
2006

COST ALLOCATION PLAN

County of
Lapeer, Michigan
December 31, 2006



Stewart,
Beauvais
& Whipple P.C.



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

LAPEER COUNTY, MICHIGAN

2006 CENTRAL SERVICE COST ALLOCATION PLAN BASED ON ACTUAL COSTS FOR THE YEAR ENDED DECEMBER 31, 2006

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LAPEER COUNTY, MICHIGAN

2006 CENTRAL SERVICE COST ALLOCATION PLAN
BASED ON ACTUAL COSTS FOR THE YEAR ENDED DECEMBER 31, 2006

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August 1, 2007

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, 2006, 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 Comprehensive Annual Financial Report of the County of Lapeer, Michigan, for the calendar year ended December 31, 2006.
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 Comprehensive Annual Financial Report of the County of Lapeer, Michigan, for the calendar year ended December 31, 2006. 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

2006 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 2006 plan also 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.

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 2006 actual costs to establish cost allocations or billings for the year ended December 31, 2008 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.

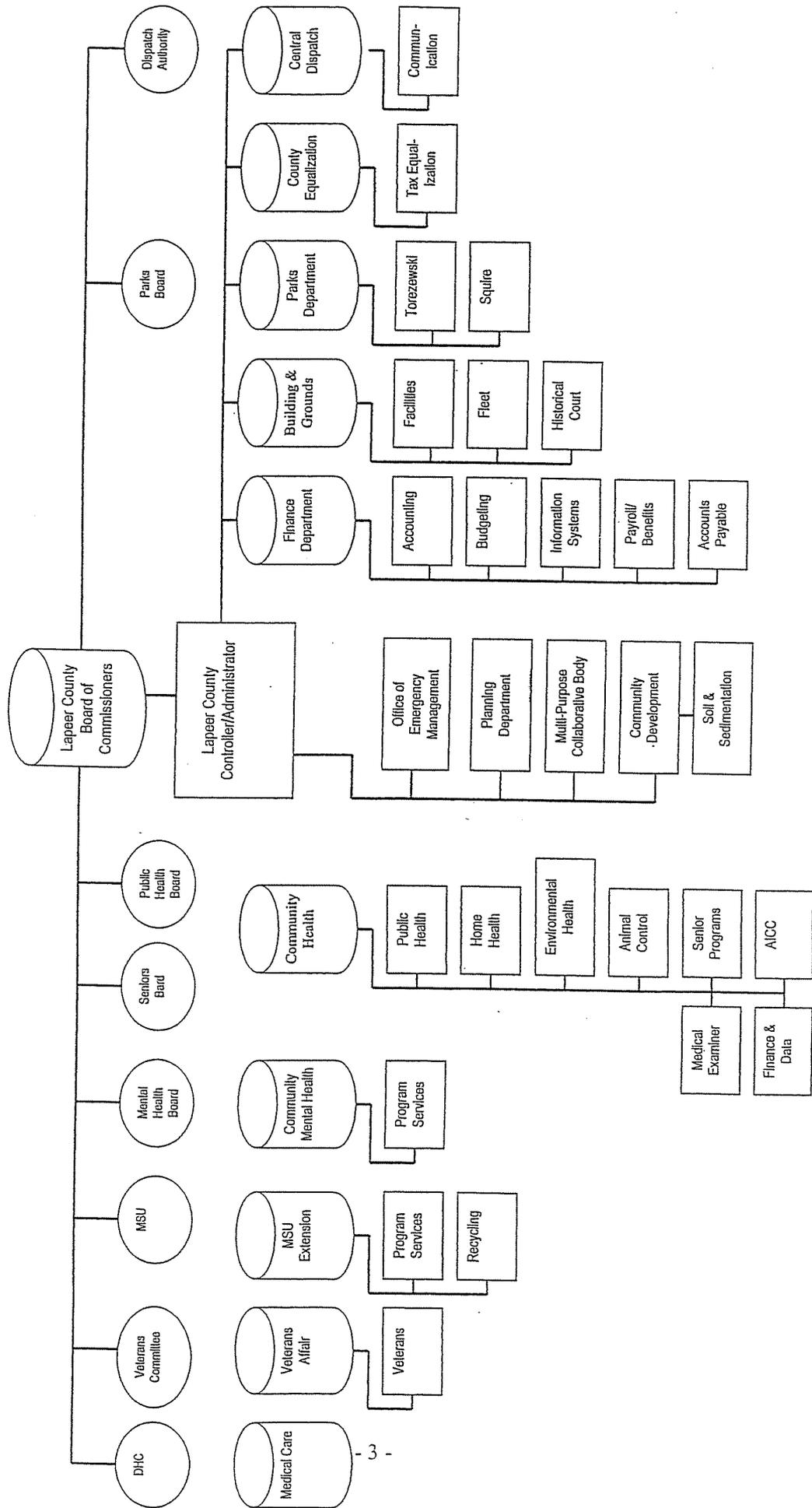
I declare that the foregoing is true and correct.

Lapeer County, Michigan

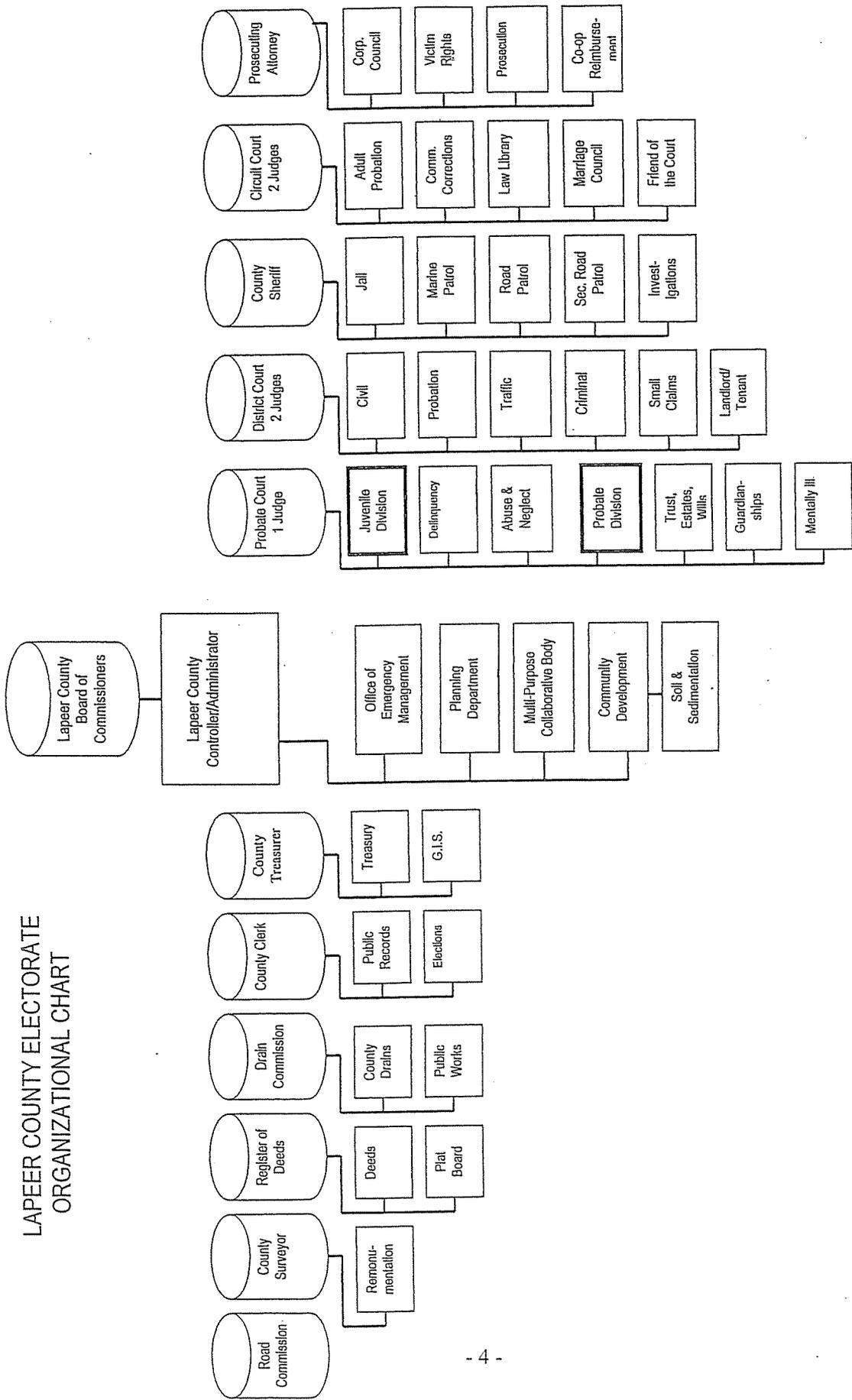
John Biscoe
Administrator/Controller

Date of Execution – January 1, 2008

LAPEER COUNTY APPOINTED ORGANIZATIONAL CHART



LAPEER COUNTY ELECTORATE ORGANIZATIONAL CHART



LAPEER COUNTY, MICHIGAN

**2006 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

2006 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

2006 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

**2006 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

**2006 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)	67	\$ 369,909	\$ -	\$ 369,909	\$ -	\$ 369,909
101-264 Building Operations (Utilities)	66	387,991	-	387,991	-	387,991
101-210 Audit/Cost Allocation Add - Transfer from Legal	66	-	(a) 68,200	68,200	-	68,200
101-210 Professional Services (legal) Less - Transfer to Audit/Cost Allocation	66	201,161	(a)(68,200)	132,961	(b)(11,876)	121,085
<u>Central Service Departments</u>						
101-265 Building and Grounds	66	739,671	-	739,671	(c)(108,255)	631,416
101-102 Administrative	66	234,349	-	234,349	(c)(12,278)	222,071
101-258 Computer Operations	66	133,374	-	133,374	(c)(4,743)	128,631
101-259 Finance Department (Accounting)	66	268,095	-	268,095	(c)(16,271)	251,824
101-229 Prosecuting Attorney	66	1,142,948	-	1,142,948	-	1,142,948
101-253 County Treasurer	66	<u>519,976</u>	<u>-</u>	<u>519,976</u>	<u>-</u>	<u>519,976</u>
		<u>\$ 3,997,474</u>	<u>\$ -</u>	<u>\$ 3,997,474</u>	<u>\$ (153,423)</u>	<u>3,844,051</u>
Less reported as allocated to General Government						<u>1,860,426</u>
Net allocable costs (Indirect Costs)						<u>\$1,983,625</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 2006.

LAPEER COUNTY, MICHIGAN

**2006 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

DETAILED SCHEDULES

LAPEER COUNTY, MICHIGAN

**2006 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	\$ 369,909	\$(369,909)				
Utilities	101-264	387,991	-	\$(387,991)			
Audit	101-210	68,200	-	-	\$(68,200)		
Legal	101-210	121,085	-	-	-	\$(121,085)	
Building and Grounds	101-265	-	6,815	1,069	3,410	2,010	\$ 13,304
Administrative	101-102	-	4,130	2,271	48	860	7,309
Computer Operations	101-258	-	1,024	1,030	68	291	2,413
Finance Department	101-259	-	4,514	2,309	157	1,150	8,130
Prosecuting Attorney	101-229	-	19,390	9,083	791	4,589	33,853
County Treasurer	101-253	-	6,249	4,064	13,347	1,719	25,379
General Government		-	16,290	102,439	1,944	-	120,673
Board of Commissioners	101-101	-	3,608	5,782	300	2,010	11,700
Circuit Court	101-131	-	8,553	14,082	5,736	2,010	30,381
District Court	101-136	-	23,600	23,736	3,301	6,599	57,236
Probate Court	101-148	-	19,376	15,780	1,575	3,729	40,460
Adult Probation	101-151	-	304	2,652	48	-	3,004
County Clerk	101-215	-	7,748	9,216	907	2,301	20,172
Tax Equalization	101-225	-	1,169	2,290	55	291	3,805
Register of Deeds	101-236	-	5,138	6,070	832	1,429	13,469
Drain Commissioner	101-275	-	9,306	2,996	880	1,719	14,901
Sheriff	101-301	-	47,858	20,332	1,132	10,038	79,360
Jail/Feeding Prisoners	101-351	-	17,554	106,247	757	9,469	134,027
Cooperative Extension	101-731	-	2,963	3,818	416	860	8,057
Road Commission	201-000	-	-	-	-	-	-
Parks and Recreation	208-000	-	10,751	-	1,610	2,870	15,231
E-911	211-000	-	21,688	-	1,296	6,030	29,014
Friend of the Court	215-000	-	22,216	12,459	1,357	5,449	41,481
Health Department	221-000	-	27,103	30,020	5,920	19,796	82,839
Mental Health	222-000	-	35,533	-	12,098	20,656	68,287
Animal Control	224-000	-	7,844	-	382	1,429	9,655
Emergency Management	260-000	-	1,323	-	327	569	2,219
Community Services Grant	261-000	-	3,325	1,660	2,019	1,150	8,154
Police Service Contracts	263-000	-	4,511	-	34	4,880	9,425
Road Patrol Program	266-000	-	537	-	293	860	1,690
Juvenile Grant	268-000	-	-	-	14	-	14
Community Development	274-000	-	3,430	1,317	580	1,150	6,477
D.O.S.A.	277-000	-	12,117	2,028	750	1,429	16,324
Medical Care Facility	291-000	-	-	-	252	-	252
Child Care	292 & 293	-	2,386	-	1,132	-	3,518
Veterans Affairs	294-000	-	986	1,306	382	291	2,965
Multi Purp. Collab. Body	299-000	-	5,678	-	600	2,870	9,148
Internal Service		-	3,265	3,592	143	-	7,000
Other Departments (pages 13 and 14)		-	1,627	343	3,307	582	5,859
		<u>\$ 947,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 947,185</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>
\$ 631,416	\$ (644,720)						
222,071	2,765	\$ (232,145)					
128,631	1,257	557	\$ (132,858)				
251,824	2,828	2,252	704	\$ (265,738)			
1,142,948	11,424	9,007	3,242	5,793	\$(1,206,267)		
519,976	4,964	3,366	10,881	32,181	955	\$ (597,702)	
-	177,803	-	1,887	4,410	1,143,871	411,782	\$ 1,860,426
-	7,039	3,946	1,395	2,445	1,117	-	27,642
-	17,520	3,946	8,410	14,854	1,117	23,091	99,319
-	29,695	12,954	5,567	13,260	3,669	13,293	135,674
-	19,228	7,336	3,600	6,750	2,072	6,340	85,786
-	3,206	-	66	106	-	-	6,382
-	11,186	4,504	1,568	4,092	1,279	3,663	46,464
-	2,766	557	213	372	162	-	7,875
-	8,193	2,809	1,196	3,242	799	3,347	33,055
-	3,645	3,389	1,860	3,508	955	3,532	31,790
-	21,429	19,732	6,404	11,453	5,585	4,555	148,518
-	113,890	18,595	5,195	9,248	5,267	3,030	289,252
-	8,730	1,695	943	1,701	480	1,692	23,298
-	-	-	-	1,435	-	2,566	4,001
-	-	5,641	3,507	6,989	1,597	6,470	39,435
-	18,179	11,839	3,733	7,653	3,351	5,224	78,993
-	15,146	10,702	3,441	7,892	3,032	5,466	87,160
-	54,453	38,884	21,789	38,560	11,013	23,797	271,335
-	82,958	40,579	27,432	48,896	11,487	48,694	328,333
-	5,770	2,809	1,063	2,126	799	1,525	23,747
-	-	1,138	611	1,143	318	1,301	6,730
-	2,011	2,252	1,382	6,112	636	8,106	28,653
-	-	9,588	2,431	4,358	2,714	130	28,646
-	-	1,695	943	1,674	480	1,171	7,653
-	-	-	27	27	-	56	124
-	1,634	2,252	1,249	2,578	636	2,324	17,150
-	4,223	2,809	1,701	3,215	793	3,012	32,077
-	-	-	66	585	-	1,023	1,926
-	-	-	1,355	2,578	-	4,555	12,006
-	2,711	557	638	1,116	162	-	8,149
-	-	5,641	3,375	6,006	1,597	2,417	28,184
-	9,627	-	186	319	-	558	17,690
-	440	1,114	4,798	9,061	324	4,982	26,578
<u>\$2,896,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,844,051</u>

LAPEER COUNTY, MICHIGAN

**2006 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	\$ -	\$ -	\$ 61	\$ -	\$ 61
Indigent Counsel	101-147	-	-	1,384	-	1,384
Elections	101-191	70	-	566	-	636
County Surveyor	101-242	227	-	55	291	573
Postage	101-290	39	343	-	-	382
Planning Commission	101-801	35	-	314	-	349
Marriage Counseling	216-000	-	-	34	-	34
Environmental/Recycling	227-000	-	-	27	-	27
Thumb Narcotics Unit	262-000	-	-	450	-	450
Law Enforcement Prgms.	264-000	247	-	198	-	445
Law Library	269-000	-	-	27	-	27
Youth Coordinator	287-000	696	-	27	291	1,014
4-H Programs	288-000	313	-	-	-	313
Dept. of Human Services	290-000	-	-	164	-	164
		<u>\$ 1,627</u>	<u>\$ 343</u>	<u>\$ 3,307</u>	<u>\$ 582</u>	<u>\$ 5,859</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>
\$ -	\$ -	\$ 80	\$ 133	\$ -	\$ -	\$ 274
-	-	1,754	3,162	-	-	6,300
-	-	757	1,329	-	2,268	4,990
-	557	213	372	162	-	1,877
440	-	-	-	-	-	822
-	-	492	850	-	-	1,691
-	-	13	80	-	130	257
-	-	27	53	-	-	107
-	-	492	1,036	-	1,822	3,800
-	-	452	797	-	-	1,694
-	-	-	53	-	-	80
-	557	292	558	162	93	2,676
-	-	146	266	-	-	725
-	-	80	372	-	669	1,285
<u>\$ 440</u>	<u>\$ 1,114</u>	<u>\$ 4,798</u>	<u>\$ 9,061</u>	<u>\$ 324</u>	<u>\$ 4,982</u>	<u>\$ 26,578</u>

LAPEER COUNTY, MICHIGAN

**2006 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 \$369,909 was made in 2006 to provide protection from financial losses caused from exposures that could occur in the course of its normal daily operations.

	Page in Audited Financial Statements	<u>Amount</u>
Expenditures per Audited Financial Statements	67	\$ <u>369,909</u>
Total Allocable Costs		\$ <u><u>369,909</u></u>

LAPEER COUNTY, MICHIGAN

**2006 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
2006 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	\$ -	\$ 2,857	\$ -	\$ 664	\$ 87	\$ 3,608
Administrative	101-102	-	3,753	-	262	115	4,130
Circuit Court	101-131	-	6,694	-	1,656	203	8,553
District Court	101-136	-	20,183	-	2,804	613	23,600
Probate Court	101-148	-	14,148	2,984	1,814	430	19,376
Adult Probation	101-151	-	-	-	304	-	304
Elections	101-191	-	68	-	-	2	70
County Clerk	101-215	-	6,491	-	1,060	197	7,748
Tax Equalization	101-225	-	879	-	264	26	1,169
Prosecuting Attorney	101-229	-	17,191	597	1,081	521	19,390
Register of Deeds	101-236	-	4,277	-	731	130	5,138
County Surveyor	101-242	-	220	-	-	7	227
County Treasurer	101-253	-	5,612	-	467	170	6,249
Computer Operations	101-258	-	879	-	119	26	1,024
Finance Department	101-259	-	4,124	-	265	125	4,514
Building and Grounds	101-265	-	5,916	597	123	179	6,815
Drain Commissioner	101-275	-	5,223	3,581	344	158	9,306
Postage	101-290	-	-	-	39	-	39
Sheriff	101-301	7,999	-	36,986	1,776	1,097	47,858
Jail - Feeding Prisoners	101-351	7,059	-	-	9,576	919	17,554
Cooperative Extension	101-731	-	2,079	-	821	63	2,963
Planning Commission	101-801	-	34	-	-	1	35
Parks and Recreation	208-000	-	6,643	1,194	2,712	202	10,751
E-911	211-000	-	18,746	597	1,776	569	21,688
Friend of Court	215-000	-	17,275	2,984	1,432	525	22,216
Health Department	221-000	20,572	-	-	5,034	1,497	27,103
Mental Health	222-000	13,768	-	10,737	9,261	1,767	35,533
Animal Control	224-000	-	4,294	2,984	435	131	7,844
Emergency Management	260-000	-	1,285	-	-	38	1,323
Community Services Grant	261-000	-	3,042	-	191	92	3,325
Police Services Contracts	263-000	4,000	-	-	-	511	4,511
Law Enforcement Programs	264-000	235	-	-	-	12	247
Road Patrol Program	266-000	471	-	-	-	66	537
Community Development	274-000	-	2,603	597	151	79	3,430
D.O.S.A.	277-000	-	5,003	6,566	396	152	12,117
Youth Coordinator	287-000	-	676	-	-	20	696
4-H Programs	288-000	-	304	-	-	9	313
Child Care	292&293	-	2,316	-	-	70	2,386
Veterans Affairs	294-000	-	710	-	255	21	986
Multi Purpose Collab. Body	299-000	-	5,511	-	-	167	5,678
Internal Service excluding DTR		-	-	2,388	877	-	3,265
General Government		-	-	-	16,290	-	16,290
		<u>\$ 54,104</u>	<u>\$ 169,036</u>	<u>\$ 72,792</u>	<u>\$ 62,980</u>	<u>\$ 10,997</u>	<u>\$ 369,909</u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SPECIFIC LIABILITY

Departments	Allocable Costs	Allocable to Departments
Specific Liability	<u>\$ 54,104</u>	
Sheriff	101-301	\$ 7,999
Jail/Feeding Prisoners	101-351	7,059
Health Department	221-000	20,572
Mental Health	222-000	13,768
Police Services Contracts	263&265	4,000
Law Enforcement Programs	264-000	235
Road Patrol/TNU	266-000	<u>471</u>
		<u>\$ 54,104</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

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

GENERAL LIABILITY

<u>Departments</u>		<u>Salaries and Wages</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
General Liability				<u>\$ 169,036</u>	
Board of Commissioners	101-101	\$ 122,015	1.69 %		\$ 2,857
Administrative	101-102	160,366	2.22		3,753
Circuit Court	101-131	285,823	3.96		6,694
District Court	101-136	861,613	11.94		20,183
Probate Court	101-148	603,778	8.37		14,148
Elections	101-191	2,763	0.04		68
County Clerk	101-215	277,201	3.84		6,491
Tax Equalization	101-225	37,420	0.52		879
Prosecuting Attorney	101-229	733,592	10.17		17,191
Register of Deeds	101-236	182,218	2.53		4,277
County Surveyor	101-242	9,254	0.13		220
County Treasurer	101-253	239,552	3.32		5,612
Computer Operations	101-258	37,639	0.52		879
Finance Department	101-259	175,673	2.44		4,124
Building and Grounds	101-265	252,503	3.50		5,916
Drain Commissioner	101-275	223,085	3.09		5,223
Cooperative Extension	101-731	88,843	1.23		2,079
Planning Commission	101-801	1,243	0.02		34
Parks Department	208-000	283,697	3.93		6,643
E-911	211-000	799,689	11.09		18,746
Friend of Court	215-000	737,078	10.22		17,275
Animal Control	224-000	183,312	2.54		4,294
Emergency Management	260-000	54,593	0.76		1,285
Community Services Grant	261-000	129,946	1.80		3,042
Community Development	274-000	111,343	1.54		2,603
D.O.S.A.	277-000	213,303	2.96		5,003
Youth Coordinator	287-000	28,977	0.40		676
4-H Programs	288-000	12,766	0.18		304
Child Care	292&293	98,532	1.37		2,316
Veterans Affairs	294-000	30,099	0.42		710
Multi Purp. Collaborative Body	299-000	235,366	3.26		5,511
		<u>\$ 7,213,352</u>	<u>100.00 %</u>		<u>\$ 169,036</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

**2006 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>\$ 72,792</u>	
Probate Court	101-148	5.00	4.10 %		\$ 2,984
Prosecuting Attorney	101-229	1.00	0.82		597
Building and Grounds	101-265	1.00	0.82		597
Drain Commissioner	101-275	6.00	4.92		3,581
Sheriff	101-301	62.00	50.81		36,986
Parks and Recreation	208-000	2.00	1.64		1,194
E - 911	211-000	1.00	0.82		597
Friend of Court	215-000	5.00	4.10		2,984
Mental Health	222-000	18.00	14.75		10,737
Animal Control	224-000	5.00	4.10		2,984
Community Development	274-000	1.00	0.82		597
D.O.S.A.	277-000	11.00	9.02		6,566
Internal Service excluding DTR		4.00	3.28		2,388
		<u>122.00</u>	<u>100.00 %</u>		<u>\$ 72,792</u>

LAPEER COUNTY, MICHIGAN

**2006 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>\$ 21,930</u>	
Board of Commissioners	101-101	2,619	3.03 %	\$ 664
Administrative	101-102	1,028	1.19	262
Circuit Court	101-131	6,378	7.38	1,618
District Court	101-136	10,752	12.44	2,728
Probate Court	101-148	7,146	8.27	1,814
Adult Probation	101-151	1,200	1.39	304
County Clerk	101-215	4,172	4.83	1,060
Tax Equalization	101-225	1,036	1.20	264
Prosecuting Attorney	101-229	4,111	4.76	1,043
County Treasurer	101-253	1,840	2.13	467
Computer Operations	101-258	464	0.54	119
Finance	101-259	1,050	1.21	265
Building and Grounds	101-265	480	0.56	123
Drain Commissioner	101-275	1,360	1.57	344
Postage	101-290	160	0.18	39
Jail/Feeding Prisoners	101-351	4,840	5.60	1,228
Friend of Court	215-000	5,648	6.53	1,432
Community Grants	261-000	750	0.87	191
Community Development	274-000	600	0.69	151
Other		<u>30,800</u>	<u>35.63</u>	<u>7,814</u>
		<u>86,434</u>	<u>100.00 %</u>	<u>\$ 21,930</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>\$ 2,436</u>	
Cooperative Extension	101-731	2,936	30.58 %		\$ 745
D.O.S.A.	277-000	1,560	16.25		396
Veterans Affairs	294-000	1,004	10.46		255
Other		<u>4,100</u>	<u>42.71</u>		<u>1,040</u>
		<u>9,600</u>	<u>100.00 %</u>		<u>\$ 2,436</u>
<u>JOHN T. RICH</u>					
Property Insurance				<u>\$ 7,865</u>	
Health Department	221-000	19,840	64.00 %		\$ 5,034
Other		<u>11,160</u>	<u>36.00</u>		<u>2,831</u>
		<u>31,000</u>	<u>100.00 %</u>		<u>\$ 7,865</u>
<u>COUNTY COURTHOUSE</u>					
Property Insurance				<u>\$ 2,042</u>	
Other		<u>8,047</u>	<u>100.00 %</u>		<u>\$ 2,042</u>
<u>MAINTENANCE FACILITY</u>					
Property Insurance				<u>\$ 877</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00 %</u>		<u>\$ 877</u>
<u>REGISTER OF DEEDS BUILDING</u>					
Property Insurance				<u>\$ 731</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00 %</u>		<u>\$ 731</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>\$ 10,124</u>	
Sheriff	101-301	7,000	17.54 %		\$ 1,776
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>		<u>8,348</u>
		<u>39,900</u>	<u>100.00 %</u>		<u>\$ 10,124</u>
<u>274 CEDAR STREET</u>					
Property Insurance				<u>\$ - *</u>	
Other		<u>1,200</u>	<u>100.00 %</u>		<u>\$ -</u>
<u>SQUIRE PARK</u>					
Property Insurance				<u>\$ 1,890</u>	
Parks and Recreation	208-000	<u>7,448</u>	<u>100.00 %</u>		<u>\$ 1,890</u>
<u>TORZEWSKI PARK</u>					
Property Insurance				<u>\$ 822</u>	
Parks and Recreation	208-000	<u>3,240</u>	<u>100.00 %</u>		<u>\$ 822</u>
<u>ANIMAL SHELTER</u>					
Property Insurance				<u>\$ 435</u>	
Animal Control	224-000	<u>1,715</u>	<u>100.00 %</u>		<u>\$ 435</u>
<u>Dept. of Human Services</u>					
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>\$ 8,119</u> **	
Mental Health	222-000	<u>32,000</u>	<u>100.00 %</u>		<u>\$ 8,119</u>
<u>HARMONY HALL</u>					
Property Insurance				<u>\$ 1,142</u> **	
Mental Health	222-000	<u>4,500</u>	<u>100.00 %</u>		<u>\$ 1,142</u>
<u>E-911</u>					
Property Insurance				<u>\$ 1,776</u>	
E-911	211-000	<u>7,000</u>	<u>100.00 %</u>		<u>\$ 1,776</u>
<u>BANK BUILDING</u>					
Property Insurance				<u>\$ 2,791</u>	
Circuit Court	101-131	150	1.36 %		\$ 38
District Court	101-136	300	2.73		76
Prosecuting Attorney	101-229	150	1.36		38
Cooperative Extension	101-731	300	2.73		76
Other		<u>10,100</u>	<u>91.82</u>		<u>2,563</u>
		<u>11,000</u>	<u>100.00 %</u>		<u>\$ 2,791</u>
Total Area Utilized and Allocable		268,112			\$ 62,980
Less: Departments that pay own insurance*		<u>(19,892)</u>			<u>-</u>
		<u>248,220</u>			<u>\$ 62,980</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

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

PROPERTY AND LIABILITY INSURANCE ALLOCATION

Departments	OTHER	Salaries and Wages	Percentage	Allocable Costs	Allocable to Departments
Other				<u>\$ 10,997</u>	
Board of Commissioners	101-101	\$ 122,015	0.79 %		\$ 87
Administrative	101-102	160,366	1.04		115
Circuit Court	101-131	285,823	1.85		203
District Court	101-136	861,613	5.57		613
Probate Court	101-148	603,778	3.91		430
Elections	101-191	2,763	0.02		2
County Clerk	101-215	277,201	1.79		197
Tax Equalization	101-225	37,420	0.24		26
Prosecuting Attorney	101-229	733,592	4.74		521
Register of Deeds	101-236	182,218	1.18		130
County Surveyor	101-242	9,254	0.06		7
County Treasurer	101-253	239,552	1.55		170
Computer Operations	101-258	37,639	0.24		26
Finance Department	101-259	175,673	1.14		125
Building and Grounds	101-265	252,503	1.63		179
Drain Commissioner	101-275	223,085	1.44		158
Sheriff	101-301	1,541,781	9.97		1,097
Jail - Feeding Prisoners	101-351	1,292,094	8.36		919
Cooperative Extension	101-731	88,843	0.57		63
Planning Commission	101-801	1,243	0.01		1
Parks and Recreation	208-000	283,697	1.84		202
E - 911	211-000	799,689	5.17		569
Friend of Court	215-000	737,078	4.77		525
Health Department	221-000	2,104,319	13.61		1,497
Mental Health	222-000	2,482,353	16.06		1,767
Animal Control	224-000	183,312	1.19		131
Emergency Management	260-000	54,593	0.35		38
Community Services Grant	261-000	129,946	0.84		92
Police Service Contracts	263-000	718,278	4.65		511
Law Enforcement Programs	264-000	16,259	0.11		12
Road Patrol	266-000	92,105	0.60		66
Community Development	274-000	111,343	0.72		79
D.O.S.A.	277-000	213,303	1.38		152
Youth Coordinator	287-000	28,977	0.18		20
4-H Programs	288-000	12,766	0.08		9
Child Care	292&293	98,532	0.64		70
Veterans Affairs	294-000	30,099	0.19		21
Multi Purpose Collab. Body	299-000	235,366	1.52		167
General Government		70	0.00		-
		<u>\$ 15,460,542</u>	<u>100.00 %</u>		<u>\$ 10,997</u>

LAPEER COUNTY, MICHIGAN

**2006 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	66	\$ <u>387,991</u>
Total Allocable Costs		\$ <u><u>387,991</u></u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SUMMARY OF UTILITIES ALLOCATION

Departments	Allocable Costs	Allocable to Departments
Utilities	<u>\$ 387,991</u>	
Board of Commissioners	101-101	\$ 5,782
Administration	101-102	2,271
Circuit Court	101-131	14,082
District Court	101-136	23,736
Probate Court	101-148	15,780
Adult Probation	101-151	2,652
County Clerk	101-215	9,216
Tax Equalization	101-225	2,290
Prosecuting Attorney	101-229	9,083
Register of Deeds	101-236	6,070
County Treasurer	101-253	4,064
Computer Operations	101-258	1,030
Finance Department	101-259	2,309
Building and Grounds	101-265	1,069
Drain Commissioner	101-275	2,996
Postage	101-290	343
Sheriff	101-301	20,332
Jail/Feeding Prisoners	101-351	106,247
Cooperative Extension	101-731	3,818
Friend of Court	215-000	12,459
Health Department	221-000	30,020
Community Grants	261-000	1,660
Community Development	274-000	1,317
D.O.S.A.	277-000	2,028
Veterans' Affairs	294-000	1,306
Internal Service excluding DTR		3,592
General Government		<u>102,439</u>
		<u>\$ 387,991</u>

LAPEER COUNTY, MICHIGAN

**2006 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>\$ 190,809</u>	
Board of Commissioners	101-101	2,619	3.03 %		\$ 5,782
Administrative	101-102	1,028	1.19		2,271
Circuit Court	101-131	6,378	7.38		14,082
District Court	101-136	10,752	12.44		23,736
Probate Court	101-148	7,146	8.27		15,780
Adult Probation	101-151	1,200	1.39		2,652
County Clerk	101-215	4,172	4.83		9,216
Tax Equalization	101-225	1,036	1.20		2,290
Prosecuting Attorney	101-229	4,111	4.76		9,083
County Treasurer	101-253	1,840	2.13		4,064
Computer Operations	101-258	464	0.54		1,030
Finance	101-259	1,050	1.21		2,309
Building and Grounds	101-265	480	0.56		1,069
Drain Commissioner	101-275	1,360	1.57		2,996
Postage	101-290	160	0.18		343
Jail/Feeding Prisoners	101-351	4,840	5.60		10,685
Friend of the Court	215-000	5,648	6.53		12,459
Community Grants	261-000	750	0.87		1,660
Community Development	274-000	600	0.69		1,317
Other		30,800	35.63		67,985
		<u>86,434</u>	<u>100.00 %</u>		<u>\$ 190,809</u>

ANNEX BUILDING

Utilities				<u>\$ 12,483</u>	
Cooperative Extension	101-731	2,936	30.58 %		\$ 3,818
D.O.S.A.	277-000	1,560	16.25		2,028
Veterans Affairs	294-000	1,004	10.46		1,306
Other		4,100	42.71		5,331
		<u>9,600</u>	<u>100.00 %</u>		<u>\$ 12,483</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>\$ 46,906</u>	
Health Department	221-000	19,840	64.00 %		\$ 30,020
Other		<u>11,160</u>	<u>36.00</u>		<u>16,886</u>
		<u>31,000</u>	<u>100.00 %</u>		<u>\$ 46,906</u>

COUNTY COURTHOUSE

Utilities				<u>\$ 12,237</u>	
Other		<u>8,047</u>	<u>100.00 %</u>		<u>\$ 12,237</u>

MAINTENANCE FACILITY

Utilities				<u>\$ 3,592</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00 %</u>		<u>\$ 3,592</u>

LAPEER COUNTY JAIL COMPLEX

Utilities				<u>\$ 115,894</u>	
Sheriff	101-301	7,000	17.54 %		\$ 20,332
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>		<u>95,562</u>
		<u>39,900</u>	<u>100.00 %</u>		<u>\$ 115,894</u>

REGISTER OF DEEDS BUILDING

Utilities				<u>\$ 6,070</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00 %</u>		<u>\$ 6,070</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>\$ -</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			\$ 387,991
Less: Departments that pay own utility costs*	<u>(60,607)</u>			<u>-</u>
	<u>203,005</u>			<u>\$ 387,991</u>

*Departments/Occupants pay their own utility costs.

LAPEER COUNTY, MICHIGAN

**2006 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>68,200</u>
Total Allocable Costs		<u>\$ 68,200</u>

LAPEER COUNTY, MICHIGAN

**2006 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>\$ 68,200</u>	
Board of Commissioners	101-101	70.08	0.44 %		\$ 300
Administrative	101-102	10.56	0.07		48
Circuit Court	101-131	1,345.52	8.41		5,736
District Court	101-136	773.83	4.84		3,301
Jury Board	101-145	14.69	0.09		61
Indigent Counsel	101-147	324.52	2.03		1,384
Probate Court	101-148	368.74	2.31		1,575
Adult Probation	101-151	11.96	0.07		48
Elections	101-191	132.07	0.83		566
County Clerk	101-215	213.02	1.33		907
Tax Equalization	101-225	13.35	0.08		55
Prosecuting Attorney	101-229	184.92	1.16		791
Register of Deeds	101-236	194.86	1.22		832
County Surveyor	101-242	12.18	0.08		55
County Treasurer	101-253	3,128.69	19.57		13,347
Computer Operations	101-258	15.77	0.10		68
Finance	101-259	36.28	0.23		157
Building & Grounds	101-265	798.90	5.00		3,410
Drain Commissioner	101-275	205.36	1.29		880
Sheriff	101-301	265.16	1.66		1,132
Jail/Feeding Prisoners	101-351	177.02	1.11		757
Cooperative Extension	101-731	98.12	0.61		416
Planning Commission	101-801	72.83	0.46		314
Parks and Recreation	208-000	376.49	2.36		1,610
E-911	211-000	304.24	1.90		1,296
Friend of Court	215-000	317.99	1.99		1,357
Marriage Counseling	216-000	7.99	0.05		34
Health Department	221-000	1,386.67	8.68		5,920
Mental Health	222-000	2,836.38	17.74		12,098
Animal Control	224-000	88.84	0.56		382
Environmental/Recycling	227-000	6.00	0.04		27
Emergency Management	260-000	76.33	0.48		327
Community Services Grant	261-000	472.48	2.96		2,019
Thumb Narcotics Unit	262-000	106.06	0.66		450
Police Service Contracts	263-000	7.20	0.05		34
Law Enforcement Programs	264-000	46.25	0.29		198
Road Patrol Program	266-000	68.04	0.43		293
Juvenile Grant	268-000	3.75	0.02 %		\$ 14

LAPEER COUNTY, MICHIGAN

**2006 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	5.84	0.04 %		\$ 27
Community Development	274-000	135.79	0.85		580
D.O.S.A.	277-000	175.30	1.10		750
Youth Coordinator	287-000	5.84	0.04		27
Dept. of Human Services	290-000	38.79	0.24		164
Medical Care Facility	291-000	59.84	0.37		252
Child Care	292&293	264.83	1.66		1,132
Veterans Affairs	294-000	89.02	0.56		382
Multi Purp. Collaborative Body	299-000	140.64	0.88		600
Internal Service excluding DTR		33.00	0.21		143
General Government		<u>455.41</u>	<u>2.85</u>		<u>1,944</u>
		<u>15,977.51</u>	<u>100.00 %</u>		<u>\$ 68,200</u>

LAPEER COUNTY, MICHIGAN

**2006 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	66	\$ 201,161
Less - Transfer to Audit		(68,200)
Professional Services Other than Legal		<u>(11,876)</u>
Total Allocable Costs		<u>\$ 121,085</u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

<u>Departments</u>	LEGAL		<u>Allocable Costs</u>	<u>Allocable to Departments</u>
	<u>Average Number of Employees</u>	<u>Percentage</u>		
Legal			<u>\$ 121,085</u>	
Board of Commissioners	101-101	7.00		\$ 2,010
Administrative	101-102	3.00		860
Circuit Court	101-131	7.00		2,010
District Court	101-136	23.00		6,599
Probate Court	101-148	13.00		3,729
County Clerk	101-215	8.00		2,301
Tax Equalization	101-225	1.00		291
Prosecuting Attorney	101-229	16.00		4,589
Register of Deeds	101-236	5.00		1,429
County Surveyor	101-242	1.00		291
County Treasurer	101-253	6.00		1,719
Computer Operations	101-258	1.00		291
Finance Department	101-259	4.00		1,150
Building and Grounds	101-265	7.00		2,010
Drain Commissioner	101-275	6.00		1,719
Sheriff	101-301	35.00		10,038
Jail - Feeding Prisoners	101-351	33.00		9,469
Cooperative Extension	101-731	3.00		860
Parks and Recreation	208-000	10.00		2,870
E - 911	211-000	21.00		6,030
Friend of Court	215-000	19.00		5,449
Health Department	221-000	69.00		19,796
Mental Health	222-000	72.00		20,656
Animal Control	224-000	5.00		1,429
Emergency Management	260-000	2.00		569
Community Services Grant	261-000	4.00		1,150
Police Service Contracts	263-000	17.00		4,880
Road Patrol Program	266-000	3.00		860
Community Development	274-000	4.00		1,150
D.O.S.A.	277-000	5.00		1,429
Youth Coordinator	287-000	1.00		291
Veterans Affairs	294-000	1.00		291
Multi Purp. Collaborative Body	299-000	10.00		2,870
	<u>422.00</u>	<u>100.00 %</u>		<u>\$ 121,085</u>

LAPEER COUNTY, MICHIGAN

**2006 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	66	\$ 739,671
Less - Direct charges		(92,930)
Cost Allocation paid in 2006		(<u>15,325</u>)
		(<u>108,255</u>)
Allocable Costs		<u>631,416</u>
Add - Central Service Vendor costs		<u>13,304</u>
Building and Grounds Costs allocable to Other Departments		<u>\$ 644,720</u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

SUMMARIZATION OF BUILDING AND GROUNDS

<u>Departments</u>		<u>Direct Costs</u>	<u>Other Costs</u>	<u>Total Building & Grounds</u>
Board of Commissioners	101-101	\$ 252	\$ 6,787	\$ 7,039
Administrative	101-102	99	2,666	2,765
Circuit Court	101-131	613	16,907	17,520
District Court	101-136	1,032	28,663	29,695
Probate Court	101-148	685	18,543	19,228
Adult Probation	101-151	116	3,090	3,206
County Clerk	101-215	400	10,786	11,186
Tax Equalization	101-225	100	2,666	2,766
Prosecuting Attorney	101-229	395	11,029	11,424
Register of Deeds	101-236	740	7,453	8,193
County Treasurer	101-253	177	4,787	4,964
Computer Operations	101-258	45	1,212	1,257
Finance Department	101-259	101	2,727	2,828
Drain Commissioner	101-275	130	3,515	3,645
Postage	101-290	16	424	440
Sheriff	101-301	3,310	18,119	21,429
Jail/Feeding Prisoners	101-351	16,025	97,865	113,890
Cooperative Extension	101-731	307	8,423	8,730
E-911	211-000	-	18,179	18,179
Friend of Court	215-000	542	14,604	15,146
Health Department	221-000	3,006	51,447	54,453
Mental Health	222-000	-	82,958	82,958
Animal Control	224-000	1,346	4,424	5,770
Community Grants	261-000	72	1,939	2,011
Community Development	274-000	58	1,576	1,634
D.O.S.A.	277-000	163	4,060	4,223
Veterans Affairs	294-000	105	2,606	2,711
Internal Service excluding DTR		659	8,968	9,627
General Government		8,254	169,549	177,803
		<u>\$ 38,748</u>	<u>\$ 605,972</u>	<u>\$ 644,720</u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

BUILDING AND GROUNDS DIRECT 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>				
Building and Grounds			<u>\$ 8,255</u>	
Board of Commissioners	101-101	2,619	3.05 %	\$ 252
Administrative	101-102	1,028	1.20	99
Circuit Court	101-131	6,378	7.42	613
District Court	101-136	10,752	12.51	1,032
Probate Court	101-148	7,146	8.31	685
Adult Probation	101-151	1,200	1.40	116
County Clerk	101-215	4,172	4.85	400
Tax Equalization	101-225	1,036	1.21	100
Prosecuting Attorney	101-229	4,111	4.78	395
County Treasurer	101-253	1,840	2.14	177
Computer Operations	101-258	464	0.54	45
Finance Department	101-259	1,050	1.22	101
Drain Commissioner	101-275	1,360	1.58	130
Postage	101-290	160	0.19	16
Jail/Feeding Prisoners	101-351	4,840	5.63	465
Friend of Court	215-000	5,648	6.57	542
Community Grants	261-000	750	0.87	72
Community Development	274-000	600	0.70	58
Other		<u>30,800</u>	<u>35.83</u>	<u>2,957</u>
		<u>85,954</u>	<u>100.00 %</u>	<u>\$ 8,255</u>

ANNEX BUILDING

Building and Grounds				<u>\$ 1,003</u>
Cooperative Extension	101-731	2,936	30.58 %	\$ 307
D.O.S.A.	277-000	1,560	16.25	163
Veterans' Affairs	294-000	1,004	10.46	105
Other		<u>4,100</u>	<u>42.71</u>	<u>428</u>
		<u>9,600</u>	<u>100.00 %</u>	<u>\$ 1,003</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>\$ 1,346</u>	
Animal Control	224-000	<u>1,715</u>	<u>100.00 %</u>		<u>\$ 1,346</u>
		<u>JOHN T. RICH</u>			
Building and Grounds				<u>\$ 4,697</u>	
Health Department	221-000	19,840	64.00 %		\$ 3,006
Other		<u>11,160</u>	<u>36.00</u>		<u>1,691</u>
		<u>31,000</u>	<u>100.00 %</u>		<u>\$ 4,697</u>
		<u>COUNTY COURTHOUSE</u>			
Building and Grounds				<u>\$ 1,690</u>	
Other		<u>8,047</u>	<u>100.00 %</u>		<u>\$ 1,690</u>
		<u>MAINTENANCE FACILITY</u>			
Building and Grounds				<u>\$ 659</u>	
County Garage	675-000	<u>3,456</u>	<u>100.00 %</u>		<u>\$ 659</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>\$ 18,870</u>	
Sheriff	101-301	7,000	17.54 %	\$ 3,310
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>82.46</u>	<u>15,560</u>
		<u>39,900</u>	<u>100.00 %</u>	<u>\$ 18,870</u>
<u>REGISTER OF DEEDS BUILDING</u>				
Building and Grounds			<u>\$ 740</u>	
Register of Deeds	101-236	<u>2,880</u>	<u>100.00 %</u>	<u>\$ 740</u>
<u>274 CEDAR STREET</u>				
Building and Grounds			<u>\$ 1,488</u>	
Other		<u>1,200</u>	<u>100.00 %</u>	<u>\$ 1,488</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>\$ 38,748</u>

LAPEER COUNTY, MICHIGAN

**2006 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			\$ 605,972	

COUNTY COMPLEX

Board of Commissioners	101-101	2,619	1.12 %	\$ 6,787
Administrative	101-102	1,028	0.44	2,666
Circuit Court	101-131	6,378	2.73	16,543
District Court	101-136	10,752	4.60	27,875
Probate Court	101-148	7,146	3.06	18,543
Adult Probation	101-151	1,200	0.51	3,090
County Clerk	101-215	4,172	1.78	10,786
Tax Equalization	101-225	1,036	0.44	2,666
Prosecuting Attorney	101-229	4,111	1.76	10,665
County Treasurer	101-253	1,840	0.79	4,787
Computer Operations	101-258	464	0.20	1,212
Finance Department	101-259	1,050	0.45	2,727
Drain Commissioner	101-275	1,360	0.58	3,515
Postage	101-290	160	0.07	424
Jail/Feeding Prisoners	101-351	4,840	2.07	12,544
Friend of Court	215-000	5,648	2.41	14,604
Community Grants	261-000	750	0.32	1,939
Community Development	274-000	600	0.26	1,576
Other		30,800	13.18	79,866
		85,954	36.77 %	\$ 222,815

ANNEX BUILDING

Cooperative Extension	101-731	2,936	1.26 %	\$ 7,635
D.O.S.A.	277-000	1,560	0.67	4,060
Veterans' Affairs	294-000	1,004	0.43	2,606
Other		4,100	1.75	10,605
		9,600	4.11 %	\$ 24,906

E - 911

E-911	211-000	7,000	3.00 %	\$ 18,179
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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>\$ 4,424</u>
<u>JOHN T. RICH</u>					
Health Department	221-000	<u>19,840</u>	<u>8.49 %</u>		<u>\$ 51,447</u>
Other		<u>11,160</u>	<u>4.77</u>		<u>28,905</u>
		<u>31,000</u>	<u>13.26 %</u>		<u>\$ 80,352</u>
<u>COUNTY COURTHOUSE</u>					
Other		<u>8,047</u>	<u>3.44 %</u>		<u>\$ 20,845</u>
<u>MAINTENANCE FACILITY</u>					
County Garage	675-000	<u>3,456</u>	<u>1.48 %</u>		<u>\$ 8,968</u>
<u>LAPEER COUNTY JAIL COMPLEX</u>					
Sheriff	101-301	<u>7,000</u>	<u>2.99 %</u>		<u>\$ 18,119</u>
Jail/Feeding Prisoners	101-351	<u>32,900</u>	<u>14.08</u>		<u>85,321</u>
		<u>39,900</u>	<u>17.07 %</u>		<u>\$ 103,440</u>
<u>REGISTER OF DEEDS BUILDING</u>					
Register of Deeds	101-236	<u>2,880</u>	<u>1.23 %</u>		<u>\$ 7,453</u>
<u>274 CEDAR STREET</u>					
Other		<u>1,200</u>	<u>0.51 %</u>		<u>\$ 3,090</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>\$ 82,958</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 %	\$	364
District Court	101-136	300	0.13		788
Prosecuting Attorney	101-229	150	0.06		364
Cooperative Extension	101-731	300	0.13		788
Other		<u>10,100</u>	<u>4.33</u>		<u>26,238</u>
		<u>11,000</u>	<u>4.71 %</u>	\$	<u>28,542</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>605,972</u>

LAPEER COUNTY, MICHIGAN

**2006 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 Statements	<u>Amount</u>
Expenditures per Audited Financial Statements	66	\$ 234,349
Less - Cost Allocation paid in 2006		(<u>12,278</u>) <u>222,071</u>
<u>Add</u> - Central Service Vendor and Department Allocations:		
Vendor Costs		7,309
Building and Grounds		<u>2,765</u>
		<u>10,074</u>
Administrative Costs allocable to other departments		<u>\$ 232,145</u>

LAPEER COUNTY, MICHIGAN

2006 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>\$ 232,145</u>	
Board of Commissioners	101-101	7.00	1.70 %	\$ 3,946
Circuit Court	101-131	7.00	1.70	3,946
District Court	101-136	23.00	5.58	12,954
Probate Court	101-148	13.00	3.16	7,336
County Clerk	101-215	8.00	1.94	4,504
Tax Equalization	101-225	1.00	0.24	557
Prosecuting Attorney	101-229	16.00	3.88	9,007
Register of Deeds	101-236	5.00	1.21	2,809
County Surveyor	101-242	1.00	0.24	557
County Treasurer	101-253	6.00	1.45	3,366
Computer Operations	101-258	1.00	0.24	557
Finance Department	101-259	4.00	0.97	2,252
Drain Commissioner	101-275	6.00	1.46	3,389
Sheriff	101-301	35.00	8.50	19,732
Jail/Feeding Prisoners	101-351	33.00	8.01	18,595
Cooperative Extension	101-731	3.00	0.73	1,695
Parks and Recreation	208-000	10.00	2.43	5,641
E - 911	211-000	21.00	5.10	11,839
Friend of the Court	215-000	19.00	4.61	10,702
Health Department	221-000	69.00	16.75	38,884
Mental Health	222-000	72.00	17.48	40,579
Animal Control	224-000	5.00	1.21	2,809
Emergency Management	260-000	2.00	0.49	1,138
Community Services Grant	261-000	4.00	0.97	2,252
Police Service Contracts	263&265	17.00	4.13	9,588
Road Patrol Program	266-000	3.00	0.73	1,695
Community Development	274-000	4.00	0.97	2,252
D.O.S.A.	277-000	5.00	1.21	2,809
Youth Coordinator	287-000	1.00	0.24	557
Veterans' Affairs	294-000	1.00	0.24	557
Multi Purp. Collab. Body	299-000	10.00	2.43	5,641
	<u>412.00</u>	<u>100.00 %</u>		<u>\$ 232,145</u>

LAPEER COUNTY, MICHIGAN

2006 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.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	66	\$ 133,374
Less - Cost Allocation paid in 2006		(4,743)
		<u>128,631</u>
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		2,413
Building and Grounds		1,257
Administrative		<u>557</u>
		<u>4,227</u>
Computer Operations Costs Allocable to Other Departments		<u>\$ 132,858</u>

LAPEER COUNTY, MICHIGAN

2006 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				<u>\$ 132,858</u>	
Board of Commissioners	101-101	252.08	1.05 %		\$ 1,395
Circuit Court	101-131	1,527.52	6.33		8,410
District Court	101-136	1,010.34	4.19		5,567
Jury Board	101-145	14.69	0.06		80
Indigent Counsel	101-147	318.68	1.32		1,754
Probate Court	101-148	654.46	2.71		3,600
Adult Probation	101-151	11.96	0.05		66
Elections	101-191	137.02	0.57		757
County Clerk	101-215	285.27	1.18		1,568
Tax Equalization	101-225	39.35	0.16		213
Prosecuting Attorney	101-229	587.93	2.44		3,242
Register of Deeds	101-236	216.57	0.90		1,196
County Surveyor	101-242	38.18	0.16		213
County Treasurer	101-253	1,975.56	8.19		10,881
Finance Department	101-258	128.60	0.53		704
Drain Commissioner	101-275	338.00	1.40		1,860
Sheriff	101-301	1,161.95	4.82		6,404
Jail/Feeding Prisoners	101-351	943.23	3.91		5,195
Cooperative Extension	101-731	170.28	0.71		943
Planning Commission	101-801	88.43	0.37		492
Parks and Recreation	208-000	637.92	2.64		3,507
E - 911	211-000	676.87	2.81		3,733
Friend of Court	215-000	625.89	2.59		3,441
Marriage Counseling	216-000	2.00	0.01		13
Health Department	221-000	3,955.54	16.40		21,789
Mental Health	222-000	4,983.41	20.65		27,432
Animal Control	224-000	193.86	0.80		1,063
Environmental/Recycling	227-000	6.00	0.02		27
Emergency Management	260-000	112.09	0.46		611
Community Services Grant	261-000	250.91	1.04		1,382
Thumb Narcotics Unit	262-000	88.54	0.37		492
Police Services Contracts	263-000	442.00	1.83 %		\$ 2,431

LAPEER COUNTY, MICHIGAN

**2006 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	82.65	0.34 %		\$ 452
Road Patrol Program	266-000	171.21	0.71		943
Juvenile Grant	268-000	3.75	0.02		27
Community Development	274-000	226.17	0.94		1,249
D.O.S.A.	277-000	307.94	1.28		1,701
Youth Coordinator	287-000	52.00	0.22		292
4-H Programs	288-000	26.00	0.11		146
Dept. of Human Services	290-000	15.43	0.06		80
Medical Care Facility	291-000	13.11	0.05		66
Child Care	292&293	245.08	1.02		1,355
Veterans' Affairs	294-000	115.02	0.48		638
Multi Purp. Collaborative Body	299-000	613.20	2.54		3,375
Internal Service excluding DTR		33.00	0.14		186
General Government		<u>343.42</u>	<u>1.42</u>		<u>1,887</u>
		<u>24,123.18</u>	<u>100.00 %</u>		<u>\$ 132,858</u>

LAPEER COUNTY, MICHIGAN

**2006 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.

	<u>Page in Audited Financial Statements</u>	<u>Amount</u>
Expenditures per Audited Financial Statements	66	\$ 268,095
Less - Cost Allocation paid in 2006		(<u>16,271</u>)
		<u>251,824</u>
Add - Central Service Vendor and Department Allocations		
Central Service Vendor Costs		8,130
Building and Grounds		2,828
Administrative		2,252
Computer Operations		<u>704</u>
		<u>13,914</u>
Finance Department Costs Allocable to Other Departments		<u>\$ 265,738</u>

LAPEER COUNTY, MICHIGAN

2006 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 2004 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.

<u>Departments</u>	<u>Number of Receipts and Checks</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Finance Department			<u>\$ 265,738</u>	
Board of Commissioners	101-101	252.08	0.92 %	\$ 2,445
Circuit Court	101-131	1,527.52	5.59	14,854
District Court	101-136	1,366.63	4.99	13,260
Jury Board	101-145	14.69	0.05	133
Indigent Counsel	101-147	324.52	1.19	3,162
Probate Court	101-148	696.34	2.54	6,750
Adult Probation	101-151	11.96	0.04	106
Elections	101-191	137.27	0.50	1,329
County Clerk	101-215	421.02	1.54	4,092
Tax Equalization	101-225	39.35	0.14	372
Prosecuting Attorney	101-229	595.72	2.18	5,793
Register of Deeds	101-236	335.26	1.22	3,242
County Surveyor	101-242	38.18	0.14	372
Geo. Info. Systems	101-243	0.00	0.00	-
County Treasurer	101-253	3,310.69	12.11	32,181
Drain Commissioner	101-275	361.36	1.32	3,508
Sheriff	101-301	1,180.36	4.31	11,453
Jail/Feeding Prisoners	101-351	951.82	3.48	9,248
Cooperative Extension	101-731	176.12	0.64	1,701
Planning Commission	101-801	88.43	0.32	850
Road Commission	201-000	148.94	0.54	1,435
Parks and Recreation	208-000	719.69	2.63	6,989
E - 911	211-000	787.84	2.88	7,653
Friend of Court	215-000	811.99	2.97	7,892
Marriage Counseling	216-000	7.99	0.03	80
Health Department	221-000	3,971.07	14.51	38,560
Mental Health	222-000	5,035.99	18.40	48,896
Animal Control	224-000	218.84	0.80	2,126

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
ALLOCATION OF COSTS**

**FINANCE DEPARTMENT
(cont'd)**

<u>Departments</u>	<u>Number of Receipts and Checks</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Environmental/Recycling	227-000	6.00	0.02 %	\$ 53
Emergency Management	260-000	117.93	0.43	1,143
Community Services Grant	261-000	628.48	2.30	6,112
Thumb Narcotics Unit	262-000	106.06	0.39	1,036
Police Services Contracts	263-000	449.20	1.64	4,358
Law Enforcement Programs	264-000	82.65	0.30	797
Road Patrol Program	266-000	172.04	0.63	1,674
Juvenile Grant	268-000	3.75	0.01	27
Law Library	269-000	5.84	0.02	53
Community Development	274-000	265.79	0.97	2,578
D.O.S.A.	277-000	331.30	1.21	3,215
Youth Coordinator	287-000	57.84	0.21	558
4-H Programs	288-000	26.00	0.10	266
Dept. of Human Services	290-000	38.79	0.14	372
Medical Care Facility	291-000	59.84	0.22	585
Child Care	292&293	264.83	0.97	2,578
Veterans Affairs	294-000	115.02	0.42	1,116
Multi Purp. Collaborative Body	299-000	619.04	2.26	6,006
Internal Service excluding DTR		33.00	0.12	319
General Government		455.41	1.66	4,410
		<u>27,370.54</u>	<u>100.00 %</u>	<u>\$ 265,738</u>

LAPEER COUNTY, MICHIGAN

**2006 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	66	\$ 1,142,948
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		33,853
Building and Grounds		11,424
Administrative		9,007
Computer Operations		3,242
Finance Department		<u>5,793</u>
		<u>63,319</u>
Prosecuting Attorney Costs Allocable to General Government and Other Departments		1,206,267
Criminal Prosecution Costs allocable to General Government		<u>(1,143,871)</u>
Corporate Counsel Costs allocable to Other Departments		<u>\$ 62,396</u>

LAPEER COUNTY, MICHIGAN

**2006 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:

20% of 6.25% =	1.25%
10% of 6.25% =	.63
10% of 6.25% =	.63
10% of 6.25 % =	.63
5% of 6.25 % =	.31
5% of 6.25 % =	.31
5% of 6.25 % =	<u>.31</u>
	<u>4.07%</u>

	<u>Total Allocable Costs</u>	<u>Corporate Counsel</u>	<u>Other</u>
Salaries and Wages -			
Prosecutor	\$ 89,445	\$ 8,945	\$ 80,500
Assistant	49,511	4,951	44,560
Assistant	59,711	11,942	47,769
Assistant	49,018	2,451	46,567
Assistant	63,450	6,345	57,105
Assistant	59,862	2,993	56,869
Assistant	60,612	3,030	57,582
Other	<u>301,983</u>	<u>-</u>	<u>301,983</u>
	733,592	40,657	692,935
Fringe Benefits	274,991	13,694	261,297
Other Departmental Costs	<u>134,365</u>	<u>5,468</u>	<u>128,897</u>
	1,142,948	59,819	1,083,129
Central Service Vendor and Department Allocations	<u>63,319</u>	<u>2,577</u>	<u>60,742</u>
	<u>\$1,206,267</u>	<u>\$ 62,396</u>	<u>\$ 1,143,871</u>

LAPEER COUNTY, MICHIGAN
2006 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.

<u>Departments</u>	<u>Average Number of Employees</u>	<u>Percentage</u>	<u>Allocable Costs</u>	<u>Allocable to Departments</u>
Prosecuting Attorney			<u>\$ 62,396</u>	
Board of Commissioners	101-101	7.00	1.79 %	\$ 1,117
Circuit Court	101-131	7.00	1.79	1,117
District Court	101-136	23.00	5.88	3,669
Probate Court	101-148	13.00	3.32	2,072
County Clerk	101-215	8.00	2.05	1,279
Tax Equalization	101-225	1.00	0.26	162
Register of Deeds	101-236	5.00	1.28	799
County Surveyor	101-242	1.00	0.26	162
County Treasurer	101-253	6.00	1.53	955
Drain Commissioner	101-275	6.00	1.53	955
Sheriff	101-301	35.00	8.95	5,585
Jail/Feeding Prisoners	101-351	33.00	8.44	5,267
Cooperative Extension	101-731	3.00	0.77	480
Parks and Recreation	208-000	10.00	2.56	1,597
E - 911	211-000	21.00	5.37	3,351
Friend of Court	215-000	19.00	4.86	3,032
Health Department	221-000	69.00	17.65	11,013
Mental Health	222-000	72.00	18.41	11,487
Animal Control	224-000	5.00	1.28	799
Emergency Management	260-000	2.00	0.51	318
Community Services Grant	261-000	4.00	1.02	636
Police Service Contracts	263-000	17.00	4.35	2,714
Road Patrol Program	266-000	3.00	0.77	480
Community Development	274-000	4.00	1.02	636
D.O.S.A.	277-000	5.00	1.27	793
Youth Coordinator	287-000	1.00	0.26	162
Veterans Affairs	294-000	1.00	0.26	162
Multi Purp. Collaborative Body	299-000	10.00	2.56	1,597
	<u>391.00</u>	<u>100.00 %</u>		<u>\$ 62,396</u>

LAPEER COUNTY, MICHIGAN

**2006 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 2006 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	3,411	31.1 %
Delinquent taxes	5,862	53.5
Tax certificates	<u>1,687</u>	<u>15.4</u>
	<u>10,960</u>	<u>100.0 %</u>

LAPEER COUNTY, MICHIGAN

**2006 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	66	\$ 519,976
Add - Central Service Vendor and Department Allocations:		
Vendor Costs		25,379
Building and Grounds		4,964
Administrative		3,366
Computer Operations		10,881
Finance Department		32,181
Prosecuting Attorney		<u>955</u>
		<u>77,726</u>
County Treasurer Costs Allocable to General Government and other departments		597,702
County Treasurer Costs allocable to General Government (68.9%)		(411,782)
County Treasurer Central Service Costs allocable to other departments (31.1%)		<u>\$ 185,920</u>

LAPEER COUNTY, MICHIGAN

**2006 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 during 2006. 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 vendore 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 total number of receipts processed.

<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>\$ 185,920</u>	
Circuit Court	101-131	1,345.52	12.42 %	\$ 23,091
District Court	101-136	773.83	7.15	13,293
Probate Court	101-148	368.74	3.41	6,340
Elections	101-191	132.07	1.22	2,268
County Clerk	101-215	213.02	1.97	3,663
Register of Deeds	101-236	194.86	1.80	3,347
Drain Commissioner	101-275	205.36	1.90	3,532
Sheriff	101-301	265.16	2.45	4,555
Jail/Feeding Prisoners	101-351	177.02	1.63	3,030
Cooperative Extension	101-731	98.12	0.91	1,692
Road Commission	201-000	148.94	1.38	2,566
Parks and Recreation	208-000	376.49	3.48	6,470
E-911	211-000	304.24	2.81	5,224
Friend of Court	215-000	317.99	2.94	5,466
Marriage Counseling	216-000	7.99	0.07	130
Health Department	221-000	1,386.66	12.80	23,797
Mental Health	222-000	2,836.45	26.19	48,694
Animal Control	224-000	88.84	0.82	1,525
Emergency Management	260-000	76.33	0.70	1,301
Community Services Grant	261-000	472.48	4.36	8,106
Thumb Narcotics Unit	262-000	106.06	0.98	1,822
Police Services Contracts	263-000	7.20	0.07	130
Road Patrol Program	266-000	68.04	0.63	1,171
Juvenile Grant	268-000	3.75	0.03	56
Community Development	274-000	135.79	1.25	2,324
D.O.S.A.	277-000	175.30	1.62	3,012
Youth Coordinator	287-000	5.84	0.05	93
Dept. of Human Services	290-000	38.79	0.36 %	\$ 669

LAPEER COUNTY, MICHIGAN

**2006 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	59.84	0.55 %		\$ 1,023
Child Care	292&293	264.83	2.45		4,555
Multi Purp. Collaborative Body	299-000	140.64	1.30		2,417
Internal Service excluding DTR		<u>33.00</u>	<u>0.30</u>		<u>558</u>
		<u>10,829.20</u>	<u>100.00 %</u>		<u>\$ 185,920</u>

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
INDIRECT COST RATE PROPOSAL**

Departments/Funds	Total Costs Incurred	Direct Costs		Allocable Costs	Indirect Costs	
		Salaries and Wages	Other			
General Fund:						
Board of Commissioners	101-101	\$ 249,736	\$ 122,015	\$ 127,721	\$ -	\$ 27,642
Administrative	101-102	234,349	-	12,278	222,071	-
Circuit Court	101-131	594,007	285,823	308,184	-	99,319
District Court	101-136	1,448,627	861,613	587,014	-	135,674
Jury Board	101-145	3,693	-	3,693	-	274
Indigent Counsel	101-147	315,678	-	315,678	-	6,300
Probate Court	101-148	1,101,863	603,778	498,085	-	85,786
Adult Probation	101-151	12,092	-	12,092	-	6,382
Elections	101-191	140,712	2,763	137,949	-	4,990
Professional Services	101-210	201,161	-	11,876	189,285	-
Postage	101-290	-	-	-	-	822
County Clerk	101-215	465,392	277,201	188,191	-	46,464
Tax Equalization	101-225	227,077	37,420	189,657	-	7,875
Prosecuting Attorney	101-229	1,142,948	-	-	1,142,948	-
Register of Deeds	101-236	324,406	182,218	142,188	-	33,055
County Treasurer	101-253	519,976	-	-	519,976	-
Computer Operations	101-258	133,374	-	4,743	128,631	-
Finance	101-259	268,095	-	16,271	251,824	-
Utilities	101-264	387,991	-	-	387,991	-
Building and Grounds	101-265	739,671	-	108,255	631,416	-
Drain Commissioner	101-275	353,472	223,085	130,387	-	31,790
Sheriff	101-301	2,600,389	1,541,781	1,058,608	-	148,518
Criminal Justice Training	101-315	11,171	-	11,171	-	-
Marine Safety	101-331	8,041	2,827	5,214	-	-
Jail/Feeding Prisoners	101-351	2,396,745	1,292,094	1,104,651	-	289,252
Road Commision	101-201	238,746	-	238,746	-	-
Drains - County at Large	101-445	183,768	-	183,768	-	-
Medical Examiner	101-648	47,076	6,410	40,666	-	-
Veterans Affairs	101-682	102,818	30,099	72,719	-	-
Veterans Burial	101-681	9,380	-	9,380	-	-
Cooperative Extension	101-731	231,309	88,843	142,466	-	23,298
Conservation Activities	101-785	10,710	-	10,710	-	-
Planning Commission	101-801	45,201	1,243	43,958	-	1,691
Plat Board	101-802	88	70	18	-	-
Memberships & Dues	101-803	16,099	-	16,099	-	-
Economic Devel. Comm.	101-851	7,000	-	7,000	-	-
Bonds and Insurance	101-954	369,909	-	-	369,909	-
Health Care Savings Program		1,200,000	-	1,200,000	-	-
Other		437	-	437	-	-
Total General Fund		\$ 16,343,207	\$ 5,559,283	\$ 6,939,873	\$ 3,844,051	\$ 949,132

LAPEER COUNTY, MICHIGAN

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

(cont'd)

Departments/Funds	Total Costs Incurred	Direct Costs		Allocable Costs	Indirect Costs	
		Salaries and Wages	Other			
Special Revenue Funds:						
Parks Department	208-000	\$ 483,248	\$ 282,785	\$ 200,463	\$ -	\$ 39,435
Polly Ann Trail	209-000	6,418	912	5,506	-	-
E - 911	211-000	1,939,760	799,689	1,140,071	-	78,993
Friend of Court	215-000	1,250,674	737,078	513,596	-	87,160
Marriage Counseling	216-000	2,030	-	2,030	-	257
Health Department	221-000	3,341,367	1,863,572	1,477,795	-	271,335
Mental Health	222-000	13,325,015	2,482,353	10,842,662	-	328,333
Personal Care Aide	223-000	319,247	234,337	84,910	-	-
Animal Control	224-000	338,485	183,312	155,173	-	23,747
Environmental/Recycling	227-000	28,612	-	28,612	-	107
County Surveyor	242-100	101,887	-	101,887	-	1,877
Register of Deeds Auto.	256-000	64,501	-	64,501	-	-
Budget Stabilization	257-000	-	-	-	-	-
Rental Property	259-000	87,548	-	87,548	-	-
Emergency Management	260-000	469,297	-	469,297	-	6,730
Community Grants	261-000	442,319	129,946	312,373	-	28,653
Thumb Narcotic Unit	262-000	212,340	-	212,340	-	3,800
Police Service Contracts	263-000	1,118,524	718,278	400,246	-	28,646
Law Enforcement Programs	264-000	40,985	13,433	27,552	-	1,694
Law Enforcement	266-000	199,877	92,105	107,772	-	7,653
Law Enforcement Other	267-000	22,887	-	22,887	-	-
Juvenile Grant	268-000	3,250	-	3,250	-	124
Law Library	269-000	7,314	-	7,314	-	80
Community Development	274-000	422,981	111,343	311,638	-	17,150
Senior Millage	276-000	14,614	-	14,614	-	-
D.O.S.A.	277-000	670,500	213,303	457,197	-	32,077
Youth Coordinator	287-000	36,761	28,977	7,784	-	2,676
4-H Programs	288-000	14,665	12,766	1,899	-	725
Dept. of Human Services.	290-000	256,076	-	256,076	-	1,285
Child Care	292&293	856,282	98,532	757,750	-	12,006
Veteran's Trust	294-000	9,354	-	9,354	-	8,149
Multi Purp. Collab. Body	299-000	371,925	235,366	136,559	-	28,184
Total Special Revenue		26,458,743	8,238,089	18,220,654	-	1,010,876
Enterprise Fund:						
Medical Care Facility	291-000	16,813,212	8,570,653	8,242,559	-	1,926
Delinquent Tax		50,379	-	50,379	-	-
		16,863,591	8,570,653	8,292,938	-	1,926
Internal Service Funds:						
All Internal Service	633-678	\$ 4,271,776	\$ -	\$ 4,271,776	\$ -	\$ 17,690

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>Allocable Costs</u>	<u>Indirect Costs</u>	
		<u>Salaries and Wages</u>	<u>Other</u>			
Component Unit:						
Road Commission	201-000	\$ 12,073,306	\$ 2,678,661	\$ 9,394,645	\$ -	\$ 4,001
Total General Fund, Special Revenue Fund, Enterprise Fund, Internal Service Fund and Component Unit		<u>\$ 76,010,623</u>	<u>\$ 25,046,685</u>	<u>\$ 47,119,887</u>	<u>\$ 3,844,051</u>	<u>\$ 1,983,625</u>

Rate Calculation:
$$\frac{\text{Indirect Costs}}{\text{Direct Salaries \& Wages}} = \frac{1,983,625}{25,046,685} = 7.92\%$$

Note: Departments that are in bold are central service departments

LAPEER COUNTY, MICHIGAN

**2006 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	\$ 60,612	\$ 30,306	\$ 30,306
Clerical	31,366	31,366	-
Other	641,614	-	641,614
	733,592	61,672	671,920
Fringe Benefits	274,991	24,668	250,323
Other Departmental Costs	134,365	12,603	121,762
	1,142,948	98,943	1,044,005
Central Service Vendor and Department Allocations	63,319	5,939	57,380
	\$ 1,206,267	\$ 104,882	\$ 1,101,385

LAPEER COUNTY, MICHIGAN

**2006 CENTRAL SERVICE COST ALLOCATION PLAN
COMMUNITY DEVELOPMENT APPORTIONMENT BETWEEN
ECONOMIC DEVELOPMENT AND SOIL EROSION AND SEDIMENT**

The following schedule summarizes the apportionment of allocable costs for community development department between the Economic Development and Soil Erosion and Sediment Activities.

The apportionment is based on the same allocation factors used in the distribution of the allowable central service costs as indicated on page 10.

	<u>Total</u>	<u>Economic Development Costs</u>	<u>Soil Erosion and Sediment Costs</u>
Property and Liability Insurance	\$ 3,430	\$ 842	\$ 2,588
Utilities	1,317	329	988
Audit/Cost Allocation	580	302	278
Legal	1,150	288	862
Sub-total	<u>6,477</u>	<u>1,761</u>	<u>4,716</u>
Building and Grounds	1,634	409	1,226
Administrative Department	2,252	563	1,689
Computer Operations	1,249	468	781
Finance Department	2,578	928	1,650
Prosecuting Attorney	636	159	477
County Treasurer	2,324	697	1,627
Total	<u>\$ 17,150</u>	<u>\$ 4,985</u>	<u>\$ 12,165</u>