AND LIABILITY INSURANCE ALLOCATION

Departments		Specific Liability	General Liability	Vehicle Insurance	Property Insurance	Other	Total Allocable to Departments
Board of Commissioners	101-101	\$ -	\$ 2,872	\$ -	\$ 657	\$ 2,194	\$ 5,723
Administrative	101-102	-	3,662	-	259	2,764	6,685
Circuit Court	101-131	-	6,786	-	1,638	5,128	13,552
District Court	101-136	-	20,255	-	2,773	15,327	38,355
Probate Court	101-148	-	14,512	3,061	1,794	10,996	30,363
Adult Probation	101-151	-	-	-	301	-	301
Elections	101-191	-	17	-	-	28	45
County Clerk	101-215	-	6,366	-	1,048	4,815	12,229
Tax Equalization	101-225	-	873	-	261	655	1,789
Prosecuting Attorney	101-229	-	17,333	611	1,070	13,133	32,147
Register of Deeds	101-236	-	4,468	-	723	3,390	8,581
County Surveyor	101-242	-	-	-	-	-	-
Geo. Info. Systems	101-243	-	-	-	-	-	-
County Treasurer	101-253	-	4,921	-	462	3,732	9,115
Computer Operations	101-258	-	873	-	117	655	1,645
Finance Department	101-259	-	4,031	-	262	3,048	7,341
Building and Grounds	101-265	-	5,593	1,229	121	4,245	11,188
Drain Commissioner	101-275	-	5,224	1,840	340	3,960	11,364
Boundary Commission	101-284	-	-	-	-	-	-
Postage	101-290	-	-	-	39	-	39
Sheriff	101-301	7,692	-	34,938	1,756	28,032	72,418
Jail - Feeding Prisoners	101-351	6,787	-	-	9,471	22,392	38,650
Cooperative Extension	101-731	-	2,099	-	812	1,595	4,506
Planning Commission	101-801	-	101	-	-	85	186
Parks and Recreation	208-000	-	7,138	1,229	2,682	5,413	16,462
E-911	211-000	-	18,929	611	1,757	14,358	35,655
Friend of Court	215-000	-	16,981	2,451	1,416	12,877	33,725
Health Department	221-000	20,336	-	-	4,979	48,145	73,460
Mental Health	222-000	13,569	-	11,038	8,030	43,787	76,424
Animal Control	224-000	-	4,266	3,061	430	3,248	11,005
Environmental/Recycling	227-000	-	-	-	-	-	-
Emergency Management	260-000	-	1,075	-	-	826	1,901
Community Services Grant	261-000	-	3,073	611	189	2,336	6,209
Police Services Contracts	263-000	3,846	-	-	-	13,219	17,065
Law Enforcement Programs	264-000	226	-	-	-	171	397
Road Patrol Program	266-000	452	-	-	-	1,823	2,275
Juvenile Grant	268-000	-	-	-	-	-	-
Community Development	274-000	-	2,284	611	150	1,738	4,783
D.O.S.A.	277-000	-	4,804	4,901	391	3,647	13,743
Youth Coordinator	287-000	-	756	-	-	541	1,297
4-H Programs	288-000	-	269	-	-	199	468
Dept. of Human Services	290-000	-	67	-	-	57	124
Child Care	292&293	-	2,335	-	-	1,766	4,101
Veterans Affairs	294-000	-	1,293	-	252	997	2,542
Multi Purpose Collab. Body	299-000	-	4,703	-	-	3,561	8,264
Internal Service excluding DTR		-	-	2,451	867	-	3,318
General Government		-	-	-	16,110	-	16,110
		<u>\$ 52,908</u>	<u>\$ 167,959</u>	<u>\$ 68,643</u>	<u>\$ 61,157</u>	<u>\$ 284,883</u>	<u>\$ 635,550</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SPECIFIC LIABILITY

Departments	Allocable Costs	Allocable to Departments
Specific Liability	<u>\$ 52,908</u>	
Sheriff	101-301	\$ 7,692
Jail/Feeding Prisoners	101-351	6,787
Health Department	221-000	20,336
Mental Health	222-000	13,569
Police Services Contracts	263&265	3,846
Law Enforcement Programs	264-000	226
Road Patrol/TNU	266-000	<u>452</u>
		<u>\$ 52,908</u>

Note: The allocation of the Specific Liability portion of MMRMA premium for the Sheriff, Health and Community Mental Health Departments was provided by representatives of the Authority. Further allocation into the various programs administered by the Sheriff Department was made utilizing the average number of employees as the basis of allocation.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

GENERAL LIABILITY

<u>Departments</u>		<u>Salaries</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
General Liability				<u>\$ 167,959</u>	
Board of Commissioners	101-101	119,712	1.71 %		\$ 2,872
Administrative	101-102	152,058	2.18		3,662
Circuit Court	101-131	282,050	4.04		6,786
District Court	101-136	841,446	12.06		20,255
Probate Court	101-148	603,250	8.64		14,512
Elections	101-191	775	0.01		17
County Clerk	101-215	264,775	3.79		6,366
Tax Equalization	101-225	36,068	0.52		873
Prosecuting Attorney	101-229	721,169	10.32		17,333
Register of Deeds	101-236	186,096	2.66		4,468
County Surveyor	101-242	0	0.00		-
Geo. Info. Systems	101-243	0	0.00		-
County Treasurer	101-253	204,978	2.93		4,921
Computer Operations	101-258	36,137	0.52		873
Finance Department	101-259	167,832	2.40		4,031
Building and Grounds	101-265	232,511	3.33		5,593
Drain Commissioner	101-275	217,501	3.11		5,224
Boundary Commission	101-284	0	0.00		-
Cooperative Extension	101-731	87,139	1.25		2,099
Planning Commission	101-801	3,957	0.06		101
Parks Department	208-000	296,568	4.25		7,138
E-911	211-000	787,401	11.27		18,929
Friend of Court	215-000	706,551	10.11		16,981
Animal Control	224-000	177,572	2.54		4,266
Environmental/Recycling	227-000	0	0.00		-
Emergency Management	260-000	44,593	0.64		1,075
Community Services Grant	261-000	128,091	1.83		3,073
Juvenile Grant	268-000	0	0.00		-
Community Development	274-000	95,106	1.36		2,284
D.O.S.A.	277-000	200,086	2.86		4,804
Youth Coordinator	287-000	31,693	0.45		756
4-H Programs	288-000	10,934	0.16		269
Dept. of Human Services	290-000	3,127	0.04		67
Child Care	292&293	96,814	1.39		2,335
Veterans Affairs	294-000	54,123	0.77		1,293
Multi Purp. Collaborative Body	299-000	195,536	2.80		4,703
General Government		175	0.00		-
		<u>6,985,826</u>	<u>100.00 %</u>		<u>\$ 167,959</u>

Note: Following departments are not included in General Liability since they are included in Specific Liability on the prior page; Sheriff, Police Service Contracts, Road Patrol/TNU, Law Enforcement Programs, Jail/Feeding Prisoners, Mental Health, and Health Department.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

VEHICLE INSURANCE

<u>Departments</u>		<u>Number of Vehicles</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Vehicle Insurance				<u>\$ 68,643</u>	
Probate Court	101-148	5.00	4.46 %		\$ 3,061
Prosecuting Attorney	101-229	1.00	0.89		611
Building and Grounds	101-265	2.00	1.79		1,229
Drain Commissioner	101-275	3.00	2.68		1,840
Sheriff	101-301	57.00	50.90		34,938
Parks and Recreation	208-000	2.00	1.79		1,229
E - 911	211-000	1.00	0.89		611
Friend of Court	215-000	4.00	3.57		2,451
Mental Health	222-000	18.00	16.08		11,038
Animal Control	224-000	5.00	4.46		3,061
Community Services Grant	261-000	1.00	0.89		611
Community Development	274-000	1.00	0.89		611
D.O.S.A.	277-000	8.00	7.14		4,901
Internal Service excluding DTR		<u>4.00</u>	<u>3.57</u>		<u>2,451</u>
		<u>112.00</u>	<u>100.00 %</u>		<u>\$ 68,643</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

PROPERTY INSURANCE

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>COUNTY COMPLEX</u>					
Property Insurance				<u>\$ 21,689</u>	
Board of Commissioners	101-101	2,619	3.03 %		\$ 657
Administrative	101-102	1,028	1.19		259
Circuit Court	101-131	6,378	7.38		1,600
District Court	101-136	10,752	12.44		2,698
Probate Court	101-148	7,146	8.27		1,794
Adult Probation	101-151	1,200	1.39		301
County Clerk	101-215	4,172	4.83		1,048
Tax Equalization	101-225	1,036	1.20		261
Prosecuting Attorney	101-229	4,111	4.76		1,032
County Treasurer	101-253	1,840	2.13		462
Computer Operations	101-258	464	0.54		117
Finance	101-259	1,050	1.21		262
Building and Grounds	101-265	480	0.56		121
Drain Commissioner	101-275	1,360	1.57		340
Postage	101-290	160	0.18		39
Jail/Feeding Prisoners	101-351	4,840	5.60		1,215
Friend of Court	215-000	5,648	6.53		1,416
Community Grants	261-000	750	0.87		189
Community Development	274-000	600	0.69		150
Other		<u>30,800</u>	<u>35.63</u>		<u>7,728</u>
		<u>86,434</u>	<u>100.00 %</u>		<u>\$ 21,689</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>ANNEX BUILDING</u>					
Property Insurance				<u>\$ 2,409</u>	
Cooperative Extension	101-731	2,936	30.58 %		\$ 737
D.O.S.A.	277-000	1,560	16.25		391
Veterans Affairs	294-000	1,004	10.46		252
Other		<u>4,100</u>	<u>42.71</u>		<u>1,029</u>
		<u>9,600</u>	<u>100.00 %</u>		<u>\$ 2,409</u>

JOHN T. RICH

Property Insurance				<u>\$ 7,779</u>	
Health Department	221-000	19,840	64.00 %		\$ 4,979
Other		<u>11,160</u>	<u>36.00</u>		<u>2,800</u>
		<u>31,000</u>	<u>100.00 %</u>		<u>\$ 7,779</u>

COUNTY COURTHOUSE

Property Insurance				<u>\$ 2,019</u>	
Other		<u>8,047</u>	<u>100.00 %</u>		<u>\$ 2,019</u>

MAINTENANCE FACILITY

Property Insurance				<u>\$ 867</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00 %</u>		<u>\$ 867</u>

REGISTER OF DEEDS BUILDING

Property Insurance				<u>\$ 723</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00 %</u>		<u>\$ 723</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>LAPEER COUNTY JAIL COMPLEX</u>					
Property Insurance				<u>\$ 10,012</u>	
Sheriff	101-301	7,000	17.54 %		\$ 1,756
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>		<u>8,256</u>
		<u>39,900</u>	<u>100.00 %</u>		<u>\$ 10,012</u>

274 CEDAR STREET

Property Insurance				<u>\$ - *</u>	
Other		<u>1,200</u>	<u>100.00 %</u>		<u>\$ -</u>

SQUIRE PARK

Property Insurance				<u>\$ 1,869</u>	
Parks and Recreation	208-000	<u>7,448</u>	<u>100.00 %</u>		<u>\$ 1,869</u>

TORZEWSKI PARK

Property Insurance				<u>\$ 813</u>	
Parks and Recreation	208-000	<u>3,240</u>	<u>100.00 %</u>		<u>\$ 813</u>

ANIMAL SHELTER

Property Insurance				<u>\$ 430</u>	
Animal Control	224-000	<u>1,715</u>	<u>100.00 %</u>		<u>\$ 430</u>

Dept. of Human Services

Property Insurance				<u>\$ - ***</u>	
Dept. of Human Services	290-000	<u>18,692</u>	<u>100.00 %</u>		<u>\$ -</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>COMMUNITY MENTAL HEALTH</u>					
Property Insurance				<u>\$ 8,030</u> **	
Mental Health	222-000	<u>32,000</u>	<u>100.00 %</u>		<u>\$ 8,030</u>
<u>E-911</u>					
Property Insurance				<u>\$ 1,757</u>	
E-911	211-000	<u>7,000</u>	<u>100.00 %</u>		<u>\$ 1,757</u>
<u>BANK BUILDING</u>					
Property Insurance				<u>\$ 2,760</u>	
Circuit Court	101-131	150	1.36 %		\$ 38
District Court	101-136	300	2.73		75
Prosecuting Attorney	101-229	150	1.36		38
Cooperative Extension	101-731	300	2.73		75
Other		<u>10,100</u>	<u>91.82</u>		<u>2,534</u>
		<u>11,000</u>	<u>100.00</u>		<u>\$ 2,760</u>
Total Area Utilized and Allocable		263,612			61,157
Less: Departments that pay own insurance*		<u>(19,892)</u>			<u>-</u>
		<u>243,720</u>			<u>\$ 61,157</u>

*Property Insurance was not carried by County.

**Departments rent facilities, however, rent established at an amount to cover debt service on bonds.

*** Department rents facilities. Rent established at an amount to cover insurance costs on building.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

OTHER

Departments	Salaries	Percentage	Allocable Costs	Allocable to Departments
Other			<u>\$ 284,883</u>	
Board of Commissioners	101-101	119,712	0.77 %	\$ 2,194
Administrative	101-102	152,058	0.97	2,764
Circuit Court	101-131	282,050	1.80	5,128
District Court	101-136	841,446	5.38	15,327
Probate Court	101-148	603,250	3.86	10,996
Elections	101-191	775	0.01	28
County Clerk	101-215	264,775	1.69	4,815
Tax Equalization	101-225	36,068	0.23	655
Prosecuting Attorney	101-229	721,169	4.61	13,133
Register of Deeds	101-236	186,096	1.19	3,390
County Surveyor	101-242	0	0.00	-
Geo. Info. Systems	101-243	0	0.00	-
County Treasurer	101-253	204,978	1.31	3,732
Computer Operations	101-258	36,137	0.23	655
Finance Department	101-259	167,832	1.07	3,048
Building and Grounds	101-265	232,511	1.49	4,245
Drain Commissioner	101-275	217,501	1.39	3,960
Sheriff	101-301	1,538,381	9.84	28,032
Jail - Feeding Prisoners	101-351	1,228,328	7.86	22,392
Cooperative Extension	101-731	87,139	0.56	1,595
Planning Commission	101-801	3,957	0.03	85
Parks and Recreation	208-000	296,568	1.90	5,413
E - 911	211-000	787,401	5.04	14,358
Friend of Court	215-000	706,551	4.52	12,877
Health Department	221-000	2,640,897	16.90	48,145
Mental Health	222-000	2,401,586	15.37	43,787
Animal Control	224-000	177,572	1.14	3,248
Environmental/Recycling	227-000	0	0.00	-
Emergency Management	260-000	44,593	0.29	826
Community Services Grant	261-000	128,091	0.82	2,336
Police Service Contracts	263-000	724,855	4.64	13,219
Law Enforcement Programs	264-000	9,597	0.06	171
Road Patrol	266-000	99,670	0.64	1,823
Juvenile Grant	268-000	0	0.00	-
Community Development	274-000	95,106	0.61	1,738
D.O.S.A.	277-000	200,086	1.28	3,647
Youth Coordinator	287-000	31,693	0.19	541
4-H Programs	288-000	10,934	0.07	199
Dept. of Human Services	290-000	3,127	0.02	57
Child Care	292&293	96,814	0.62	1,766
Veterans Affairs	294-000	54,123	0.35	997
Multi Purpose Collab. Body	299-000	195,536	1.25	3,561
General Government		175	0.00	-
		<u>15,629,138</u>	<u>100.00 %</u>	<u>\$ 284,883</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**UTILITIES
(101-264)**

Lapeer County's Building and Grounds Department is responsible for the payment and accounting of utility costs incurred to provide a comfortable work environment for all building occupants. All departments receive benefit from service provided by this department. Therefore, the utility costs are central service in nature, and accordingly, should be allocated to the departments of the County and to all other identifiable users of County-paid utilities. Utilities costs are reported within the Building Operations activity of the General Fund in the Annual Financial Statements.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ <u>415,992</u>
Total Allocable Costs		\$ <u><u>415,992</u></u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SUMMARY OF UTILITIES ALLOCATION

Departments	Allocable Costs	Allocable to Departments
Utilities	<u>\$ 415,992</u>	
Board of Commissioners	101-101	\$ 6,594
Administration	101-102	2,590
Circuit Court	101-131	16,062
District Court	101-136	27,074
Probate Court	101-148	17,999
Adult Probation	101-151	3,025
County Clerk	101-215	10,512
Tax Equalization	101-225	2,612
Prosecuting Attorney	101-229	10,360
Register of Deeds	101-236	5,721
County Treasurer	101-253	4,636
Computer Operations	101-258	1,175
Finance Department	101-259	2,633
Building and Grounds	101-265	1,219
Drain Commissioner	101-275	3,417
Postage	101-290	392
Sheriff	101-301	20,539
Jail/Feeding Prisoners	101-351	108,721
Cooperative Extension	101-731	3,981
Friend of Court	215-000	14,212
Health Department	221-000	28,879
Community Grants	261-000	1,893
Community Development	274-000	1,502
D.O.S.A.	277-000	2,116
Veterans' Affairs	294-000	1,361
Internal Service excluding DTR		3,660
General Government		<u>113,107</u>
		<u>\$ 415,992</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

UTILITY COST ALLOCATION

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>COUNTY COMPLEX</u>					
Utilities				<u>\$ 217,640</u>	
Board of Commissioners	101-101	2,619	3.03 %		\$ 6,594
Administrative	101-102	1,028	1.19		2,590
Circuit Court	101-131	6,378	7.38		16,062
District Court	101-136	10,752	12.44		27,074
Probate Court	101-148	7,146	8.27		17,999
Adult Probation	101-151	1,200	1.39		3,025
County Clerk	101-215	4,172	4.83		10,512
Tax Equalization	101-225	1,036	1.20		2,612
Prosecuting Attorney	101-229	4,111	4.76		10,360
County Treasurer	101-253	1,840	2.13		4,636
Computer Operations	101-258	464	0.54		1,175
Finance	101-259	1,050	1.21		2,633
Building and Grounds	101-265	480	0.56		1,219
Drain Commissioner	101-275	1,360	1.57		3,417
Postage	101-290	160	0.18		392
Jail/Feeding Prisoners	101-351	4,840	5.60		12,188
Friend of the Court	215-000	5,648	6.53		14,212
Community Grants	261-000	750	0.87		1,893
Community Development	274-000	600	0.69		1,502
Other		<u>30,800</u>	<u>35.63</u>		<u>77,545</u>
		<u>86,434</u>	<u>100.00 %</u>		<u>\$ 217,640</u>

ANNEX BUILDING

Utilities				<u>\$ 13,017</u>	
Cooperative Extension	101-731	2,936	30.58 %		\$ 3,981
D.O.S.A.	277-000	1,560	16.25		2,116
Veterans Affairs	294-000	1,004	10.46		1,361
Other		<u>4,100</u>	<u>42.71</u>		<u>5,559</u>
		<u>9,600</u>	<u>100.00 %</u>		<u>\$ 13,017</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>JOHN T. RICH</u>					
Utilities				<u>\$ 45,124</u>	
Health Department	221-000	19,840	64.00 %		\$ 28,879
Other		<u>11,160</u>	<u>36.00</u>		<u>16,245</u>
		<u>31,000</u>	<u>100.00 %</u>		<u>\$ 45,124</u>

COUNTY COURTHOUSE

Utilities				<u>\$ 12,828</u>	
Other		<u>8,047</u>	<u>100.00 %</u>		<u>\$ 12,828</u>

MAINTENANCE FACILITY

Utilities				<u>\$ 3,660</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00 %</u>		<u>\$ 3,660</u>

LAPEER COUNTY JAIL COMPLEX

Utilities				<u>\$ 117,072</u>	
Sheriff	101-301	7,000	17.54 %		\$ 20,539
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>		<u>96,533</u>
		<u>39,900</u>	<u>100.00 %</u>		<u>\$ 117,072</u>

REGISTER OF DEEDS BUILDING

Utilities				<u>\$ 5,721</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00 %</u>		<u>\$ 5,721</u>

274 CEDAR STREET

Utilities				<u>\$ - *</u>	
Other		<u>1,200</u>	<u>100.00 %</u>		<u>\$ -</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>E-911</u>					
Utilities				<u>\$ - *</u>	
E-911	211-000	<u>7,000</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>SQUIRE PARK</u>					
Utilities				<u>\$ -</u>	
Parks and Recreation	208-000	<u>7,448</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>TORZEWSKI PARK</u>					
Utilities				<u>\$ -</u>	
Parks and Recreation	208-000	<u>3,240</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>ANIMAL SHELTER</u>					
Utilities				<u>\$ - *</u>	
Animal Control	224-000	<u>1,715</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>Dept. of Human Services</u>					
Utilities				<u>\$ - *</u>	
Dept. of Human Services	290-000	<u>18,692</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>COMMUNITY MENTAL HEALTH</u>					
Utilities				<u>\$ - *</u>	
Mental Health	222-000	<u>32,000</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>BANK BUILDING</u>					
Utilities				<u>\$ -</u>	
Circuit Court	101-131	150	1.36 %		-
District Court	101-136	300	2.73		-
Prosecuting Attorney	101-229	150	1.36		-
Cooperative Extension	101-731	300	2.73		-
Other		<u>10,100</u>	<u>91.82</u>		-
		<u>11,000</u>	<u>100.00</u>		-

<u>Departments</u>	<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Total Area Utilized and Allocable	263,612			415,063
Less: Departments that pay own utility costs*	<u>(60,607)</u>			<u>-</u>
	<u>203,005</u>			<u>\$ 415,063</u>

*Departments/Occupants pay their own utility costs.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**AUDIT/COST ALLOCATION
(101-210)**

Lapeer County has an annual audit of the County's financial statements. The costs associated with the audit and cost allocation are central service in nature, and accordingly, should be allocated to departments of the County. The cost of the audit, preparation of the cost allocation plan and other accounting services are reported in the Professional Services activity within the General Fund in the Annual Financial Statements. These costs have been reclassified into their own Central Service Vendor Activity to provide a basis of allocation consistent with the nature of their function.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	(See narrative above)	\$ -
Add - Transfer from Legal		<u>59,760</u>
Total Allocable Costs		<u>\$ 59,760</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

AUDIT/COST ALLOCATION

<u>Departments</u>		<u>Number of Vendor Checks & Receipts</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Audit				<u>\$ 59,760</u>	
Board of Commissioners	101-101	42.97	0.18 %		\$ 108
Administrative	101-102	12.60	0.05		30
Circuit Court	101-131	1,190.97	5.05		3,018
District Court	101-136	848.81	3.61		2,157
Jury Board	101-145	23.08	0.10		60
Indigent Counsel	101-147	286.58	1.22		729
Probate Court	101-148	328.08	1.39		831
Adult Probation	101-151	11.78	0.05		30
Elections	101-191	67.76	0.29		173
County Clerk	101-215	138.84	0.59		353
Tax Equalization	101-225	17.81	0.08		48
Prosecuting Attorney	101-229	182.04	0.77		460
Register of Deeds	101-236	213.29	0.90		538
County Surveyor	101-242	18.50	0.08		48
Geo. Info. Systems	101-243	1.06	0.00		-
County Treasurer	101-253	10,208.33	43.30		25,875
Computer Operations	101-258	13.76	0.06		36
Finance	101-259	44.84	0.19		114
Building & Grounds	101-265	547.82	2.32		1,386
Drain Commissioner	101-275	254.74	1.08		645
Sheriff	101-301	270.61	1.15		687
Jail/Feeding Prisoners	101-351	217.21	0.92		550
Cooperative Extension	101-731	82.85	0.35		209
Planning Commission	101-801	95.81	0.41		245
Parks and Recreation	208-000	339.21	1.44		861
E-911	211-000	337.83	1.43		855
Friend of Court	215-000	434.59	1.85		1,106
Marriage Counseling	216-000	7.12	0.03		18
Health Department	221-000	1,419.27	6.02		3,598
Mental Health	222-000	2,756.45	11.69		6,985
Animal Control	224-000	85.26	0.36		215
Environmental/Recycling	227-000	7.53	0.03		18
Emergency Management	260-000	91.55	0.39		233
Community Services Grant	261-000	487.44	2.07		1,237
Thumb Narcotics Unit	262-000	86.08	0.37		221
Police Service Contracts	263-000	26.37	0.11		66
Law Enforcement Programs	264-000	33.83	0.14		84
Road Patrol Program	266-000	83.61	0.35		209
Juvenile Grant	268-000	4.65	0.02		12

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

**AUDIT/COST ALLOCATION
(cont'd)**

<u>Departments</u>	<u>Number of Vendor Checks & Receipts</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Law Library	269-000	14.22	0.06 %	\$ 36
Community Development	274-000	375.83	1.59	950
D.O.S.A.	277-000	295.79	1.25	747
Youth Coordinator	287-000	7.75	0.03	18
Dept. of Human Services	290-000	62.61	0.27	161
Medical Care Facility	291-000	81.74	0.35	209
Child Care	292&293	288.85	1.23	735
Veterans Affairs	294-000	114.47	0.49	293
Multi Purp. Collaborative Body	299-000	162.68	0.69	412
Internal Service excluding DTR		366.53	1.55	926
General Government		483.78	2.05	1,225
		<u>23,575.18</u>	<u>100.00 %</u>	<u>\$ 59,760</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**LEGAL
(101-210)**

Lapeer County retains outside corporate counsel for the various boards, departments, and elected officials of the County. The corporate counsel assists in legal matters on behalf of the County interests by reviewing and preparing legal opinions and contracts, providing representation at union contract negotiations and providing other legal consulting advice. Therefore, the costs associated with the corporate counsel services are central service in nature and should be allocated to other departments of the County.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 241,246
Less - Transfer to Audit		(59,760)
Professional Services Other than Legal		(8,158)
Total Allocable Costs		<u>\$ 173,328</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

Departments	LEGAL		Allocable Costs	Allocable to Departments
Departments	Average Number of Employees	Percentage	Costs	Departments
Legal			<u>\$ 173,328</u>	
Board of Commissioners	101-101	7.00		\$ 2,912
Administrative	101-102	3.00		1,248
Circuit Court	101-131	7.00		2,912
District Court	101-136	23.00		9,585
Probate Court	101-148	13.00		5,425
County Clerk	101-215	8.00		3,328
Tax Equalization	101-225	1.00		416
Prosecuting Attorney	101-229	16.00		6,673
Register of Deeds	101-236	6.00		2,496
County Surveyor	101-242	1.00		416
County Treasurer	101-253	6.00		2,496
Computer Operations	101-258	1.00		416
Finance Department	101-259	4.00		1,664
Building and Grounds	101-265	7.00		2,912
Drain Commissioner	101-275	6.00		2,496
Sheriff	101-301	34.00		14,178
Jail - Feeding Prisoners	101-351	31.00		12,913
Cooperative Extension	101-731	3.00		1,248
Parks and Recreation	208-000	11.00		4,593
E - 911	211-000	20.00		8,337
Friend of Court	215-000	19.00		7,921
Health Department	221-000	66.00		27,507
Mental Health	222-000	72.00		30,003
Animal Control	224-000	5.00		2,080
Emergency Management	260-000	1.00		416
Community Services Grant	261-000	4.00		1,664
Police Service Contracts	263-000	17.00		7,089
Road Patrol Program	266-000	2.00		832
Juvenile Grant	268-000	2.00		832
Community Development	274-000	3.00		1,248
D.O.S.A.	277-000	8.00		3,328
Youth Coordinator	287-000	1.00		416
Veterans Affairs	294-000	1.00		416
Multi Purp. Collaborative Body	299-000	7.00		2,912
	<u>416.00</u>	<u>100.00 %</u>		<u>\$ 173,328</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**BUILDING AND GROUNDS
(101-265)**

Lapeer County employs maintenance and custodial personnel to maintain and clean the buildings and property utilized by the various departments of the County. All the costs associated with providing these services are budgeted and accounted for in the Building and Grounds Department. All departments receive benefits from the services provided by this department. Therefore, the costs associated with this department are central service in nature, and accordingly, should be allocated to the departments of the County and to all other identifiable users of County-provided maintenance and custodial services. Repair and maintenance is accounted for in Building and Grounds based on the building receiving the services. The amounts for repair and maintenance were allocated to buildings before Building and Grounds services were allocated to departments.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 699,885
Less - Direct charges		(101,115)
Cost Allocation paid in 2005		(<u>12,186</u>)
		(<u>113,301</u>)
Allocable Costs		<u>586,584</u>
Add - Central Service Vendor costs		<u>16,705</u>
Building and Grounds Costs allocable to Other Departments		<u>\$ 603,289</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SUMMARIZATION OF BUILDING AND GROUNDS

<u>Departments</u>		Direct Costs	Other Costs	Total Building & Grounds
Board of Commissioners	101-101	\$ 317	\$ 6,234	\$ 6,551
Administrative	101-102	125	2,449	2,574
Circuit Court	101-131	771	15,529	16,300
District Court	101-136	1,301	26,327	27,628
Probate Court	101-148	864	17,032	17,896
Adult Probation	101-151	146	2,839	2,985
County Clerk	101-215	504	9,907	10,411
Tax Equalization	101-225	126	2,449	2,575
Prosecuting Attorney	101-229	497	10,130	10,627
Register of Deeds	101-236	495	6,846	7,341
County Treasurer	101-253	222	4,397	4,619
Computer Operations	101-258	56	1,113	1,169
Finance Department	101-259	127	2,505	2,632
Drain Commissioner	101-275	164	3,228	3,392
Postage	101-290	20	390	410
Sheriff	101-301	3,512	16,642	20,154
Jail/Feeding Prisoners	101-351	17,096	89,891	106,987
Cooperative Extension	101-731	437	7,737	8,174
E-911	211-000	-	16,698	16,698
Friend of Court	215-000	683	13,414	14,097
Health Department	221-000	6,511	47,255	53,766
Mental Health	222-000	-	76,198	76,198
Animal Control	224-000	1,918	4,063	5,981
Community Grants	261-000	90	1,781	1,871
Community Development	274-000	73	1,447	1,520
D.O.S.A.	277-000	232	3,729	3,961
Veterans Affairs	294-000	149	2,393	2,542
Internal Service excluding DTR		1,238	8,238	9,476
General Government		9,019	155,735	164,754
		<u>\$ 46,693</u>	<u>\$ 556,596</u>	<u>\$ 603,289</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

BUILDING AND GROUNDS DIRECT COST ALLOCATION

Departments	Area Utilized (Sq. Ft.)	Percentage	Allocable Costs	Allocable to Departments
<u>COUNTY COMPLEX</u>				
Building and Grounds			<u>\$ 10,396</u>	
Board of Commissioners	101-101	2,619	3.05 %	\$ 317
Administrative	101-102	1,028	1.20	125
Circuit Court	101-131	6,378	7.42	771
District Court	101-136	10,752	12.51	1,301
Probate Court	101-148	7,146	8.31	864
Adult Probation	101-151	1,200	1.40	146
County Clerk	101-215	4,172	4.85	504
Tax Equalization	101-225	1,036	1.21	126
Prosecuting Attorney	101-229	4,111	4.78	497
County Treasurer	101-253	1,840	2.14	222
Computer Operations	101-258	464	0.54	56
Finance Department	101-259	1,050	1.22	127
Drain Commissioner	101-275	1,360	1.58	164
Postage	101-290	160	0.19	20
Jail/Feeding Prisoners	101-351	4,840	5.63	585
Friend of Court	215-000	5,648	6.57	683
Community Grants	261-000	750	0.87	90
Community Development	274-000	600	0.70	73
Other		<u>30,800</u>	<u>35.83</u>	<u>3,725</u>
		<u>85,954</u>	<u>100.00</u>	<u>10,396</u>

ANNEX BUILDING

Building and Grounds				<u>\$ 1,427</u>
Cooperative Extension	101-731	2,936	30.58	437
D.O.S.A.	277-000	1,560	16.25	232
Veterans' Affairs	294-000	1,004	10.46	149
Other		<u>4,100</u>	<u>42.71</u>	<u>609</u>
		<u>9,600</u>	<u>100.00</u>	<u>1,427</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
		<u>E - 911</u>			
Building and Grounds				<u>\$ -</u>	
E-911	211-000	<u>7,000</u>	<u>100.00 %</u>		<u>\$ -</u>
		<u>SQUIRE PARK</u>			
Building and Grounds				<u>\$ -</u>	
Parks and Recreation	208-000	<u>7,448</u>	<u>100.00</u>		<u>-</u>
		<u>TORZEWSKI PARK</u>			
Building and Grounds				<u>\$ -</u>	
Parks and Recreation	208-000	<u>3,240</u>	<u>100.00</u>		<u>-</u>
		<u>ANIMAL SHELTER</u>			
Building and Grounds				<u>\$ 1,918</u>	
Animal Control	224-000	<u>1,715</u>	<u>100.00</u>		<u>1,918</u>
		<u>JOHN T. RICH</u>			
Building and Grounds				<u>\$ 10,173</u>	
Health Department	221-000	19,840	64.00		6,511
Other		<u>11,160</u>	<u>36.00</u>		<u>3,662</u>
		<u>31,000</u>	<u>100.00</u>		<u>10,173</u>
		<u>COUNTY COURTHOUSE</u>			
Building and Grounds				<u>\$ 732</u>	
Other		<u>8,047</u>	<u>100.00</u>		<u>732</u>
		<u>MAINTENANCE FACILITY</u>			
Building and Grounds				<u>\$ 1,238</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00</u>		<u>1,238</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>LAPEER COUNTY JAIL COMPLEX</u>					
Building and Grounds				<u>\$ 20,023</u>	
Sheriff	101-301	7,000	17.54 %		\$ 3,512
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>		<u>16,511</u>
		<u>39,900</u>	<u>100.00</u>		<u>20,023</u>
<u>REGISTER OF DEEDS BUILDING</u>					
Building and Grounds				<u>\$ 495</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00</u>		<u>495</u>
<u>274 CEDAR STREET</u>					
Building and Grounds				<u>\$ 291</u>	
Other		<u>1,200</u>	<u>100.00</u>		<u>291</u>
<u>COMMUNITY MENTAL HEALTH</u>					
Building and Grounds				<u>\$ -</u>	
Mental Health	222-000	<u>32,000</u>	<u>100.00</u>		<u>-</u>
<u>Dept. of Human Services</u>					
Building and Grounds				<u>\$ -</u>	
Dept. of Human Services	290-000	<u>18,692</u>	<u>100.00</u>		<u>-</u>
<u>BANK BUILDING</u>					
Building and Grounds				<u>\$ -</u>	
Circuit Court	101-131	150	1.36		-
District Court	101-136	300	2.73		-
Prosecuting Attorney	101-229	150	1.36		-
Cooperative Extension	101-731	300	2.73		-
Other		<u>10,100</u>	<u>91.82</u>		<u>-</u>
		<u>11,000</u>	<u>100.00</u>		<u>-</u>
Total area utilized and allocable		263,132			
Less - Departments providing their own Building and Grounds service and/or reimbursing the General Fund		<u>68,380</u>			
		<u>194,752</u>			<u>\$ 46,693</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

BUILDING AND GROUNDS OTHER COST ALLOCATION

Departments	Area Utilized (Sq. Ft.)	Percentage	Allocable Costs	Allocable to Departments
Building and Grounds			<u><u>\$ 556,596</u></u>	

COUNTY COMPLEX

Board of Commissioners	101-101	2,619	1.12 %	\$ 6,234
Administrative	101-102	1,028	0.44	2,449
Circuit Court	101-131	6,378	2.73	15,195
District Court	101-136	10,752	4.60	25,603
Probate Court	101-148	7,146	3.06	17,032
Adult Probation	101-151	1,200	0.51	2,839
County Clerk	101-215	4,172	1.78	9,907
Tax Equalization	101-225	1,036	0.44	2,449
Prosecuting Attorney	101-229	4,111	1.76	9,796
County Treasurer	101-253	1,840	0.79	4,397
Computer Operations	101-258	464	0.20	1,113
Finance Department	101-259	1,050	0.45	2,505
Drain Commissioner	101-275	1,360	0.58	3,228
Postage	101-290	160	0.07	390
Jail/Feeding Prisoners	101-351	4,840	2.07	11,522
Friend of Court	215-000	5,648	2.41	13,414
Community Grants	261-000	750	0.32	1,781
Community Development	274-000	600	0.26	1,447
Other		<u>30,800</u>	<u>13.18</u>	<u>73,359</u>
		<u>85,954</u>	<u>36.77</u>	<u>204,660</u>

ANNEX BUILDING

Cooperative Extension	101-731	2,936	1.26	7,013
D.O.S.A.	277-000	1,560	0.67	3,729
Veterans' Affairs	294-000	1,004	0.43	2,393
Other		<u>4,100</u>	<u>1.75</u>	<u>9,740</u>
		<u>9,600</u>	<u>4.11</u>	<u>22,875</u>

E - 911

E-911	211-000	<u>7,000</u>	<u>3.00</u>	<u>16,698</u>
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<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>SQUIRE PARK</u>					
Parks and Recreation	208-000	<u>7,448</u>	<u>0.00 %</u>		<u>\$ -</u>
<u>TORZEWSKI PARK</u>					
Parks and Recreation	208-000	<u>3,240</u>	<u>0.00</u>		<u>-</u>
<u>ANIMAL SHELTER</u>					
Animal Control	224-000	<u>1,715</u>	<u>0.73</u>		<u>4,063</u>
<u>JOHN T. RICH</u>					
Health Department	221-000	<u>19,840</u>	<u>8.49</u>		<u>47,255</u>
Other		<u>11,160</u>	<u>4.77</u>		<u>26,550</u>
		<u>31,000</u>	<u>13.26</u>		<u>73,805</u>
<u>COUNTY COURTHOUSE</u>					
Other		<u>8,047</u>	<u>3.44</u>		<u>19,147</u>
<u>MAINTENANCE FACILITY</u>					
County Garage	675-000	<u>3,456</u>	<u>1.48</u>		<u>8,238</u>
<u>LAPEER COUNTY JAIL COMPLEX</u>					
Sheriff	101-301	<u>7,000</u>	<u>2.99</u>		<u>16,642</u>
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>14.08</u>		<u>78,369</u>
		<u>39,900</u>	<u>17.07</u>		<u>95,011</u>
<u>REGISTER OF DEEDS BUILDING</u>					
Register of Deeds	101-236	<u>2,880</u>	<u>1.23</u>		<u>6,846</u>
<u>274 CEDAR STREET</u>					
Other		<u>1,200</u>	<u>0.51</u>		<u>2,839</u>

<u>Departments</u>		<u>Area Utilized (Sq. Ft.)</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
<u>COMMUNITY MENTAL HEALTH</u>					
Mental Health	222-000	<u>32,000</u>	<u>13.69 %</u>		<u>\$ 76,198</u>
<u>Dept. of Human Services</u>					
Dept. of Human Services	290-000	<u>18,692</u>	<u>0.00</u>		<u>-</u>
<u>BANK BUILDING</u>					
Building and Grounds					
Circuit Court	101-131	150	0.06		334
District Court	101-136	300	0.13		724
Prosecuting Attorney	101-229	150	0.06		334
Cooperative Extension	101-731	300	0.13		724
Other		<u>10,100</u>	<u>4.33</u>		<u>24,100</u>
		<u>11,000</u>	<u>4.71</u>		<u>26,216</u>
Total area utilized and allocable		263,132			
Less - Departments providing their own Building and Grounds service and/or reimbursing the General Fund		<u>29,380</u>			
		<u>233,752</u>	<u>100.00 %</u>		<u>\$ 556,596</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**ADMINISTRATIVE
(101-102)**

The Administrative Department under the direction of the County Administrator/Controller is responsible for the direct supervision of the operations of the Finance, Computer Operations, Building and Grounds and various other departments as designated by the County Board of Commissioners. Additionally, the Administrator/Controller's staff is responsible for direct operational assistance to County departments in the areas of insurance administration and labor negotiations.

The costs associated with providing these services are necessary to provide reliable accounting information for the various reporting objectives required by the departments including grant reporting needs. Therefore, the total allocable costs of this department were allocated to all the other departments of the County, including the remaining central service departments.

	Page in Audited Financial <u>Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 227,178
Less - Cost Allocation paid in 2005		(____ 7,028) <u>220,150</u>
<u>Add</u> - Central Service Vendor and Department Allocations:		
Vendor Costs		10,553
Building and Grounds		<u>2,574</u>
		<u>13,127</u>
Administrative Costs allocable to other departments		<u>\$ 233,277</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

ADMINISTRATIVE ALLOCATION

The basis of allocation of the allocable costs of the Administrative Department is the average number of employees per department. The base data is readily available and verifiable. The use of this base closely relates the costs of providing the various services provided by this department to the departments benefiting.

<u>Departments</u>	<u>Average Number of Employees</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Administrative			<u>\$ 233,277</u>	
Board of Commissioners	101-101	7.00	1.72 %	\$ 4,012
Circuit Court	101-131	7.00	1.72	4,012
District Court	101-136	23.00	5.67	13,227
Probate Court	101-148	13.00	3.20	7,465
County Clerk	101-215	8.00	1.97	4,596
Tax Equalization	101-225	1.00	0.25	583
Prosecuting Attorney	101-229	16.00	3.94	9,191
Register of Deeds	101-236	6.00	1.47	3,430
County Surveyor	101-242	1.00	0.25	583
County Treasurer	101-253	6.00	1.47	3,430
Computer Operations	101-258	1.00	0.25	583
Finance Department	101-259	4.00	0.99	2,309
Drain Commissioner	101-275	6.00	1.47	3,430
Sheriff	101-301	34.00	8.37	19,525
Jail/Feeding Prisoners	101-351	31.00	7.64	17,822
Cooperative Extension	101-731	3.00	0.74	1,726
Parks and Recreation	208-000	11.00	2.71	6,322
E - 911	211-000	20.00	4.93	11,501
Friend of the Court	215-000	19.00	4.68	10,917
Health Department	221-000	66.00	16.26	37,932
Mental Health	222-000	72.00	17.73	41,360
Animal Control	224-000	5.00	1.23	2,869
Emergency Management	260-000	1.00	0.25	583
Community Services Grant	261-000	4.00	0.99	2,309
Police Service Contracts	263&265	17.00	4.19	9,774
Road Patrol Program	266-000	2.00	0.49	1,143
Juvenile Grant	268-000	2.00	0.49	1,143
Community Development	274-000	3.00	0.74	1,726
D.O.S.A.	277-000	8.00	1.97	4,596
Youth Coordinator	287-000	1.00	0.25	583
Veterans' Affairs	294-000	1.00	0.25	583
Multi Purp. Collab. Body	299-000	7.00	1.72	4,012
	<u>406.00</u>	<u>100.00 %</u>		<u>\$ 233,277</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**COMPUTER OPERATIONS
(101-258)**

The Lapeer County Computer Operations Department provides automated data processing services for all County departments including departments which receive Federal and State funds. The services consist of computer operation, data entry and report distribution. The computer has the capacity to store, manipulate and interact large volumes of data quickly and efficiently. This service provides users with a cost savings in the labor and record retention areas and as a result qualifies the Computer Operations Department as a Central Service department.

	Page in Audited Financial <u>Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 171,724
Less - Cost Allocation paid in 2005		(<u>3,972</u>)
		<u>167,752</u>
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		3,272
Building and Grounds		1,169
Administrative		<u>583</u>
		<u>5,024</u>
Computer Operations Costs Allocable to Other Departments		<u>\$ 172,776</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

COMPUTER OPERATIONS ALLOCATION

The basis of allocation of the allocable costs of the Computer Operations Department is the combined total of payroll and vendor checks for the year per department. The use of this base closely relates the costs of providing the various services provided by the this department to the departments benefiting.

Departments		Number of Payroll and Vendor Checks	Percentage	Allocable Costs	Allocable to Departments
Computer Operations				\$ 172,776	
Board of Commissioners	101-101	224.97	0.93 %		\$ 1,607
Circuit Court	101-131	1,366.51	5.67		9,796
District Court	101-136	1,042.62	4.32		7,464
Jury Board	101-145	23.08	0.10		173
Indigent Counsel	101-147	278.83	1.16		2,004
Probate Court	101-148	615.34	2.55		4,406
Adult Probation	101-151	11.78	0.05		86
Elections	101-191	67.19	0.28		484
County Clerk	101-215	278.17	1.15		1,987
Tax Equalization	101-225	43.81	0.18		311
Prosecuting Attorney	101-229	572.86	2.38		4,112
Register of Deeds	101-236	233.15	0.97		1,676
County Surveyor	101-242	44.50	0.18		311
Geo. Info. Systems	101-243	1.06	0.00		-
County Treasurer	101-253	1,931.47	8.02		13,857
Finance Department	101-258	133.35	0.55		950
Drain Commissioner	101-275	372.00	1.54		2,661
Sheriff	101-301	1,098.30	4.55		7,861
Jail/Feeding Prisoners	101-351	958.81	3.98		6,876
Cooperative Extension	101-731	160.85	0.67		1,158
Planning Commission	101-801	101.01	0.42		726
Parks and Recreation	208-000	674.66	2.80		4,838
E - 911	211-000	663.95	2.75		4,751
Friend of Court	215-000	661.73	2.74		4,734
Marriage Counseling	216-000	2.00	0.01		17
Health Department	221-000	3,819.23	15.83		27,350
Mental Health	222-000	4,858.91	20.14		34,797
Animal Control	224-000	187.78	0.78		1,348
Environmental/Recycling	227-000	7.53	0.03		52
Emergency Management	260-000	94.31	0.39		674
Community Services Grant	261-000	263.96	1.09		1,883
Thumb Narcotics Unit	262-000	77.22	0.32		553
Police Services Contracts	263-000	455.53	1.89		3,265

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

**COMPUTER OPERATIONS ALLOCATION
(cont'd)**

<u>Departments</u>		<u>Number of Payroll and Vendor Checks</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Law Enforcement Programs	264-000	65.03	0.27 %		\$ 466
Road Patrol Program	266-000	166.06	0.69		1,192
Juvenile Grant	268-000	56.65	0.23		397
Law Library	269-000	14.22	0.06		104
Community Development	274-000	181.48	0.75		1,296
D.O.S.A.	277-000	465.48	1.93		3,335
Youth Coordinator	287-000	72.80	0.30		518
4-H Programs	288-000	31.20	0.13		225
Dept. of Human Services	290-000	16.13	0.07		121
Medical Care Facility	291-000	9.44	0.04		69
Child Care	292&293	265.86	1.10		1,901
Veterans' Affairs	294-000	143.12	0.59		1,019
Multi Purp. Collaborative Body	299-000	551.67	2.29		3,957
Internal Service excluding DTR		358.78	1.49		2,574
General Government		<u>396.04</u>	<u>1.64</u>		<u>2,834</u>
		<u>24,120.43</u>	<u>100.00 %</u>		<u>\$ 172,776</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**FINANCE DEPARTMENT
(101-259)**

The Finance Department is responsible for overseeing the accounting functions of all the departments of the County. The specific responsibilities of the department include monthly reconciliation of all balance sheet accounts, data entry of journal entries and cash receipts, analytical review of all financial reports generated by the County and preparation of schedules and trial balances for the annual County audit. This department also provides internal advisory services and inquiry responses regarding financial matters to other County departments. The Chief Financial Officer is responsible for the review and approval of all proposed adjusting journal entries.

The Finance Department also is responsible for the payroll and accounts payable processing functions for the County. This department is responsible for the data entry into the computer of all information necessary to process payroll, the maintenance of all payroll and personnel records, and the preparation of all required Federal, State and Local payroll and unemployment tax returns and reports. In the accounts payable area this department assembles, organizes and inputs data into the computer from the vouchers, invoices and other supporting documentation received from the other County departments necessary to process accounts payable. The Finance Department also maintains a file of all paid invoices and cash disbursement records generated by the computer.

The costs associated with providing these services consisting primarily of the salaries and fringe benefits of the Chief Financial Officer, his assistant, a payroll clerk and an accounts payable clerk, are budgeted and accounted for within the Accounting activity of the General Fund.

The costs associated with providing these services are necessary to provide reliable accounting information for the various reporting objectives required by the departments including grant reporting needs. Therefore, the total allocable costs of this department were allocated to all the other departments of the County, including the remaining Central Service departments.

	Page in Audited Financial Statements	____Amount
Expenditures per Audited Financial Statements	68	\$ 261,903
Less - Cost Allocation paid in 2005		(____13,080)
		<u>248,823</u>
Add - Central Service Vendor and Department Allocations		
Central Service Vendor Costs		11,752
Building and Grounds		2,632
Administrative		2,309
Computer Operations		<u>950</u>
		<u>17,643</u>
Finance Department Costs Allocable to Other Departments		<u>\$ 266,466</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

FINANCE DEPARTMENT

The basis of allocation of the Finance Department is the total number of receipts processed and payroll and vendor checks generated during 2005 for each department. The base data is readily available and verifiable. The costs of the services provided by the Finance Department to the other County departments are related to the volume and complexity of transactions of a specific department. The allocation base utilized for this allocation associates the cost of providing accounting services to the departments benefiting.

Departments	Number of Receipts and Checks	Percentage	Allocable Costs	Allocable to Departments
Finance Department			<u>\$ 266,466</u>	
Board of Commissioners	101-101	224.97	0.64 %	\$ 1,705
Circuit Court	101-131	1,372.97	3.90	10,392
District Court	101-136	1,436.41	4.08	10,872
Jury Board	101-145	23.08	0.07	187
Indigent Counsel	101-147	286.58	0.81	2,158
Probate Court	101-148	666.08	1.89	5,036
Adult Probation	101-151	11.78	0.03	80
Elections	101-191	67.76	0.19	506
County Clerk	101-215	346.84	0.98	2,611
Tax Equalization	101-225	43.81	0.12	320
Prosecuting Attorney	101-229	598.04	1.70	4,530
Register of Deeds	101-236	369.29	1.05	2,798
County Surveyor	101-242	44.50	0.13	346
Geo. Info. Systems	101-243	1.06	0.00	-
County Treasurer	101-253	10,379.93	29.46	78,502
Drain Commissioner	101-275	410.74	1.17	3,118
Sheriff	101-301	1,144.21	3.25	8,660
Jail/Feeding Prisoners	101-351	992.01	2.82	7,514
Cooperative Extension	101-731	160.85	0.46	1,226
Planning Commission	101-801	101.01	0.29	773
Road Commission	201-000	166.55	0.47	1,252
Parks and Recreation	208-000	682.41	1.94	5,169
E - 911	211-000	826.63	2.35	6,262
Friend of Court	215-000	928.59	2.64	7,035
Marriage Counseling	216-000	7.12	0.02	53
Health Department	221-000	3,884.07	11.03	29,392
Mental Health	222-000	4,971.65	14.11	37,598
Animal Control	224-000	215.26	0.61	1,625

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

FINANCE DEPARTMENT

(cont'd)

Departments		Number of Receipts and Checks	Percentage	Allocable Costs	Allocable to Departments
Environmental/Recycling	227-000	7.53	0.02 %		\$ 53
Emergency Management	260-000	117.55	0.33		879
Community Services Grant	261-000	659.04	1.87		4,983
Thumb Narcotics Unit	262-000	86.08	0.24		640
Police Services Contracts	263-000	478.77	1.36		3,624
Law Enforcement Programs	264-000	65.03	0.18		480
Road Patrol Program	266-000	182.41	0.52		1,386
Juvenile Grant	268-000	56.65	0.16		426
Law Library	269-000	14.22	0.04		107
Community Development	274-000	474.63	1.35		3,597
D.O.S.A.	277-000	566.19	1.61		4,290
Youth Coordinator	287-000	80.55	0.23		613
4-H Programs	288-000	31.20	0.09		240
Dept. of Human Services	290-000	62.61	0.18		480
Medical Care Facility	291-000	81.74	0.23		613
Child Care	292&293	288.85	0.82		2,185
Veterans Affairs	294-000	150.87	0.43		1,146
Multi Purp. Collaborative Body	299-000	594.28	1.69		4,503
Internal Service excluding DTR		366.53	1.04		2,771
General Government		494.18	1.40		3,730
		<u>35,223.11</u>	<u>100.00 %</u>		<u>\$ 266,466</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**PROSECUTING ATTORNEY
(101-229)**

The Lapeer County Prosecuting Attorney’s Office employs a full-time staff of attorneys and clerical personnel. This staff is responsible for the prosecution of all criminal matters occurring in the County, and also serves as corporate counsel to the various County Boards, departments and elected officials. The costs of this department have been segregated into two functions.

The corporate counsel function consists of the costs associated with the Prosecuting Attorney, acting as defense counsel on behalf of the County, reviewing and preparing legal opinions and contracts, representing County interests at union contract negotiations and other legal consulting advice provided for the County. Therefore, the costs associated with these corporate counsel services are central service in nature and should be allocated to other departments of the County.

The criminal prosecution function consists of all the costs associated with the prosecution of criminal cases. Such costs are considered to be a function of general government and have not been allocated to the other departments of the County.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 1,134,955
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		49,640
Building and Grounds		10,627
Administrative		9,191
Computer Operations		4,112
Finance Department		<u>4,530</u>
		<u>78,100</u>
Prosecuting Attorney Costs Allocable to General Government and Other Departments		1,213,055
Criminal Prosecution Costs allocable to General Government		<u>(1,170,293)</u>
Corporate Counsel Costs allocable to Other Departments		<u>\$ 42,762</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF DEPARTMENTAL COSTS**

PROSECUTING ATTORNEY

The following schedule summarizes the segregation of allocable costs into the corporate counsel and other prosecuting attorney functions. It was determined from the County Prosecutor that the corporate counsel function is performed by himself, and six assistants. The salaries and wages of the remaining personnel are allocated to the other prosecuting attorney.

The estimated time devoted to the corporate counsel area by the County Prosecutor and each assistant is 10%, 10%, 10%, 15%, 5%, 5% and 5%, respectively. Therefore, 10% of the County Prosecutor's salary and either 15%, 10% or 5% of the assistants' salaries are allocated to this function. The fringe benefits are allocated based on actual cost multiplied by the percentage of time devoted to the corporate counsel function.

The ratio of one employee to the total number of employees (16) is 6.25%.

The other departmental costs and central service costs allocated to the Prosecuting Attorney Department are allocated to the corporate counsel function by taking 3.75% of the total allocable costs. The percentage of 3.75% is arrived at by taking the sum of the percentages of time devoted to the corporate counsel function applied to the ratio of each employee to the total number of employees of the department as follows:

10% of 6.25% = .63%
 10% of 6.25% = .63
 10% of 6.25% = .63
 15% of 6.25 % = .93
 5% of 6.25 % = .31
 5% of 6.25 % = .31
 5% of 6.25 % = .31
3.75%

	Total Allocable Costs	Corporate Counsel	Other
Salaries and Wages -			
Prosecutor	\$ 87,234	\$ 8,723	\$ 78,511
Assistant	12,714	1,907	10,807
Assistant	59,595	5,960	53,635
Assistant	10,450	1,045	9,405
Assistant	60,148	3,007	57,141
Assistant	55,968	2,799	53,169
Assistant	60,945	3,047	57,898
Other	<u>383,023</u>	<u>-</u>	<u>383,023</u>
	730,077	26,488	703,589
Fringe Benefits	279,953	8,660	271,293
Other Departmental Costs	<u>124,925</u>	<u>4,685</u>	<u>120,240</u>
	1,134,955	39,833	1,095,122
Central Service Vendor and Department Allocations	<u>78,100</u>	<u>2,929</u>	<u>75,171</u>
	<u>\$1,213,055</u>	<u>\$ 42,762</u>	<u>\$ 1,170,293</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROSECUTING ATTORNEY

The following schedule depicts the allocation of the total costs of the corporation counsel function. The basis for allocation to the other County departments is the average number of employees per department. The base data is readily available and verifiable. The cost of providing corporate counsel services is directly related to the number of personnel assigned to each department. This base reflects that condition by distributing the total cost to each department in proportion to the average number of employees per department.

Departments	Average Number of Employees	Percentage	Allocable Costs	Allocable to Departments
Prosecuting Attorney			<u>\$ 42,762</u>	
Board of Commissioners	101-101	7.00	1.82	\$ 779
Circuit Court	101-131	7.00	1.82	779
District Court	101-136	23.00	5.97	2,553
Probate Court	101-148	13.00	3.38	1,445
County Clerk	101-215	8.00	2.07	885
Tax Equalization	101-225	1.00	0.26	111
Register of Deeds	101-236	6.00	1.56	667
County Surveyor	101-242	1.00	0.26	111
County Treasurer	101-253	6.00	1.56	667
Drain Commissioner	101-275	6.00	1.56	667
Sheriff	101-301	34.00	8.83	3,776
Jail/Feeding Prisoners	101-351	31.00	8.05	3,442
Cooperative Extension	101-731	3.00	0.78	334
Parks and Recreation	208-000	11.00	2.86	1,223
E - 911	211-000	20.00	5.19	2,219
Friend of Court	215-000	19.00	4.94	2,112
Health Department	221-000	66.00	17.14	7,329
Mental Health	222-000	72.00	18.70	7,996
Animal Control	224-000	5.00	1.30	556
Emergency Management	260-000	1.00	0.26	111
Community Services Grant	261-000	4.00	1.04	445
Police Service Contracts	263-000	17.00	4.42	1,891
Road Patrol Program	266-000	2.00	0.52	222
Juvenile Grants	268-000	2.00	0.52	222
Community Development	274-000	3.00	0.78	334
D.O.S.A.	277-000	8.00	2.07	885
Youth Coordinator	287-000	1.00	0.26	111
Veterans Affairs	294-000	1.00	0.26	111
Multi Purp. Collaborative Body	299-000	7.00	1.82	779
	<u>385.00</u>	<u>100.00 %</u>		<u>\$ 42,762</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**COUNTY TREASURER
(101-253)**

The County Treasurer’s Department is considered a Central Service Department of the County because it provides a variety of services that benefit the other County departments. The department is responsible for the collection, recording, depositing and investing of all money received from the other departments of the County including Federal and State grant remittances.

The County Treasurer’s Department is responsible for the collection, recording and depositing of delinquent real property taxes and various other tax, fee and license remittances. The department also performs annual tax settlements with local units of government, recordkeeping and administration of the May Tax Sale, investment of surplus funds and payment of debt obligations of the Delinquent Tax Revolving Funds. All the aforementioned services are considered to be general government in nature, and the costs associated with providing these services have not been allocated.

The allocable central service costs were determined by applying the ratio of departmental receipts processed over total receipts prepared by the Treasurer’s Department during 2005 to the total allocable costs of the department. The use of receipts directly relates the costs associated with providing service between the central service and general government areas. A summary of the types, number and percentage of receipts is presented below.

<u>Types of Receipts</u>	<u>No. of Receipts</u>	<u>Percentage</u>
Departmental	4,524	40.0 %
Delinquent taxes	5,882	52.1
Tax certificates	<u>892</u>	<u>7.9</u>
	<u>11,298</u>	<u>100.0 %</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
NATURE, EXTENT AND COSTS OF SERVICES TO BE ALLOCATED**

**COUNTY TREASURER
(cont'd)**

	Page in Audited Financial <u>Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	68	\$ 481,235
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		42,122
Building and Grounds		4,619
Administrative		3,430
Computer Operations		13,857
Finance Department		78,502
Prosecuting Attorney		<u>667</u>
		<u>143,197</u>
County Treasurer Costs Allocable to General Government and other departments		624,432
County Treasurer Costs allocable to General Government (60.0%)		(<u>374,659</u>)
County Treasurer Central Service Costs allocable to other departments (40.0%)		<u>\$ 249,773</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

COUNTY TREASURER

The basis of allocation for the County Treasurer's Department is the total number of departmental receipts processed and vendor checks issued during 2005. The base data is readily available and verifiable. The use of departmental receipts as the allocation base directly associates the costs of the services provided to the departments benefiting.

It should be noted that the number of departmental receipts and vendor checks for the Central Service departments previously allocated were eliminated from the schedule summarizing the allocation to departments presented below. Therefore, the total receipts and vendor checks per this schedule will not coincide with the totals previously presented in this report.

<u>Departments</u>	<u>Number of Vendor Checks and Receipts</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
County Treasurer			<u>\$ 249,773</u>	
Circuit Court	101-131	1,190.97	10.35 %	\$ 25,852
District Court	101-136	848.81	7.37	18,408
Probate Court	101-148	328.08	2.85	7,119
Elections	101-191	67.76	0.59	1,474
County Clerk	101-215	138.84	1.21	3,023
Register of Deeds	101-236	213.29	1.85	4,621
Drain Commissioner	101-275	254.74	2.21	5,520
Sheriff	101-301	270.61	2.35	5,870
Jail/Feeding Prisoners	101-351	217.21	1.89	4,721
Cooperative Extension	101-731	82.85	0.72	1,798
Road Commission	201-000	95.81	0.83	2,073
Parks and Recreation	208-000	339.21	2.95	7,368
E-911	211-000	337.83	2.94	7,343
Friend of Court	215-000	434.59	3.78	9,441
Marriage Counseling	216-000	7.12	0.06	150
Health Department	221-000	1,419.27	12.33	30,797
Mental Health	222-000	2,756.45	23.94	59,796
Animal Control	224-000	85.26	0.74	1,848
Emergency Management	260-000	91.55	0.80	1,998
Community Services Grant	261-000	487.44	4.23	10,565
Thumb Narcotics Unit	262-000	86.08	0.75	1,873
Police Services Contracts	263-000	26.37	0.23	574
Road Patrol Program	266-000	83.61	0.73	1,823
Juvenile Grant	268-000	4.65	0.04	100
Community Development	274-000	375.83	3.27	8,168
D.O.S.A.	277-000	295.79	2.57	6,419
Youth Coordinator	287-000	7.75	0.07	175
Dept. of Human Services	290-000	62.61	0.54	1,349

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

**COUNTY TREASURER
(cont'd)**

<u>Departments</u>		<u>Number of Vendor Checks and Receipts</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Medical Care Facility	291-000	81.74	0.71 %		\$ 1,773
Child Care	292&293	288.85	2.51		6,269
Multi Purp. Collaborative Body	299-000	162.68	1.41		3,522
Internal Service excluding DTR		366.53	3.18		7,943
		<u>11,510.16</u>	<u>100.00 %</u>		<u>\$ 249,773</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
INDIRECT COST RATE PROPOSAL**

Departments/Funds	Total Costs Incurred	Direct Costs		Indirect Costs	
		Salaries and Wages	Other		
General Fund:					
Board of Commissioners	101-101	\$ 273,694	\$ 119,712	\$ 153,982	\$ 29,991
Administrative	101-102	227,178	-	7,028	-
Circuit Court	101-131	554,094	282,050	272,044	102,675
District Court	101-136	1,426,610	841,446	585,164	157,323
Jury Board	101-145	3,998	-	3,998	420
Indigent Counsel	101-147	286,503	-	286,503	4,891
Probate Court	101-148	1,101,541	603,250	498,291	97,985
Adult Probation	101-151	10,436	-	10,436	6,507
Elections	101-191	35,443	775	34,668	2,682
Professional Services	101-210	241,246	-	8,158	-
County Clerk	101-215	457,595	264,775	192,820	49,935
Tax Equalization	101-225	235,381	36,068	199,313	8,765
Prosecuting Attorney	101-229	1,134,955	-	-	-
Register of Deeds	101-236	323,915	186,096	137,819	37,869
County Surveyor	101-242	46,068	-	46,068	1,815
Geo. Info. Sys.	101-243	-	-	-	-
County Treasurer	101-253	481,235	-	58,064	-
Computer Operations	101-258	171,724	-	3,972	-
Finance	101-259	261,903	-	13,071	-
Building Operations	101-264	415,992	-	-	-
Building and Grounds	101-265	699,885	-	113,301	-
Assessments	101-266	-	-	-	-
Drain Commissioner	101-275	350,048	217,501	132,547	36,710
Boundary Commission	101-284	-	-	612	-
Postage	101-290	-	-	-	841
Sheriff	101-301	2,510,475	1,509,114	1,001,361	173,668
Criminal Justice Training	101-315	10,788	-	10,788	-
Marine Safety	101-331	3,645	1,026	2,619	-
Jail/Feeding Prisoners	101-351	2,369,661	1,228,328	1,141,333	308,196
Livestock Claims	101-429	325	-	325	-
Drains - County at Large	101-445	218,598	-	218,598	-
Medical Examiner	101-648	50,735	5,664	45,071	-
Veterans Affairs	101-682	102,648	54,123	48,525	-
Veterans Burial	101-681	11,020	-	11,020	-
Veterans Relief	101-689	-	-	-	-
Cooperative Extension	101-731	221,985	87,139	134,846	24,360
Conservation Activities	101-785	8,907	-	8,907	-
Planning Commission	101-801	34,362	3,957	30,405	1,930
Plat Board	101-802	213	175	38	-
Memberships & Dues	101-803	17,305	-	17,305	-
Economic Devel. Comm.	101-851	7,000	-	7,000	-
Emergency Services	101-852	2,000	-	2,000	-
Bonds and Insurance	101-954	635,537	-	635,537	-
Total General Fund		14,944,648	5,441,199	6,073,537	1,046,563

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
INDIRECT COST RATE PROPOSAL**

(cont'd)

<u>Departments/Funds</u>		<u>Total Costs Incurred</u>	<u>Direct Costs</u>		<u>Indirect Costs</u>
			<u>Salaries and Wages</u>	<u>Other</u>	
Special Revenue Funds:					
Parks Department	208-000	\$ 491,950	\$ 295,132	\$ 196,818	\$ 46,836
Polly Ann Trail	209-000	8,376	1,436	6,940	-
E - 911	211-000	1,781,613	787,401	994,212	93,621
Friend of Court	215-000	1,175,764	706,551	469,213	105,300
Marriage Counseling	216-000	5,681	-	5,681	238
Health Department	221-000	4,310,468	2,494,170	1,816,298	320,010
Mental Health	222-000	12,197,337	2,401,586	9,795,751	371,157
Personal Care Aide	223-000	184,540	141,063	43,477	-
Animal Control	224-000	321,710	177,572	144,138	27,527
Environmental/Recycling	227-000	27,601	-	27,601	123
County Surveyor	242-000	107,639	-	107,639	-
Register of Deeds Auto.	256-000	52,878	-	52,878	-
Budget Stabilization	257-000	-	-	-	-
Rental Property	259-000	85,009	-	85,009	-
Emergency Management	260-000	832,794	44,593	788,201	6,795
Community Grants	261-000	458,826	128,091	330,735	33,059
Thumb Narcotic Unit	262-000	297,675	-	297,675	3,287
Police Service Contracts	263-000	1,093,978	724,855	369,123	43,348
Law Enforcement Programs	264-000	33,679	8,572	25,107	1,427
Law Enforcement	266-000	211,527	99,670	111,857	9,082
Law Enforcement Other	267-000	39,722	29,267	10,455	-
Juvenile Grant	268-000	7,426	-	7,426	3,132
Law Library	269-000	3,359	-	3,359	247
Community Development	274-000	315,514	95,106	220,408	25,124
Senior Millage	276-000	12,469	-	12,469	-
D.O.S.A.	277-000	643,469	200,086	443,383	43,420
Youth Coordinator	287-000	38,276	31,693	6,583	3,731
4-H Programs	288-000	12,680	10,934	1,746	933
Dept. of Human Services	290-000	197,961	3,127	194,834	2,235
Child Care	292&293	1,083,924	96,814	987,110	15,191
Veteran's Trust	294-000	9,906	-	9,906	10,013
Multi Purp. Collab. Body	299-000	309,226	195,536	113,690	28,361
Total Special Revenue		<u>26,352,977</u>	<u>8,673,255</u>	<u>17,679,722</u>	<u>1,194,197</u>
Enterprise Fund:					
Medical Care Facility	291-000	<u>15,304,727</u>	<u>8,319,640</u>	<u>6,985,087</u>	<u>2,664</u>
Internal Service Funds:					
All Internal Service	633-678	<u>3,926,514</u>	<u>-</u>	<u>3,926,514</u>	<u>30,668</u>

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
INDIRECT COST RATE PROPOSAL**

(cont'd)

<u>Departments/Funds</u>	<u>Total Costs Incurred</u>	<u>Direct Costs</u>		<u>Indirect Costs</u>
		<u>Salaries and Wages</u>	<u>Other</u>	
Component Unit:				
Road Commission 201-000	<u>\$ 15,063,024</u>	<u>\$ 2,953,754</u>	<u>\$ 12,109,270</u>	<u>\$ 3,325</u>
Total General Fund, Special Revenue Fund, Enterprise Fund, Internal Service Fund and Component Unit	<u>\$ 75,591,890</u>	<u>\$ 25,387,848</u>	<u>\$ 46,774,130</u>	<u>\$ 2,277,417</u>

Rate Calculation: $\frac{\text{Indirect Costs}}{\text{Direct Salaries \& Wages}} = \frac{2,277,417}{25,387,848} = 8.97\%$

Note: Departments that are in bold are central service departments and Direct Costs as presented do not include costs allocated to other departments.

LAPEER COUNTY, MICHIGAN

**2005 CENTRAL SERVICE COST ALLOCATION PLAN
FRIEND OF THE COURT ALLOCATION FROM PROSECUTING ATTORNEY**

The following schedule summarizes the segregation of allocable costs into the Friend of the Court and other prosecuting attorney functions. It was determined from the County Prosecutor that the Friend of the Court function is performed by one assistant and one clerical staff member. The salaries and wages of the remaining personnel are allocated to the other prosecuting attorney functions.

The estimated time devoted to the Friend of the Court function by the assistant and clerical staff member is 50% and 100%, respectively. Therefore, 50% of the assistant's salary and 100% of the clerical staff member's salaries are allocated to this function. The fringe benefits are allocated based on actual cost multiplied by the percentage of time devoted to the Friend of the Court function.

The ratio of one employee to the total number of employees (16) is 6.25%.

The other departmental costs and central service costs allocated to the Prosecuting Attorney Department are allocated to the Friend of the Court function by taking 9.38% of the total allocable costs. The percentage of 9.38% is arrived by taking the sum of the percentages of time devoted to the Friend of the Court function applied to the ratio of each employee to the total number of employees of the department as follows:

$$\begin{array}{rcl}
 50\% \text{ of } 6.25\% & = & 3.13\% \\
 100\% \text{ of } 6.25\% & = & \underline{6.25\%} \\
 & & \underline{\underline{9.38\%}}
 \end{array}$$

	Total Allocable Costs	Friend of the Court	Other
Salaries and Wages -			
Assistant	\$ 56,638	\$ 28,319	\$ 28,319
Clerical	29,661	29,661	-
Other	634,870	-	634,870
	721,169	57,980	663,189
Fringe Benefits	257,938	24,102	233,836
Other Departmental Costs	119,808	11,238	108,570
	1,098,915	93,320	1,005,595
Central Service Vendor and Department Allocations	72,529	6,803	65,726
	\$ 1,171,444	\$ 100,123	\$ 1,071,321