

2007
ANNUAL BUDGET

Kent County, Michigan



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August 9, 2006

To the Honorable Board of Commissioners:

As the Chief Administrative and Financial Officer of the County, it is my responsibility and pleasure to develop and submit the proposed 2007 Annual Budget for review and approval, which represents the ninth budget that I have presented to the Kent County Board of Commissioners. The elected officers, department directors, and judiciary continue to rise to the challenge and have done an exceptional job of holding the line on requests while diligently protecting the provision of services the County is charged with providing. And while local governments and the state continue to face significant financial constraints, Kent County fares well in comparison, which is a testament to the ability of the Board and all County departments to manage our finances in an appropriate manner. Care has been taken to preserve our General Fund reserves, as directed by the Finance & Physical Resources Committee. This has been done with significant attention given to expenditure control and, where possible, generating additional revenues.

The budget document is one of many tools used by the Board in its decision-making process. And while the budget is by nature a fluid document—one that can change as emergent needs and circumstances dictate—it is also the single most important comprehensive policy statement about County priorities and programs that you, the Board of Commissioners, make on an annual basis.

The annual budget is used for a variety of reasons. First, it provides for accountability; it legitimizes public expenditures and accounts for use of public resources. Second, the budget is a planning tool, used to outline the how public resources are received and used. Third, and probably most important, the budget is an information tool, designed to communicate the funding priorities of the organization to our many stakeholders and other interested parties. Thus, the budget should be considered as a means to many ends, but not the end itself.

The budget as a communications tool is recognized as critical and important by the Government Finance Officers Association (GFOA), and the County's budgets for the past four consecutive years have been presented with the Distinguished Budget Presentation Award by the GFOA.

The 2007 proposed budget for both operating and capital needs has a gross expenditure requirement of \$371,323,446, which is an 12.7% increase over the adopted 2006 budget. The proposed budget includes operating expenditures of \$350,653,517, and capital expenditures of \$20,669,929. Projected revenues and existing reserves will be adequate to cover the proposed expenditures.

Like its predecessors, this proposed budget embraces those principles that have made our organization fiscally strong. The proposed budget:

- Plans for expenditures that can be supported by current revenues and existing reserves;
- Provides sufficient funding to ensure that County facilities and equipment are properly maintained;
- Maintains services and programs to support the quality of life enjoyed by County residents; and
- Maintains a competitive comprehensive compensation and benefits package for our work force.

The proposed 2007 Budget offers very little margin in terms of revenue projections and planned expenditures. For the fourth time in as many years, department directors were requested to provide two variations of their expenditure needs. Most departments were very thoughtful in their reviews and in the reductions they proposed. Budget targets were provided and, if they couldn't be adhered to, justification was made as to the consequences of meeting the targets. I appreciate the responses to our current fiscal challenge that the department directors and their respective budget staffs offered.

Key Dates

A public hearing on the proposed 2007 Budget and millage rates is necessary. It is recommended

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that the hearing be held in conjunction with the Board meeting on Thursday, September 14, 2006, at 7:00 p.m. The Board should establish the public hearing date at its meeting on August 24. Following the hearing at the September 14 meeting, the Board will be asked to adopt the millage rates for 2007. Formal action on the 2007 Budget is scheduled for the September 28, Board meeting.

Budget In Brief

Fund	2006	2007
All Funds		
Estimated Revenues	\$344,648,905	\$357,659,985
Recommended Budget	329,395,373	371,323,446
Fund Balances (Use)Dep*	\$ 15,253,532	\$ (13,663,461)
General Fund		
Estimated Revenues	\$152,509,386	\$165,461,483
Recommended Budget	154,054,378	165,532,995
Fund Balances (Use)Dep	\$ (1,544,992)	\$ (71,512)

* The \$28.9 million negative variance in fund balance deposit, from the 2006 Adopted budget to the 2007 Adopted budget, is primarily attributed to two factors: (1) the Revenue Sharing Reserve Fund showed a \$14.9 million deposit in 2006 vs. a \$9.8 million use of reserves in 2007; and (2) the CIP Fund showed a \$500,000 deposit in 2006 vs. a \$2.6 million use of reserves in 2007.

Budget Summary

Category	2006	2007
Personnel Costs	\$129,951,700	\$139,455,921
Commodities	7,431,343	10,958,804
Contractual Services	154,615,658	164,215,615
Capital Outlay	3,916,888	4,536,493
Other/ Approp Lapse	29,595,711	31,486,684
Operating Expenditures	325,511,300	350,653,517
Capital	3,884,073	20,669,929
Total Expenditures	\$329,395,373	\$371,323,446

Summary of Issues

The following is a summary of the primary issues that have shaped the proposed 2007 Budget.

Budget Parameters

On March 9, 2006, the Finance & Physical Resources Committee adopted guidelines for the preparation of the 2007 Budget, with specific emphasis on the General Fund budget. These

approved guidelines included expenditure categories for personnel costs, commodities (or supplies), contract services, and aggregate capital expenditures.

These parameters were emphasized to all department directors, elected officers, and the judiciary as part of the Budget Call Letter, which was issued in early spring.

Category	Parameter
General Fund Reserves	None
New Hires	No new hires requiring a General Fund appropriation
Commodities	Not to exceed 2006 level, unless appropriately justified
Contractual Services	Not to exceed 2006 level, unless appropriately justified
CIP Appropriation	\$2.5 million in addition to the 0.2 mills of the general operating levy

The budget review teams conducted their work with the above parameters in mind. The Finance & Physical Resources Committee reviewed and approved a variety of recommendations related to the Capital Improvement Program on July 18.

Millage Rates

Because no Headlee rollback is required, the proposed operating millage for the December 1, 2006 tax levy is 1.4268, which is reduced from the 2.8536 mills levied in December 2005. The balance of property tax levy necessary to fund the 2007 Budget will be determined in June 2007, and levied on July 1, 2007. The FY 2007 revenue estimate has been prepared using a rate of 4.2803. In addition, the proposed millage for the debt service and operations for the correctional facility is 0.7893 mills (currently 0.7893 mills) and 0.3244 mills for senior services (currently 0.2444 mills). Thus, the total proposed millage rate for 2006-2007 is 5.3940 mills, which is a 0.0800 mill increase over the 2006 millage rate. The increase is based upon the recent vote approving a renewal and additional millage levy for senior services.

Revenues

As noted, the 2007 Budget, net of transfers, is comprised of operating expenditures totaling \$350,653,517, and capital expenditures totaling

\$20,669,929. Projected revenues of \$357,659,985, combined with accumulated reserves of \$13,663,461, will be adequate to cover both the 2007 operating and capital expenditures.

Taxes: The County's State Taxable Value (STV) continues to grow, which is reflective of continued relative strength in the local economy. With increased growth, there are increased demands. The STV grew from \$19.044 billion in 2005 to \$20.223 billion in 2006, representing an increase of 6.2%. It is estimated that the STV will grow to \$21.378 billion (5.7%) in 2007, which is the basis for the 2007 property tax revenue estimate. The STV will generate approximately \$86.2 million in general fund property tax revenue, which is a 9.2% increase over the 2006 budgeted general fund property tax revenue of \$78.9 million. This is, however, an anomaly and is based in large part on the way the tax levy falls in conjunction with the transition to a July collection. Taxes represent about 64.0% of the County's General Fund revenue stream. The projection for all tax revenue totals \$120.4 million, and includes the designated millages for the Correctional Facility and Senior Services, as well as Industrial Facilities Exemption Certificate taxes, and the Hotel/Motel Tax.

Intergovernmental Revenues: During the past five years intergovernmental revenues (primarily due to loss of revenue sharing) have been significantly lower than pre-2001 appropriations. The state has mandated that over three years, the county operating millage levy be moved from December to July. July 2005 tax bills included the first installment of this transition and this coming July (2007) will result in the complete transition to a summer collection of the general operating millage levy. While this provides Kent County with the "luxury" of knowing what our revenues will be for the next four-to-five years, we are still left with a fair degree of uncertainty as to what will happen in 2011 and beyond. An interdepartmental work group (Budget and Finance Action Team) was created in 2005 and has been meeting on a regular basis to discuss issues related to both short- and long-term financing for County programs and services.

Interest Income: Fortunately, during the past 18 months we have seen significant increases in

revenue from interest return on investments. While not at the levels we experienced in the mid- to late-1990s, the revenue from this source has increased significantly since 2005, and is expected to approach the \$10.5 million mark (all funds) and the \$3.8 million mark (in the General Fund).

Charges for Services: Charges for services, especially those levied by enterprise departments such as the Airport or Public Works, provide approximately 27.1% (\$96.8 million) of the County's revenue.

Personnel

For the fourth consecutive year, the Finance & Physical Resources Committee concurred with Administration's recommendation to implement a moratorium on adding new positions that require a General Fund appropriation in the 2007 Budget, unless it is demonstrated that the County would save money or if there were increases in revenues to accommodate the additional expenses associated with a new position. This recommendation was based upon a variety of factors, including the County's financial situation as well as recognition that there has been significant growth in the employee population base since 1996. Personnel costs represent 37.6% of the total budget for 2007. While the County has been successful in negotiating agreements that provide for a 10.0% premium co-pay on health insurance by employees, costs in this area continue to see double-digit increases.

Capital Improvement Program (CIP)

Continuing as an integral part of the budget is the Capital Improvement Program (CIP) budget for 2007 - 2011. The CIP consists mainly of one-time or non-recurring capital expenditures. The process calls for the Board to adopt the budget for 2007 projects, using 2008 - 2011 as a barometer for future years' capital needs.

Funding for the CIP budget for 2007 is identical to past years in that the two enterprise departments fund or borrow for their own capital projects, while other projects require a combination of the 0.200 mill allocation from the general operating property tax levy, an additional one-time general

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fund appropriation of \$2.5 million, CIP Fund reserves, and debt financing.

Approximately \$23.3 million in CIP projects was requested by departments and agencies. As was the case in previous years, not every request is recommended for funding. At its meeting held July 18, 2006, the Finance & Physical Resources Committee voted to recommend \$21.7 million be appropriated for CIP projects (as identified/ itemized in the budget document), compared to \$3.9 million that was budgeted in 2006. Note, that \$9.7 million will be expensed in the CIP Fund with the remaining \$12.0 million to be expensed in the Bond Capital Improvement Project Fund.

Funding for the recommended projects for the 2007 CIP comes from the following sources:

CIP Funding Sources	2006	2007
Operating Levy (0.2 mills)	\$ 3,844,073	\$ 4,033,161
CIP Fund Reserves	-	5,636,768
Debt Financing	-	12,000,000*
Grants	40,000	-
Total Sources	\$ 3,884,073	\$ 21,669,929

* \$12.0 million of the total sources will be receipted and expensed in the Bond Capital Improvement Project Fund.

Hotel/Motel (Lodging Excise) Tax Fund

The Hotel/Motel Tax Fund is being highlighted because there are a number of issues that must be addressed in the near future related to this fund. Revenues from hotel and motel taxes are used for the following purposes: (1) debt service on the bonds for the DeVos Place Convention Center (approximately \$4.95 million in 2007); (2) the County's contribution to the Grand Rapids-Kent County Convention and Visitors Bureau (\$853,000 in 2007); contributions to the John Ball Zoological Society for exhibits in the John Ball Zoo (\$400,000 in 2007); and a nominal (\$10,000) contribution to the Arts Festival for marketing purposes. Also included in the 2007 Budget is an appropriation of \$200,000 for the proposed Sports Commission.

While experiencing solid growth so far in 2006 (approximately 12.0%), the Hotel/Motel Tax Fund revenues are not able to meet annual expenditures. Projections are that even with realistic revenue

growth rates of 10.0% in 2007, 6.0% in 2008 and 2009, and 4.0% in 2010 and 2011, this fund will be depleted of all reserves by 2011. If that is the case, fulfilling these obligations and contributions could become another demand placed on the General Fund.

Revenue Sharing

The County's Revenue Sharing Reserve Fund will be depleted sometime during the 2011 Fiscal Year. At such time as this fund ends, we are scheduled to have revenue sharing payments restored by the State. While we should receive some indication of the State's intentions regarding restoration of revenue sharing well before 2011, we started a process in 2005 to look at what operational efficiencies we should consider in the event that revenue sharing is not restored, incorporating both short-and long-term strategies. That effort is continuing in 2006 and in 2007 a report will be presented to the Board.

Corrections/Detention Millage

In his 2005-2006 Budget Message, Grand Rapids City Manager Kurt Kimball labeled that year's City budget a "perfect storm," with a convergence of declining revenues and increased expenditures. The same term might be applied to the County's budget in 2011. At that time, as noted above, it is anticipated that the Hotel/Motel Tax Fund will be depleted (given current projections) and state revenue sharing may or may not be restored. In addition, the Corrections/ Detention Millage will expire in December 2009, with 2010 the last year that the County will receive funding from this source (and its approximately \$15-17 million contribution to the General Fund to support operations in the Correctional Facility), unless that millage is renewed. In late 2004, I created an intergovernmental work group to review the many issues associated with the correctional facility, and a report was presented to the Board of Commissioners in March 2006. It was recommended that a millage renewal question be placed on the ballot in 2008. Staff is in the process of fine-tuning that report as well as recommendations and will be presenting more information for discussion by the Board later this year and in 2007.

On the Short-term Horizon

While 2011 is not far away, and we are keeping our eyes on those issues that could potentially have a significant effect on the County's General Fund budget and services offered, there are a number of issues being closely monitored that will have a more immediate impact on the County. These issues include:

- Stop Overspending Initiative: It looks as if this initiative, patterned after the so-called Taxpayer Bill of Rights (TABOR) initiative in Colorado, is on its way to the November 2006 ballot. If this initiative is approved by the voters, there will be a significant, and detrimental, impact on the State and all local governments and the services we provide.
- Personal Property Tax: As the budget was finalized, the State Legislature is looking at legislation that may eliminate the personal property tax, which will reduce the County's revenues by an estimated \$11 million.
- Tax Increment Financing Districts and Tax Abatements: DDAs, TIFAs, Brownfield Development Zones and Smart Zones continue to capture County General Fund dollars. While no one can deny the positive impact of these districts and tax abatement programs, the County's General Fund contributes approximately \$4 million annually to them, and with that, decreasing resources with which to conduct the County's business.
- FOC: Reduction of federal funding for Friend of the Court services (which amounts to \$650,000 annually), beginning in 2008.

Credit Rating

While Kent County remains fiscally sound, and we continue to hold the coveted triple-A credit ratings from both Standard & Poor's and Moody's Investor Services' for long-term debt, the past four fiscal years have resulted in significant reductions in personnel and expenditures due to cuts in program-specific state revenues, reductions in general revenue sharing, and reductions in interest earned on investments.

Thus, it continues to be important for the County to continue to exercise fiscally sound budgeting practices, which has been our historical practice. Again, most department directors have risen to the challenge and have thoughtfully prepared and submitted their respective budget requests.

Other

There continue to be many substantive issues facing Kent County that will significantly affect finances during 2007 and beyond. These issues not only require a significant capital investment but also have long-term operational costs. In 2007, funds have been allocated in the operating and capital improvement budgets to continue addressing the following items:

- Costs associated with the operation, maintenance and security for Millennium Park;
- Continued implementation of the Prevention initiative;
- Fuller Complex development;
- New Senior Millage Services;
- Double-digit inflation in pension and health care costs; and
- Expedited Court hearings (new judges/staff).

Compounding the above are the increased and often conflicting demands for limited resources. The recommendations contained within this budget do not include full funding of everything that was requested by departments. Thus, the budget can best be described as one of balancing departmental ambitions with available resources and Board-identified parameters and priorities. As requests continue to exceed resources, the Board must continue to determine the level of services it is required by law to provide and what additional services it wants and is able to provide. The Mandated Services Study, and continuous reference to it through Standing Committee Action Request forms, serves as one tool to assist the Board in this endeavor.

Summary of Major Operating Budget Changes

As noted above, the proposed 2007 General Fund Budget provides for \$165,532,995 in expenditures and \$165,461,483 in revenues. In essence, it is a balanced budget. This compares to the 2006 Amended General Fund budget expenditure

level of \$155,356,504 (or a 6.6% increase). There are a number of reasons for this increase, including double-digit increases in health care and pension-related costs, a one-time \$2.5 million transfer to the Capital Improvement Fund, additional personnel related to action by the Board of Commissioners to add a new Circuit Court judge, recent actions by the Board to provide contractual services to the City of Grand Rapids, and to add two new positions to the Township Law activity, the latter two of which include offsetting revenues.

The following highlights departments and functions that have experienced some of the more significant changes in proposed expenditures from the amended 2006 Budget to the proposed 2007 Budget:

Sheriff's Department: The increase in Township Law is based upon recent action to add two new patrol officers to the Township Law pool, with offsetting revenues from contracts with Byron and Gaines Townships.

Circuit Court: The new judgeship approved by the Board of Commissioners is the primary reason for the 9.0% increase in the Circuit Court. While the County is not responsible for the judge's salary, it is responsible for costs associated with the office and the two new employees required.

Prosecutor's Office: With the addition of the new judge, the Board also approved additional staff in the Prosecutor's Office (two new Assistant Prosecuting Attorneys, one caseworker, and one paralegal assistant), which accounts for the 10.4% increase.

Bureau of Equalization: The 18.5% increase is primarily the result of the three new positions recently added to handle contractual work for the City of Grand Rapids. The costs associated with these positions will be offset by revenues from the City.

Information Technology: The 24.7% increase in the Help Desk budget can be attributed to the first full year of services provided to the 61st District Court offset by revenues received from the City of Grand Rapids. The 26.6% decrease in the Finance and Human Resource System (FHRS)

budget can be attributed, in part, to a full-time Applications Support position being reclassified to another program in the IT Department.

Clerk - Elections: As with each off-election year, there is not the need for supplies, ballots, etc. associated with the on-election (even-numbered) years. Thus, the proposed 2007 Budget shows a 47.3% decrease from what was budgeted for this activity in 2006, and an overall reduction of 3.1% in the Clerk's budget.

Summary of Major Capital Budget Changes

As noted above, on July 18, 2006, the Finance & Physical Resources Committee recommended \$21.67 million in capital projects. The major projects include a new consolidated 63rd District Court facility (\$6 million), a number of improvements to the Fuller Complex (Animal Shelter facility, \$4.6 million; Boiler Plant, \$4.5 million; Fleet Services facility, \$1.8 million; and new roadway, \$1.75 million), and miscellaneous capital improvements in the Parks Department, Sheriff's Department, Zoo, and Information Technology.

Performance Measurements

County departments, offices, agencies, and the judiciary continue to make significant progress in developing and utilizing performance measurements. This is the direct result of continued review by the Legislative & Human Resources Committee of performance measurements. The volume of services and activities being measured as part of the performance measurement program continues to increase. These measurements will aid in establishing a baseline of information from which to make funding, management, and service delivery decisions; and provide a solid foundation for discussing and explaining the relative benefits of County services.

The compilation of performance measures continues to be a "work in progress" as departments, offices, agencies, and judiciary continue to identify and refine the various measurements to truly reflect the efficiency, effectiveness, quality, and cost for services being delivered for tax dollars expended.

The Performance Measurement Review Team (PMRT) was formed in 1998 to assist departments in developing and maintaining meaningful performance measures, to act as a sounding board for ideas, and to be available to answer questions about performance measurement and the role it plays in Kent County's daily business. The PMRT is also charged with moving the performance measurement effort to the level of performance-based budgeting.

Training

The County launched its first official, in-house training program in 1997 and it has flourished since that time. The ongoing challenge is to continually evaluate the training the County offers to ensure that it meets the needs of our employees.

As a step toward this goal, the Learning Ensures Achievement Program (LEAP) was created in 1998. Under LEAP, two sets of core curriculums were established - one for general employees and one for supervisors and managers. The curriculums are designed to foster the development of administrative and communication skills. A Certificate of Achievement is earned when an employee finishes the core curriculum. The County took an additional step in 2005-2006 by beginning the process to completely revise and re-write the curriculum for the Supervisory Training Track for the LEAP program, making it more relevant to the County's needs. The new program, called LEAD (Leadership Enrichment and Development), will conduct an initial pilot session with a cohort of supervisory personnel in October 2006.

County employees have been encouraged to use their expertise to develop seminar topics to share with fellow employees. Utilizing these existing resources helps maintain a reasonable training budget.

In addition, the Leadership Development Institute, Advanced Leadership Series, and the Manager's Speakers Series continue to receive positive feedback from program participants.

Finally, the Tuition Reimbursement Program for undergraduate and graduate courses, first

instituted in 1997, continues to be popular and well-received by employees. Tuition reimbursement, combined with the other major training programs noted above, represents the Board's continued commitment to offer employees professional development opportunities.

Work Groups and Teams

During the last eleven years, more than 65 employee work groups and teams have been established to provide recommendations on the many issues facing the County. Some of the work groups have been specific in nature with a limited function and timetable. Others have become "institutionalized" into the operations of the County. The employees who participate in work groups devote a significant amount of time and effort and provide invaluable assistance to help advance the mission of Kent County and will be recognized in early December for their efforts.

CIP Review Committee
Jon Denhof, Purchasing Robert Mihos, Facilities Management Craig Paull, Information Technology Lloyd Pitsch, Sheriff's Department Roger Sabine, Parks Marvin Van Nortwick, Fiscal Services Robert White, Fiscal Services
Operating Budget Review Committee
Wayman Britt, Administrator's Office Donald Clack, Human Resources Jim Day, Board of Commissioners Office Daryl Delabbio, Administrator's Office Mary Swanson, Administrator's Office Craig Paull, Information Technology Marvin Van Nortwick, Fiscal Services Robert White, Fiscal Services
Performance Measurement Review Team
Wayman Britt, Administrator's Office Kelly Berendsen, Administrator's Office Steve Duarte, Fiscal Services Gail Glocheski, Human Resources Craig Paull, Information Technology Mary Swanson, Administrator's Office

Board Goals

Since 1995, the Board of Commissioners and key administrative staff have met in five major priority and goal-setting sessions. A review of the major public policy and fiscal administration priorities identified during the 1995, 1997, 1998, 1999, and 2005 sessions can be summarized in the following statements. Kent County strives to:

- Be an effective steward of public funds using professional budgeting and fiscal management techniques and practices to: (1) provide mandated services and, within the limits of available resources, discretionary services; and (2) invest in the maintenance of the County's infrastructure. This will be accomplished by taking measures to preserve a strong financial position as measured by:
 - The County's favorable credit ratings;
 - Maintaining adequate reserves;
 - Maximizing revenues internally; and
 - Developing (through recruiting, education, and training) a diverse and qualified work force.
- Conduct County affairs in an open and accessible manner by communicating with the public and local units of government about the issues faced, services provided, and contributions to the quality of life made by the County by continuing to develop a communication and information infrastructure based upon sound technological innovation and investment; and
- Actively pursue legislative changes needed to support decisions made by the Board of Commissioners not only to secure the County's fair share of state and federal funds but also to advance the County's priorities and initiatives to improve services to our citizens.

These principles are specifically designed to provide both mandated and discretionary services to the public in an efficient and effective manner. The strategic planning initiative completed in late 2005 reaffirmed existing philosophies, adding the last initiative related to more active engagement in legislative issues.

This budget also continues to reflect the policy of the Board as identified in the County's Fiscal Policies, which is to maintain 10.0% of the subsequent year's operating budget in reserve. This level of fund balance is necessary to maintain and protect the County's outstanding bond ratings, which continues to be a high priority of the Board of Commissioners.

Conclusion

The budget is the primary policy statement on County programs and priorities from the Board of Commissioners to the citizens of Kent County. The budget provides information to the public on the funding priorities and programs that have been established. In this sense, the budget is also a plan. It provides a road map for departments, offices, and agencies to use in implementing the programs funded by the Board. And, like most plans, the budget can—and should—be a flexible document that is subject to change as needs emerge, more information becomes available, and priorities change.

The proposed 2007 Budget, like its predecessors, embraces those principles that have made Kent County financially strong. The budget:

- Provides that current revenues are sufficient to support current operating expenditures;
- Protects the County's general fund reserves;
- Provides sufficient maintenance and replacement dollars to ensure that County facilities are properly maintained;
- Requires no increase in the property tax rate; and
- Maintains those quality of life issues and programs to which our residents have become accustomed.

As we continue to adhere to a strong set of Fiscal Policies, continue our commitment to performance-based budgeting, and continue to see progress in making accurate estimates for revenues and expenditures, this process will continue to improve.

Once again, I would like to thank all the departments, elected officers, and judiciary for

their cooperation and assistance in developing the proposed 2007 Annual Budget. Many people contributed to this effort and all should be proud of the results. In addition, I would like to express my appreciation to the CIP Review Committee, the Operating Budget Review Committee, the Performance Measurements Review Team, and the Finance & Physical Resources Committee, for their extensive work in the development of this document. Finally, I would also like to commend the Fiscal Services staff for the tremendous amount of time and effort that was devoted to the preparation of this budget. The collective professionalism, diligent work, commitment to cooperation, and the good will and spirit of all participants made this document possible and the budget process an efficient and effective one.

Sincerely,



Daryl J. Delabbio
County Administrator/Controller

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ALL FUNDS SUMMARY

ALL FUNDS SUMMARY

County of Kent, Michigan

All Funds By Category

Statement of Revenues, Expenditures, and Changes in Fund Balances

	FY 2005		FY 2006		FY 2007		
	Audited	Percent	Adopted	Percent	Requested	Adopted	Percent
Revenues By Category							
Taxes	\$126,931,932	32.1%	\$135,277,316	39.3%	\$120,538,643	\$120,438,643	33.7%
Licenses & permits	1,443,107	0.4%	1,463,335	0.4%	1,356,893	1,356,893	0.4%
Intergovernmental	60,171,157	15.2%	58,303,155	16.9%	64,013,696	64,150,276	17.9%
Charges for services	88,701,476	22.4%	93,332,420	27.1%	96,721,907	96,767,558	27.1%
Fines & forfeitures	740,532	0.2%	880,609	0.3%	660,237	660,237	0.2%
Investment earnings	8,414,339	2.1%	6,520,705	1.9%	10,416,230	10,416,230	2.9%
Reimbursements	31,400,475	7.9%	32,200,925	9.3%	34,157,563	34,151,485	9.5%
Other	78,010,520	19.7%	16,670,440	4.8%	29,718,663	29,718,663	8.3%
Total Revenues	395,813,540	100.0%	344,648,905	100.0%	357,583,832	357,659,985	100.0%
Expenditures By Category							
Personnel	121,961,149	31.2%	129,951,700	39.5%	139,893,648	139,455,921	37.6%
Commodities	8,312,347	2.1%	7,431,343	2.3%	10,870,746	10,958,804	3.0%
Contractual services	152,285,836	39.0%	154,615,658	46.9%	165,324,118	164,215,615	44.2%
Capital outlay	4,856,601	1.2%	3,916,888	1.2%	4,719,348	4,536,493	1.2%
Other	90,112,333	23.1%	35,695,711	10.8%	37,826,619	37,786,684	10.2%
Appropriation Lapse	-	0.0%	(6,100,000)	-1.9%	(6,300,000)	(6,300,000)	-1.7%
Operating Expenditures	377,528,266	96.6%	325,511,300	98.8%	352,334,479	350,653,517	94.4%
Capital projects	13,409,026	3.4%	3,884,073	1.2%	34,693,633	20,669,929	5.6%
Total Expenditures	390,937,292	100.0%	329,395,373	100.0%	387,028,112	371,323,446	100.0%
Other Fin Sources (Uses)							
Transfers in	65,012,755		61,432,264		76,138,636	75,324,920	
Transfers out	(65,977,688)		(61,432,264)		(76,138,636)	(75,324,920)	
Total Other Fin Sources (Uses)	(964,932)		-		-	-	
Net Inc (Dec) in Fund Balances	\$ 3,911,315		\$ 15,253,532		\$ (29,444,280)	\$ (13,663,461)	

County of Kent, Michigan

All Funds By Function

Statement of Revenues, Expenditures, and Changes in Fund Balances

	FY 2005		FY 2006		FY 2007		
	Audited	Percent	Adopted	Percent	Requested	Adopted	Percent
Revenues By Category							
Taxes	\$126,931,932	32.1%	\$135,277,316	39.3%	\$120,538,643	\$120,438,643	33.7%
Licenses and permits	1,443,107	0.4%	1,463,335	0.4%	1,356,893	1,356,893	0.4%
Intergovernmental	60,171,157	15.2%	58,303,155	16.9%	64,013,696	64,150,276	17.9%
Charges for services	88,701,476	22.4%	93,332,420	27.1%	96,721,907	96,767,558	27.1%
Fines and forfeitures	740,532	0.2%	880,609	0.3%	660,237	660,237	0.2%
Investment earnings	8,414,339	2.1%	6,520,705	1.9%	10,416,230	10,416,230	2.9%
Reimbursements	31,400,475	7.9%	32,200,925	9.3%	34,157,563	34,151,485	9.5%
Other	78,010,520	19.7%	16,670,440	4.8%	29,718,663	29,718,663	8.3%
Total Revenues	395,813,540	100.0%	344,648,905	100.0%	357,583,832	357,659,985	100.0%
Expenditures By Function							
General government	128,747,897	32.9%	66,659,395	20.2%	71,042,597	70,843,065	19.1%
Public safety	53,429,497	13.7%	55,670,726	16.9%	59,927,683	59,927,683	16.1%
Judicial	36,487,444	9.3%	37,979,846	11.5%	41,525,380	41,084,902	11.1%
Cultural and recreation	14,957,320	3.8%	15,486,115	4.7%	15,977,597	15,823,130	4.3%
Health and welfare	66,879,513	17.1%	67,541,276	20.5%	75,175,367	74,381,147	20.0%
Enterprise activities	75,583,039	19.3%	86,903,312	26.4%	93,386,691	93,386,691	25.1%
Other	1,443,557	0.4%	1,370,630	0.4%	1,599,164	1,506,899	0.4%
Appropriation lapse	-	0.0%	(6,100,000)	-1.9%	(6,300,000)	(6,300,000)	-1.7%
Operating Expenditures	377,528,266	96.6%	325,511,300	98.8%	352,334,479	350,653,517	94.4%
Capital	13,409,026	3.4%	3,884,073	1.2%	34,693,633	20,669,929	5.6%
Total Expenditures	390,937,292	100.0%	329,395,373	100.0%	387,028,112	371,323,446	100.0%
Other Fin Sources (Uses)							
Transfers in	65,012,755		61,432,264		76,138,636	75,324,920	
Transfers out	(65,977,688)		(61,432,264)		(76,138,636)	(75,324,920)	
Total Other Fin Sources (Uses)	(964,932)		-		-	-	
Net Inc (Dec) in Fund Balances	\$ 3,911,315		\$ 15,253,532		\$ (29,444,280)	\$ (13,663,461)	

ALL FUNDS SUMMARY

County of Kent, Michigan

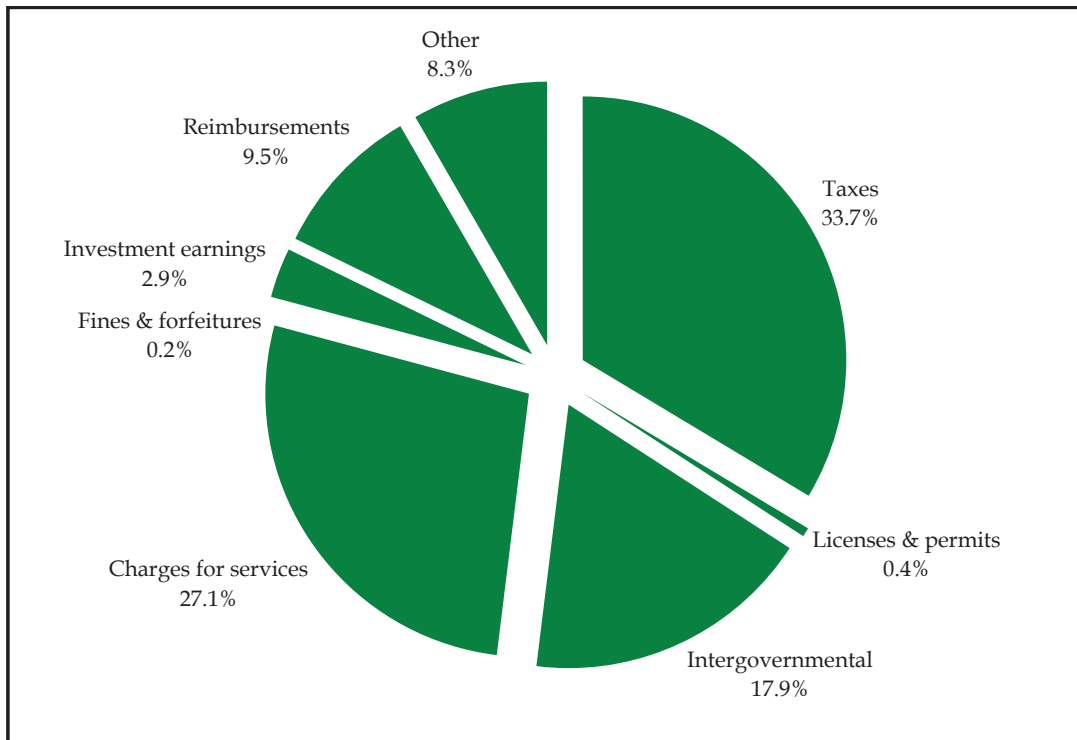
2007 Governmental Fund Type By Function Statement of Revenues, Expenditures, and Changes in Fund Balances

	Governmental Fund Type							Total
	General	Special Revenue	Debt Service	Capital Project	Internal Service	Component Unit	Proprietary	
Revenues By Category								
Taxes	\$87,425,000	\$ 27,110,482	\$ -	\$ 4,033,161	\$ -	\$ -	\$ 1,870,000	\$120,438,643
Licenses and permits	80,350	1,276,543	-	-	-	-	-	1,356,893
Intergovernmental	12,868,290	39,062,214	-	-	-	8,019,772	4,200,000	64,150,276
Charges for services	20,545,745	2,886,812	-	-	1,905,000	52,121,414	19,308,587	96,767,558
Fines and forfeitures	279,600	372,637	-	-	-	-	8,000	660,237
Investment earnings	3,790,000	1,803,700	10,500	800,000	130,530	1,270,000	2,611,500	10,416,230
Reimbursements	8,794,225	4,334,187	-	-	20,352,503	480,570	190,000	34,151,485
Other	2,979,900	476,498	109,250	12,000,000	25,000	1,203,598	12,924,417	29,718,663
Total Revenues	136,763,110	77,323,073	119,750	16,833,161	22,413,033	63,095,354	41,112,504	357,659,985
Expenditures By Function								
General government	31,461,315	4,056,958	7,307,191	-	22,418,503	3,512,098	2,087,000	70,843,065
Public safety	58,438,046	1,489,637	-	-	-	-	-	59,927,683
Judicial	27,867,335	13,217,567	-	-	-	-	-	41,084,902
Cultural and recreation	9,270,396	6,552,734	-	-	-	-	-	15,823,130
Health and welfare	4,013,705	66,242,098	-	-	-	4,125,344	-	74,381,147
Enterprise activities	-	-	-	-	-	56,117,687	37,269,004	93,386,691
Other	1,506,899	-	-	-	-	-	-	1,506,899
Appropriation Lapse	(6,300,000)	-	-	-	-	-	-	(6,300,000)
Capital	-	-	-	20,669,929	-	-	-	20,669,929
Total Expenditures	126,257,696	91,558,994	7,307,191	20,669,929	22,418,503	63,755,129	39,356,004	371,323,446
Other Financing Sources (Uses)								
Transfers in	28,698,373	30,166,924	7,197,941	8,531,908	-	729,774	-	75,324,920
Transfers out	(39,275,299)	(26,549,621)	-	(7,000,000)	-	-	(2,500,000)	(75,324,920)
Total Other Fin Sources (Uses)	(10,576,926)	3,617,303	7,197,941	1,531,908	-	729,774	(2,500,000)	-
Net Inc (Dec) in Fund Balances	\$ (71,512)	\$ (10,618,618)	\$ 10,500	\$ (2,304,860)	\$ (5,470)	\$ 70,000	\$ (743,500)	\$ (13,663,461)

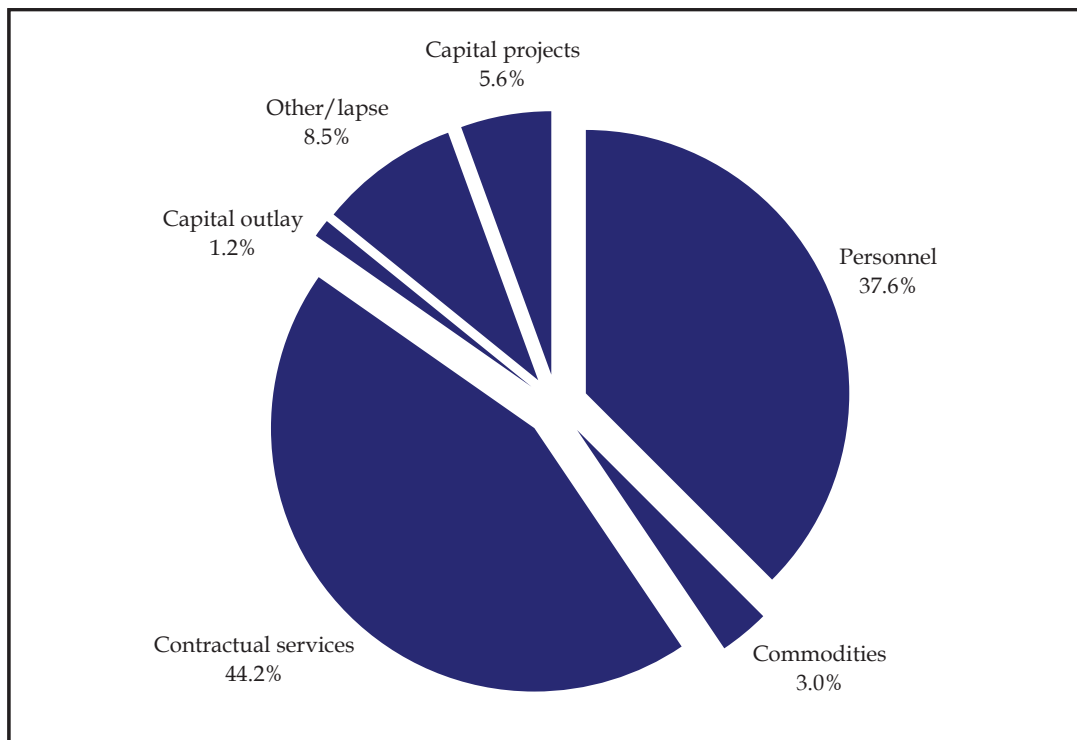
County of Kent, Michigan
All Funds By Government Fund Type
 Statement of Fund Balances

Government Fund Type	FY 2005	FY 2006	FY 2007 Adopted		
	Fund Bal	Est Fund Bal	Sources	Uses	Fund Bal
General Fund	\$ 73,968,527	\$ 72,536,827	\$165,461,483	\$165,532,995	\$ 72,465,315
Fire Prevention	223,775	144,397	390,200	372,000	162,597
Parks	321,782	335,782	14,500	-	350,282
Friend of the Court	425,026	425,205	8,920,627	8,920,627	425,205
Health	1,076,380	1,076,380	27,277,835	27,277,835	1,076,380
Lodging Excise Tax	4,335,843	3,111,343	5,665,000	6,552,734	2,223,609
Correction and Detention	399,463	4,163,623	15,448,903	15,319,340	4,293,186
Senior Millage	611,792	270,792	6,430,079	6,430,079	270,792
Register of Deeds Automation	585,518	1,139,518	704,500	698,274	1,145,744
Drug Law Enforcement Fund	-	244,500	148,554	148,554	244,500
Community Development	-	-	3,118,443	3,118,443	-
State Revenue Sharing Reserve	32,647,141	47,705,693	1,350,000	11,198,373	37,857,320
Child Care	223,708	223,708	22,573,588	22,573,588	223,708
DHS Child Care	188,503	188,503	9,890,832	9,890,832	188,503
Veteran's Trust	2,640	2,640	66,264	66,264	2,640
Special Project Calendar Year	519,163	1,684,772	558,441	609,441	1,633,772
Special Project Fiscal Year	19,542	94,842	4,932,231	4,932,231	94,842
Special Revenue Funds	41,580,276	60,811,698	107,489,997	118,108,615	50,193,080
Debt Service	237,193	237,193	1,611,776	1,611,776	237,193
Building Auth Debt Service	397,131	397,131	5,705,915	5,695,415	407,631
Debt Service Fund	634,324	634,324	7,317,691	7,307,191	644,824
Capital Improvement Program	10,470,893	12,627,033	7,065,069	9,669,929	10,022,173
Bond Capital Improvement	-	-	18,300,000	18,000,000	300,000
Building Auth Construction	1,478,840	1,538,840	-	-	1,538,840
Capital Project Funds	11,949,732	14,165,872	25,365,069	27,669,929	11,861,012
Internal Service Fund	2,763,697	3,597,063	22,413,033	22,418,503	3,591,593
Public Works	45,354,545	52,813,545	56,117,686	56,117,687	52,813,544
Social Welfare	(30,733)	367	4,195,344	4,125,344	70,367
Housing Commission	70,127	70,277	3,512,098	3,512,098	70,277
Component Unit Funds	45,393,939	52,884,189	63,825,128	63,755,129	52,954,188
Aeronautics	163,380,690	168,692,690	37,269,004	37,269,004	168,692,690
Delinquent Tax Revolving	9,619,489	9,450,489	3,843,500	4,587,000	8,706,989
Proprietary Funds	173,000,179	178,143,179	41,112,504	41,856,004	177,399,679
Total	\$ 349,290,675	\$ 382,773,153	\$ 432,984,905	\$ 446,648,366	\$ 369,109,693

FY 2007 Revenues By Category - \$357,659,985



FY 2007 Expenditures By Category - \$371,323,446



GENERAL FUND

General Fund

The County's major operating fund used to account for resources traditionally associated with the government which are not required to be accounted for in another fund.

GENERAL FUND

County of Kent, Michigan

**General Fund
Schedule of Uses of Financial Resources**

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Audited	Adopted	Amended	Requested	Adopted	
Administration & Road Patrol	\$ 14,544,674	\$ 14,731,242	\$ 15,069,916	\$ 15,729,419	\$ 15,729,419	4.4%
Administration & Road Patrol - COPS	-	-	-	287,215	287,215	NA
Law Enforcement Computer Net	87,284	111,080	111,080	114,480	114,480	3.1%
Marine Safety	150,307	195,666	195,666	206,051	206,051	5.3%
Lake Bella Vista	8,175	33,831	33,831	35,487	35,487	4.9%
Township Law Enforcement	1,640,147	1,775,863	1,775,863	2,157,454	2,157,454	21.5%
Township Law Enforcement - East Precinct	1,315,826	1,323,692	1,323,692	1,410,398	1,410,398	6.6%
Dispatch Services	1,686,647	1,822,326	1,912,431	1,959,211	1,959,211	2.4%
Correctional Facility	29,615,641	33,768,114	33,813,639	35,926,236	35,926,236	6.2%
Emergency Management	241,533	251,511	251,511	269,836	269,836	7.3%
Sheriff	49,290,235	54,013,325	54,487,629	58,095,787	58,095,787	6.6%
Circuit Court	12,578,987	12,925,495	12,924,613	14,314,837	13,933,670	7.8%
Circuit Court Services	1,302,384	1,434,637	1,434,637	1,616,421	1,616,421	12.7%
Law Library	19,909	21,400	21,400	21,400	21,400	0.0%
Jury Commission	825	2,083	2,083	2,082	2,082	0.0%
Family Division Referees	493,160	501,280	501,280	711,792	711,792	42.0%
Probation	54,009	91,086	91,086	79,066	69,011	-24.2%
Circuit Court Clerk	1,251,196	1,329,953	1,329,953	1,413,106	1,413,106	6.3%
Circuit Court	15,700,471	16,305,934	16,305,052	18,158,704	17,767,482	9.0%
Administration	487,277	505,467	505,467	544,759	544,759	7.8%
Cooperative Extension	28,398	56,750	56,750	56,750	56,750	0.0%
82 Ionia	650,220	874,286	874,286	874,290	861,185	-1.5%
Admin Building	674,796	795,250	795,250	795,250	795,250	0.0%
Courthouse	8,162,809	3,831,465	3,831,465	3,988,790	3,966,720	3.5%
Probate Court Building	121,763	118,000	119,370	125,000	125,000	4.7%
FIA Building	711,257	865,837	865,837	890,334	881,369	1.8%
Northwest Center	14,423	15,000	15,000	16,000	16,000	6.7%
Boiler Plant Operations	1,166,366	1,114,710	1,114,710	1,438,102	1,393,345	25.0%
Facilities Management	12,017,310	8,176,765	8,178,135	8,729,275	8,640,378	5.7%
Administration	743,469	706,528	706,528	753,118	753,118	6.6%
JNET	446,806	506,691	506,691	549,963	549,963	8.5%
GIS	723,294	652,634	652,634	733,764	685,164	5.0%
Help Desk	807,270	878,235	878,235	1,095,107	1,095,107	24.7%
FHRS	414,032	684,174	849,927	623,836	623,836	-26.6%
Specialty Applications	295,593	313,848	313,848	360,729	360,729	14.9%
Networks	578,039	583,811	583,811	588,540	588,540	0.8%
Servers	1,011,730	1,181,159	1,181,159	1,284,497	1,284,497	8.7%
Telecommunications	217,121	313,767	313,767	330,133	330,133	5.2%
Information Technology	5,237,353	5,820,847	5,986,600	6,319,687	6,271,087	4.8%
Criminal/Juvenile	5,264,018	5,472,053	5,472,053	6,040,271	6,040,271	10.4%
Prosecutor	5,264,018	5,472,053	5,472,053	6,040,271	6,040,271	10.4%
John Ball Zoological Gardens	3,589,202	3,899,737	3,935,237	4,117,791	3,973,510	1.0%
Zoo	3,589,202	3,899,737	3,935,237	4,117,791	3,973,510	1.0%

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County of Kent, Michigan

General Fund
Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		
	Audited	Adopted	Amended	Requested	Adopted	Amended % Change
Long Lake Region	-	331,650	331,650	271,329	271,329	-18.2%
Townsend Region	-	183,321	183,321	194,863	194,863	6.3%
Caledonia Region	-	220,489	220,489	223,391	223,391	1.3%
Johnson	-	213,517	213,517	286,439	286,439	34.2%
Fallasburg Region	-	138,645	138,645	194,021	194,021	39.9%
Wabasis Lake Park	-	147,823	147,823	186,901	186,901	26.4%
Palmer	-	135,291	135,291	121,940	121,940	-9.9%
Douglas Walker Region	-	243,443	243,443	228,529	228,529	-6.1%
Dwight Lydell Region	-	188,710	188,710	197,305	197,305	4.6%
Kent Trails	-	9,975	9,975	18,175	18,175	82.2%
Millennium	-	730,184	425,184	431,469	431,469	1.5%
Millennium Park Security	224,022	255,000	257,760	342,259	342,259	32.8%
LE Kaufman Golf Course	-	543,581	543,581	540,243	540,243	-0.6%
LE Kaufman Clubhouse	-	398,662	398,662	363,563	363,563	-8.8%
Wabasis Lake Campground	-	241,661	241,661	180,395	180,395	-25.4%
Administration	-	1,056,696	1,056,696	1,200,627	1,200,627	13.6%
Parks	224,022	5,038,648	4,736,408	4,981,449	4,981,449	5.2%
63rd District Court	1,998,816	2,352,362	2,352,362	2,419,332	2,419,332	2.8%
District Court - Probation	338,788	388,099	388,099	440,755	440,755	13.6%
District Court	2,337,605	2,740,461	2,740,461	2,860,087	2,860,087	4.4%
Administrator's Office	1,050,476	1,141,160	1,150,660	1,315,001	1,301,517	13.1%
Board of Commissioners	741,749	909,839	909,839	922,772	914,272	0.5%
Corporate Counsel	23,219	95,000	85,500	50,000	50,000	-41.5%
Economic Development	75,000	77,500	77,500	80,000	80,000	3.2%
Management Studies	79,228	285,000	280,250	163,000	163,000	-41.8%
Alliance for Health	4,750	-	4,750	4,750	4,750	0.0%
Prevention Program	1,589,182	1,680,000	2,457,000	2,530,000	2,530,000	3.0%
Area Agency on Aging	29,092	14,546	14,546	14,546	14,546	0.0%
ACSET	65,000	65,000	65,000	65,000	65,000	0.0%
Legal Assessment Center	-	-	-	40,000	40,000	NA
Policy/Administration	3,657,697	4,268,045	5,045,045	5,185,069	5,163,085	2.3%
Bureau of Equalization	1,498,196	1,584,307	1,584,307	1,876,863	1,876,863	18.5%
Bureau of Equalization	1,498,196	1,584,307	1,584,307	1,876,863	1,876,863	18.5%
County Clerk - Elections	216,476	441,656	441,656	232,795	232,795	-47.3%
County Clerk - Vital Records	777,632	801,162	801,162	905,195	905,195	13.0%
County Clerk - Register of Deeds	739,505	824,695	824,695	867,347	865,496	4.9%
Clerk's Office	1,733,613	2,067,513	2,067,513	2,005,337	2,003,486	-3.1%
Drain Commission	434,538	577,027	577,027	613,070	581,870	0.8%
Drains County At Large	12,003	50,000	50,000	50,000	50,000	0.0%
Drain Commission	446,541	627,027	627,027	663,070	631,870	0.8%

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GENERAL FUND

County of Kent, Michigan

General Fund
Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Audited	Adopted	Amended	Requested	Adopted	
Fiscal Services	1,528,637	1,631,767	1,631,767	1,730,619	1,730,619	6.1%
Audit	104,990	117,550	117,550	120,100	120,100	2.2%
Purchasing	445,895	459,332	459,332	503,081	503,081	9.5%
Central Services	830,827	768,153	768,153	882,618	790,353	2.9%
Fleet Services	438,888	445,431	525,148	512,250	512,250	-2.5%
Fiscal Services	3,349,237	3,422,233	3,501,950	3,748,668	3,656,403	4.4%
Human Resources	1,993,984	2,136,566	2,136,566	2,184,409	2,177,409	1.9%
Human Resources	1,993,984	2,136,566	2,136,566	2,184,409	2,177,409	1.9%
Treasurer's Office	1,054,474	1,079,826	1,079,826	1,170,220	1,170,220	8.4%
Tax Tribunal Refunds	13,348	200,000	200,000	140,000	140,000	-30.0%
Treasurer's Office	1,067,822	1,279,826	1,279,826	1,310,220	1,310,220	2.4%
Probate Court - Mental & Estate Division	1,045,481	1,092,060	1,092,060	1,208,815	1,199,495	9.8%
Intergovernmental	3,642,445	3,611,789	3,611,789	3,767,413	3,767,413	4.3%
Cooperative Extension Service	573,640	636,555	636,555	667,882	657,696	3.3%
Medical Examiner	1,115,479	1,219,767	1,219,767	1,418,897	1,286,120	5.4%
Soldiers & Sailors Relief	184,401	191,981	191,981	197,585	197,585	2.9%
Other	6,561,446	6,752,152	6,752,152	7,260,592	7,108,309	5.3%
Operating Expenses before Transfers	113,968,752	123,605,439	124,835,960	133,537,279	132,557,696	6.2%
Transfers Out - Debt Service Fund	991,015	6,408,706	6,408,706	6,228,601	6,228,601	-2.8%
Transfers Out - Fire Commission	100,000	135,000	135,000	186,000	186,000	37.8%
Transfers Out - Parks	3,245,223	-	-	-	-	NA
Transfers Out - FOC	1,873,000	2,161,599	2,161,599	2,440,876	2,122,784	-1.8%
Transfers Out - Health	8,105,031	9,775,696	9,775,696	10,025,526	9,724,965	-0.5%
Transfers Out - Special Projects	1,293,297	717,598	688,063	767,647	727,711	5.8%
Transfers Out - DHS Social Welfare	770,000	729,967	729,967	815,864	729,774	0.0%
Transfers Out - Child Care	11,264,692	11,791,870	11,791,870	12,527,867	12,076,922	2.4%
Transfers Out - DHS Child Care	4,747,462	4,828,503	4,828,503	4,978,542	4,978,542	3.1%
Operating Transfers Out	32,389,720	36,548,939	36,519,404	37,970,923	36,775,299	0.7%
Total Operating Expenses	146,358,472	160,154,378	161,355,364	171,508,202	169,332,995	4.9%
Transfers Out - CIP	310,800	-	101,140	2,500,000	2,500,000	2371.8%
Capital	310,800	-	101,140	2,500,000	2,500,000	2371.8%
Total Uses before Appropriation Lapse	146,669,272	160,154,378	161,456,504	174,008,202	171,832,995	6.4%
Estimated Appropriation Lapse	-	6,100,000	6,100,000	6,300,000	6,300,000	3.3%
Total General Fund	\$146,669,272	\$154,054,378	\$155,356,504	\$167,708,202	\$165,532,995	6.6%

County of Kent, Michigan

General Fund
Fund Statement

	<i>Year ended December 31,</i>				
	<u>2004</u> <u>Audited</u>	<u>2005</u> <u>Audited</u>	<u>2006</u> <u>Amended</u>	<u>2006</u> <u>Estimated</u>	<u>2007</u> <u>Adopted</u>
Revenues:					
Taxes	\$ 68,879,588	\$ 73,134,574	\$ 80,302,273	\$ 79,900,000	\$ 87,425,000
Licenses and permits	161,844	81,252	93,035	88,000	80,350
Intergovernmental	14,761,802	11,723,184	11,857,942	11,641,000	12,868,290
Charges for services	17,354,912	16,830,179	21,272,115	20,500,000	20,545,745
Fines & Forfeitures	182,289	342,112	301,000	301,000	279,600
Investment earnings	2,042,970	3,017,636	2,750,000	3,900,000	3,790,000
Reimbursements	8,548,407	8,638,413	8,389,140	8,400,000	8,794,225
Other	3,040,019	2,853,637	3,548,396	2,911,000	2,979,900
Total Revenues	114,971,830	116,620,987	128,513,901	127,641,000	136,763,110
Expenditures:					
Sheriff	48,312,072	49,290,235	54,487,629	51,989,000	58,095,787
Circuit Court	15,499,254	15,700,471	16,305,052	16,130,000	17,767,482
Facilities Management	12,137,463	12,017,310	8,178,135	8,000,000	8,640,378
Information Technology	5,395,119	5,237,353	5,986,600	5,301,000	6,271,087
Prosecutor	4,919,892	5,264,018	5,472,053	5,453,000	6,040,271
Zoo	3,445,362	3,589,202	3,935,237	3,688,000	3,973,510
Parks	196,331	224,022	4,736,408	4,690,000	4,981,449
District Court	2,338,136	2,337,605	2,740,461	2,493,000	2,860,087
Policy/ Administration	3,683,618	3,657,697	5,045,045	4,200,000	5,163,085
Bureau of Equalization	1,417,293	1,498,196	1,584,307	1,516,000	1,876,863
Clerk's Office	1,858,241	1,733,613	2,067,513	1,954,000	2,003,486
Drain Commission	606,055	446,541	627,027	431,700	631,870
Fiscal Services	3,344,404	3,349,237	3,501,950	3,382,000	3,656,403
Human Resources	2,002,356	1,993,984	2,136,566	1,925,000	2,177,409
Treasurer's Office	1,438,184	1,067,822	1,279,826	1,078,000	1,310,220
Other	7,003,376	6,561,446	6,752,152	6,341,000	7,108,309
Appropriation lapse	-	-	(6,100,000)	-	(6,300,000)
Total Expenditures	113,597,156	113,968,752	118,735,960	118,571,700	126,257,696
Excess (deficiency) of revenues over (under) expenditures	1,374,674	2,652,235	9,777,941	9,069,300	10,505,414
Other Financing Sources (Uses):					
Transfers in	27,575,656	26,366,586	24,669,427	24,600,000	28,698,373
Transfers out _Operating	(33,732,922)	(32,389,720)	(36,519,404)	(35,000,000)	(36,775,299)
Transfers out _Capital	(3,082,958)	(310,800)	(101,140)	(101,000)	(2,500,000)
Total Other Financing Sources (Uses)	(9,240,224)	(6,333,934)	(11,951,117)	(10,501,000)	(10,576,926)
Net Inc (Dec) in Fund Balance	(7,865,550)	(3,681,699)	(2,173,176)	(1,431,700)	(71,512)
Fund Balance, beginning of year	85,515,776	77,650,226	73,968,527	73,968,527	72,536,827
Fund Balance, end of year	\$ 77,650,226	\$ 73,968,527	\$ 71,795,351	\$ 72,536,827	\$ 72,465,315

GENERAL FUND

County of Kent, Michigan

General Fund By Category

Statement of Revenues, Expenditures, and Changes in Fund Balances

	FY 2005		FY 2006		FY 2007		
	Audited	Percent	Adopted	Percent	Requested	Adopted	Percent
Revenues By Category							
Taxes	\$73,134,574	62.7%	\$80,302,273	62.8%	\$87,425,000	\$87,425,000	63.9%
Licenses & permits	81,252	0.1%	93,035	0.1%	80,350	80,350	0.1%
Intergovernmental	11,723,184	10.1%	11,822,442	9.2%	12,868,290	12,868,290	9.4%
Charges for services	16,830,179	14.4%	20,495,115	16.0%	20,545,745	20,545,745	15.0%
Fines & forfeitures	342,112	0.3%	301,000	0.2%	279,600	279,600	0.2%
Investment earnings	3,017,636	2.6%	2,750,000	2.1%	3,790,000	3,790,000	2.8%
Reimbursements	8,638,413	7.4%	8,632,640	6.7%	8,794,225	8,794,225	6.4%
Other	2,853,637	2.4%	3,548,396	2.8%	2,979,900	2,979,900	2.2%
Total Revenues	116,620,987	100.0%	127,944,901	100.0%	136,763,110	136,763,110	100.0%
Expenditures By Category							
Personnel	73,357,492	64.4%	81,201,721	69.1%	88,599,217	88,371,968	70.0%
Commodities	3,395,045	3.0%	4,413,919	3.8%	4,334,312	4,310,411	3.4%
Contractual services	35,785,556	31.4%	35,783,490	30.5%	38,096,736	37,468,858	29.7%
Capital outlay	1,214,904	1.1%	1,907,803	1.6%	2,199,583	2,099,028	1.7%
Other	215,755	0.2%	298,506	0.3%	307,431	307,431	0.2%
Appropriation lapse	-	0.0%	(6,100,000)	-5.2%	(6,300,000)	(6,300,000)	-5.0%
Total Expenditures	113,968,752	100.0%	117,505,439	100.0%	127,237,279	126,257,696	100.0%
Excess (deficiency) of revenues over (under) expenditures	2,652,235		10,439,462		9,525,831	10,505,414	
Other Fin Sources (Uses)							
Transfers in	26,366,586		24,564,485		28,698,373	28,698,373	
Transfers out	(32,700,520)		(36,548,939)		(40,470,923)	(39,275,299)	
Total Other Fin Sources (Uses)	(6,333,934)		(11,984,454)		(11,772,550)	(10,576,926)	
Net Inc (Dec) in Fund Balance	\$ (3,681,699)		\$ (1,544,992)		\$ (2,246,719)	\$ (71,512)	

Other Revenues:

Rental Income; Sale of fixed Assets; Vending Machine & Pay Phone

Other Expenditures:

Cost Allocation; Interest; Principal-Bonds

County of Kent, Michigan

General Fund By Function

Statement of Revenues, Expenditures, and Changes in Fund Balances

	FY 2005		FY 2006		FY 2007		
	Audited	Percent	Adopted	Percent	Requested	Adopted	Percent
Revenues By Category							
Taxes	\$73,134,574	62.7%	\$80,302,273	62.8%	\$87,425,000	\$87,425,000	63.9%
Licenses & permits	81,252	0.1%	93,035	0.1%	80,350	80,350	0.1%
Intergovernmental	11,723,184	10.1%	11,822,442	9.2%	12,868,290	12,868,290	9.4%
Charges for services	16,830,179	14.4%	20,495,115	16.0%	20,545,745	20,545,745	15.0%
Fines & forfeitures	342,112	0.3%	301,000	0.2%	279,600	279,600	0.2%
Investment earnings	3,017,636	2.6%	2,750,000	2.1%	3,790,000	3,790,000	2.8%
Reimbursements	8,638,413	7.4%	8,632,640	6.7%	8,794,225	8,794,225	6.4%
Other	2,853,637	2.4%	3,548,396	2.8%	2,979,900	2,979,900	2.2%
Total Revenues	116,620,987	100.0%	127,944,901	100.0%	136,763,110	136,763,110	100.0%
Expenditures By Function							
General government	31,611,460	27.7%	29,944,288	25.5%	31,660,847	31,461,315	24.9%
Public safety	49,514,257	43.4%	54,268,325	46.2%	58,438,046	58,438,046	46.3%
Judicial	24,347,574	21.4%	25,610,508	21.8%	28,267,877	27,867,335	22.1%
Cultural and recreation	4,162,842	3.7%	9,319,940	7.9%	9,424,863	9,270,396	7.3%
Health and welfare	2,889,062	2.5%	3,091,748	2.6%	4,146,482	4,013,705	3.2%
Other	1,443,557	1.3%	1,370,630	1.2%	1,599,164	1,506,899	1.2%
Appropriation lapse	-	0.0%	(6,100,000)	-5.2%	(6,300,000)	(6,300,000)	-5.0%
Total Expenditures	113,968,752	100.0%	117,505,439	100.0%	127,237,279	126,257,696	100.0%
Excess (deficiency) of revenues over (under) expenditures	2,652,235		10,439,462		9,525,831	10,505,414	
Other Fin Sources (Uses)							
Transfers in	26,366,586		24,564,485		28,698,373	28,698,373	
Transfers out	(32,700,520)		(36,548,939)		(40,470,923)	(39,275,299)	
Total Other Fin Sources (Uses)	(6,333,934)		(11,984,454)		(11,772,550)	(10,576,926)	
Net Inc (Dec) in Fund Balance	\$ (3,681,699)		\$ (1,544,992)		\$ (2,246,719)	\$ (71,512)	

County of Kent, Michigan

General Fund By Category
Revenue Forecast

Category	Actual		Amended	Adopted	Forecast			
	2004	2005	2006	2007	2008	2009	2010	2011
Taxes	\$ 68,879,587	\$ 73,134,574	\$ 80,302,273	\$ 87,425,000	\$ 89,406,761	\$ 93,831,222	\$ 98,476,509	\$103,393,905
License & Permits	161,844	81,252	93,035	80,350	82,977	84,637	86,329	88,056
State Grants	1,352,684	1,440,509	1,390,250	1,432,682	1,468,499	1,505,212	1,542,842	1,581,413
State Grants-Court Equity	3,594,746	3,472,493	3,550,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
State Grants-Liquor Tax	2,792,678	2,960,118	2,898,806	3,210,054	3,210,000	3,210,000	3,210,000	3,210,000
Sales Tax	2,084,428	-	-	-	-	-	-	8,000,000 ^(a)
Cont From Local Units	1,897,356	1,986,412	2,182,694	2,635,613	2,701,503	2,769,041	2,838,267	2,909,224
Other	3,039,909	1,863,652	1,836,192	2,289,941	2,349,479	2,410,566	2,473,241	2,537,545
Intergovernmental	14,761,802	11,723,184	11,857,942	12,868,290	13,029,482	13,194,818	13,364,349	21,538,181
Court Fees	2,739,172	2,457,417	2,973,000	2,895,000	2,952,900	3,011,958	3,072,197	3,133,641
Real Estate Transfer Tax	3,246,274	3,200,429	3,000,000	3,200,000	3,264,000	3,329,280	3,395,866	3,463,783
Recording Fee	2,855,899	2,604,283	2,900,000	2,600,000	2,678,000	2,731,560	2,786,191	2,841,915
Board & Care	3,665,577	3,336,314	4,000,000	3,500,000	3,570,000	3,641,400	3,714,228	3,788,513
Other	4,847,990	5,231,737	8,399,115	8,350,745	8,476,006	8,603,146	8,732,193	8,863,176
Charges for Services	17,354,912	16,830,179	21,272,115	20,545,745	20,940,906	21,317,344	21,700,675	22,091,028
Fines & Forfeitures	182,289	342,112	301,000	279,600	287,988	296,628	305,526	314,692
Interest	2,042,970	3,017,636	2,750,000	3,790,000	3,865,800	3,943,116	4,021,978	4,102,418
Reimbursements	8,548,407	8,638,413	8,389,140	8,794,225	8,970,110	9,149,512	9,332,502	9,519,152
Other	3,040,019	2,853,637	3,548,396	2,979,900	3,104,350	3,166,437	3,229,765	3,294,361
Trans In-Building Auth Const	-	12,823	-	-	-	-	-	-
Trans In-Corrections & Det	13,185,500	12,200,000	11,000,000	15,000,000	16,000,000	16,500,000	17,000,000	17,500,000 ^(b)
Trans In-RSRF	6,845,403	10,494,321	10,840,632	11,198,373	11,567,919	11,949,661	12,343,999	4,443,254
Trans In-Delinquent Tax	3,059,980	3,000,000	2,828,795	2,500,000	2,828,795	2,828,795	2,828,795	2,828,795
Trans In-CIP	1,369,421	550,000	-	-	-	-	-	-
Trans In-Special Projects	2,588,910	109,442	-	-	-	-	-	-
Trans In-RODAF	526,442	-	-	-	-	-	-	-
Transfers In	27,575,656	26,366,586	24,669,427	28,698,373	30,396,714	31,278,456	32,172,794	24,772,049
Total	\$142,547,485	\$142,987,573	\$153,183,328	\$165,461,483	\$170,085,087	\$176,262,168	\$182,690,430	\$189,113,842^(c)

(a) It is anticipated that during FY 2011 the County will have fully expended balances available in its Revenue Sharing Reserve Fund and the State of Michigan will reinstate statutory state appropriations returning Kent County to its historical funding levels based on trends established in FY 2004.

(b) The currently authorized Corrections and Detentions millage will expire after production of tax billings in December 2009. The tax levy is expected to provide \$17 million of revenue in FY 2010. The FY 2011 revenue forecast includes \$17.5 million to be derived from the voter approved renewal of the current (.7893 mills) tax levy.

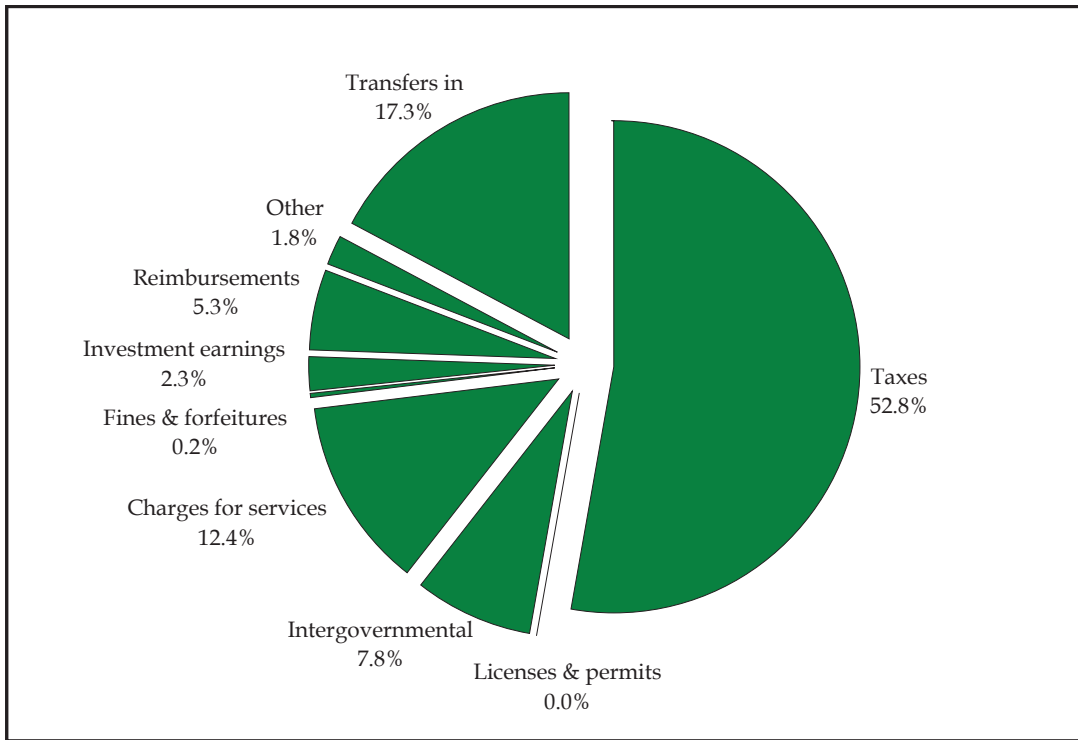
(c) If the State does not renew statutory revenue sharing appropriations and voters do not approve renewal of the Corrections and Detention millage, the FY 2011 revenue forecast would be reduced by \$25.5 million. This would require a reduction in General Fund spending (personnel/programs/services) which, expressed as a percentage of forecasted expenditures, would require a spending reduction of 13.5%.

County of Kent, Michigan

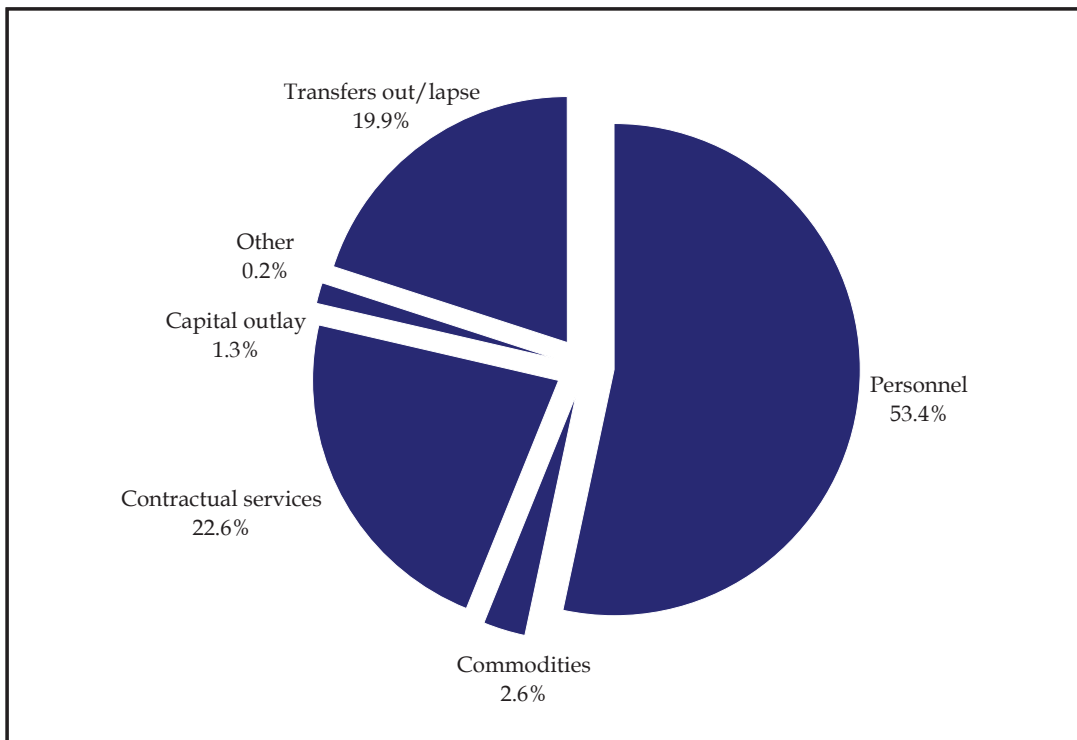
General Fund By Category
Expenditure Forecast

Category	Audited		Amended	Adopted	Forecast			
	2004	2005	2006	2007	2008	2009	2010	2011
Wages	\$52,216,868	\$53,337,154	\$58,245,484	\$ 62,383,645	\$64,255,154	\$66,182,809	\$68,168,293	\$70,213,342
Temporary	133,610	35,352	47,660	47,369	48,790	50,254	51,761	53,314
Overtime	2,182,068	1,938,448	2,325,730	2,409,641	2,481,930	2,556,388	2,633,080	2,712,072
Group Ins	7,678,379	9,231,097	10,579,170	11,912,459	13,222,829	14,677,341	16,291,848	18,083,952
FICA	4,073,603	4,115,153	4,607,434	4,893,062	5,039,854	5,191,049	5,346,781	5,507,184
Pension	2,595,399	4,206,395	4,881,277	6,117,346	6,967,657	7,859,517	8,244,634	8,491,973
Workers Comp	441,831	432,696	450,354	529,356	454,971	461,613	542,590	466,345
Other	69,927	61,198	83,840	79,090	63,272	50,618	40,494	32,395
Personnel	69,391,686	73,357,492	81,220,949	88,371,968	92,534,458	97,029,589	101,319,481	105,560,577
Commodities	3,466,840	3,395,045	4,510,694	4,310,411	4,439,723	4,572,915	4,710,102	4,851,406
Building Rent	6,078,794	5,717,916	291,760	291,700	297,534	303,485	309,554	315,745
Contributions - network180	4,099,322	3,642,445	3,611,789	3,767,413	3,767,413	3,767,413	3,767,413	3,767,413
Consultants	1,216,706	461,339	748,791	568,029	579,390	590,977	602,797	614,853
H/S Maint	1,172,858	1,270,204	1,605,687	1,448,962	1,477,941	1,507,500	1,537,650	1,568,403
Inmate Health	5,324,286	4,279,939	5,812,500	5,784,982	6,016,381	6,257,037	6,507,318	6,767,611
Legal	5,364,523	5,151,335	5,091,000	5,507,605	5,617,757	5,730,112	5,844,714	5,961,609
Other Contractual Services	3,212,829	3,204,931	3,599,893	4,133,234	4,257,231	4,384,948	4,516,496	4,651,991
Other	8,737,479	7,671,936	11,002,117	10,808,609	11,132,867	11,466,853	11,810,859	12,165,185
Travel	328,327	338,972	448,327	487,681	502,311	517,381	532,902	548,889
Utilities	3,757,552	4,046,540	4,331,661	4,670,643	4,810,762	4,955,085	5,103,738	5,256,850
Contractuals	39,292,676	35,785,556	36,543,525	37,468,858	38,459,588	39,480,791	40,533,442	41,618,549
Capital Outlay	1,340,945	1,214,904	2,262,286	2,099,028	2,182,989	2,270,309	2,361,121	2,455,566
Other	105,008	215,755	298,506	307,431	316,654	326,154	335,938	346,016
Childcare	13,505,082	11,264,692	11,791,870	12,076,922	12,559,999	13,062,399	13,584,895	14,128,291
Capital Imp Bond Debt Svc	-	966,960	962,170	961,776	961,300	959,700	961,100	962,600
CIP	2,398,433	310,800	101,140	2,500,000	500,000	-	-	-
Debt Svc Fund	27,680	24,055	5,446,536	5,266,825	5,446,600	5,446,600	5,446,600	5,446,600
DHS Childcare	4,795,064	4,747,462	4,828,503	4,978,542	5,177,684	5,384,791	5,600,183	5,824,190
DHS Social Welfare	782,069	770,000	729,967	729,774	729,774	729,774	729,774	729,774
Fire Commission	100,000	100,000	135,000	186,000	190,650	195,416	200,302	205,309
FOC	1,406,461	1,873,000	2,161,599	2,122,784	2,186,468	2,252,062	2,319,623	2,389,212
Health	9,309,503	8,105,031	9,775,696	9,724,965	10,016,714	10,317,215	10,626,732	10,945,534
Parks	3,270,475	3,245,223	-	-	-	-	-	-
Special Projects	536,590	1,293,297	688,063	727,711	749,542	772,029	795,189	819,045
Other	684,525	-	-	-	-	-	-	-
Transfers Out	36,815,882	32,700,520	36,620,544	39,275,299	38,518,730	39,119,986	40,264,398	41,450,555
Total before Lapse	150,413,037	146,669,273	161,456,504	171,832,995	176,452,143	182,799,743	189,524,483	196,282,669
Appropriation Lapse	-	-	(6,100,000)	(6,300,000)	(6,500,000)	(6,650,000)	(6,800,000)	(7,000,000)
Total	150,413,037	146,669,273	155,356,504	165,532,995	169,952,143	176,149,743	182,724,483	189,282,669
Net Fund Balance Inc (Dec)	(7,865,552)	(3,681,699)	(2,173,176)	(71,512)	132,945	112,426	(34,053)	(168,827)
Reconciliation to Estimated	-	-	741,477	-	-	-	-	-
Fund Balance, Beg	85,515,777	77,650,225	73,968,526	72,536,827	72,465,315	72,598,260	72,710,685	72,676,632
Fund Balance, End	\$77,650,225	\$73,968,526	\$72,536,827	\$ 72,465,315	\$72,598,260	\$72,710,685	\$72,676,632	\$72,507,805

FY 2007 Sources By Category - \$165,461,483



FY 2007 Uses By Category - \$165,532,995



SPECIAL REVENUE FUNDS

Fire Prevention Fund

To account for the acquisition of fire trucks for participating local units of government. Financing is provided by participating units and General Fund appropriations.

Parks Fund

To account for certain resources restricted to specific Park activities. Effective after FY 2005, the Parks operations and maintenance is accounted for in the General Fund.

Friend of the Court

To account for revenues and expenditures of the Friend of the Court office required in the 1982 Public Acts 294, 295, 296, 297, and 298.

Health Fund

To account for special revenue set aside for the purpose of providing health protection for the citizens of Kent County. Revenues are provided through state and federal grants and General Fund appropriations.

Lodging Excise Tax Fund

To account for expenditures incurred in promoting Kent County and maintaining, acquiring or constructing its public convention and entertainment facilities. Revenues are provided by the excise tax on transient room rentals.

Correction & Detention Facilities Fund

To account for the proceeds of a dedicated millage levied to pay for operations and debt service related to the expansion of the correction and detention facilities.

Senior Millage Fund

To account for the proceeds of a dedicated millage levied to plan, coordinate, evaluate and provide services to persons 60 years of age or older.

Register of Deeds Automation Fund

To account for funds set aside under provisions of Public Acts 698 of 2002 (MCL 600.2568) for upgrading technology in the Register of Deeds' office.

Drug Law Enforcement Fund

To account for the receipt and expenditures of monies generated through application of various drug forfeiture laws.

Community Development Fund

To account for the improvement, rehabilitation and preservation of public facilities in target areas as well as the issuance and repayment of rehabilitation loans. Financing is provided by Community Development Block Grants and program income.

SPECIAL REVENUE FUNDS

Child Care Funds

To account for the care of neglected, abused and delinquent juveniles. Revenues are provided through state reimbursements and General Fund appropriations.

Revenue Sharing Reserve Fund

Created in accordance with Public Act 357 of 2004 to serve as a substitute for State revenue sharing payments to counties. Revenues are provided by a set-aside of certain local general property taxes levied in 2004 through 2006 inclusive.

Veterans' Trust Fund

To account for state grants received for the purpose of financially assisting qualified veterans.

Special Projects - Calendar Year-End (12/31) Fund

To account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

Special Projects - Fiscal Year-End (9/30) Fund

To account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

County of Kent, Michigan
Special Revenue Funds
 Schedule of Uses of Financial Resources

Program Descriptions	FY 2005		FY 2006		FY 2007		Amended % Change
	Audited	Adopted	Amended	Requested	Adopted		
Fire Prevention Fund	\$ 351,742	\$ 358,328	\$ 358,328	\$ 372,000	\$ 372,000		3.8%
Parks Fund	4,713,594	-	-	-	-		NA
Title IV-D	7,561,018	7,843,582	7,910,506	8,514,107	8,164,107		3.2%
Work First	162,343	171,808	171,808	184,738	184,738		7.5%
Medical Support	138,230	176,062	196,532	189,874	189,874		-3.4%
Title IV-D - Work Flow Project	-	-	-	-	381,908		NA
Friend of the Court Fund	7,861,591	8,191,452	8,278,846	8,888,719	8,920,627		7.8%
Administration	4,628,111	3,255,525	3,655,338	3,676,543	3,624,806		-0.8%
Community Nursing	7,510,635	7,611,774	7,504,555	7,387,349	7,326,669		-2.4%
Clinical Services	10,112,794	8,124,305	8,160,637	11,355,434	11,404,652		39.8%
Environmental Health	4,650,265	4,994,306	4,947,010	5,082,917	4,921,708		-0.5%
Health Fund	26,901,805	23,985,910	24,267,539	27,502,243	27,277,835		12.4%
Lodging Excise Tax Fund	6,023,220	6,166,175	6,166,175	6,552,734	6,552,734		6.3%
Correction & Detention Fund	18,710,287	11,318,840	11,393,840	15,319,340	15,319,340		34.5%
Senior Millage Fund	4,779,747	5,047,207	5,047,207	6,430,079	6,430,079		27.4%
ROD - Automation Fund	230,617	702,116	702,116	698,274	698,274		-0.5%
Drug Law Enforcement Fund	-	-	126,550	148,554	148,554		17.4%
Community Development Fund	2,055,534	2,755,420	4,307,546	3,118,443	3,118,443		-27.6%
Juvenile Sex Offender	257,073	322,210	322,210	364,229	364,229		13.0%
Juvenile Court CASA	51,003	67,976	67,976	81,480	81,480		19.9%
DT/NW Training Funds	3,000	2,500	5,264	2,500	2,500		-52.5%
Facilities Management	473,466	515,283	515,283	525,777	525,777		2.0%
Community Probation	3,266,010	3,645,981	3,645,981	3,941,243	3,941,243		8.1%
Placement	9,009,214	9,482,285	9,482,285	10,057,782	9,706,837		2.4%
Young Delinquent Inten Inter Program	166,656	188,278	188,278	192,775	192,775		2.4%
Electronic Monitoring	167,235	173,498	173,498	178,404	178,404		2.8%
Community Reintegration	265,966	282,797	282,797	298,646	298,646		5.6%
Juvenile Detention	6,015,215	6,498,049	6,498,049	6,750,640	6,750,640		3.9%
Detention Milk Meal	95,486	95,000	95,000	95,000	95,000		0.0%
Kent Crisis Intervention	384,768	400,929	400,929	436,057	436,057		8.8%
Child Care Fund	20,155,092	21,674,786	21,677,550	22,924,533	22,573,588		4.1%
DHS Child Care Fund	8,537,081	9,582,006	9,582,006	9,890,832	9,890,832		3.2%
Revenue Sharing Reserve Fund	10,494,321	10,735,690	10,840,632	11,198,373	11,198,373		3.3%
Veteran's Trust Fund	48,489	30,582	66,264	66,264	66,264		0.0%

Continued on next page...

SPECIAL REVENUE FUNDS

County of Kent, Michigan

Special Revenue Funds Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Audited	Adopted	Amended	Requested	Adopted	
Agricultural Preservation	262,856	-	2,150,371	-	-	-100.0%
CC - Family Counseling	44,020	73,000	133,035	73,000	73,000	-45.1%
CC - Court Services Criminal Diversion	67,800	73,209	73,209	-	-	-100.0%
Coop Ext - Families in Touch	51,838	-	40,544	-	-	-100.0%
Coop Ext - Grandville Corridor	5,826	-	-	-	-	NA
Coop Ext - Smart Start	-	-	2,051	-	-	-100.0%
Drain Comm - FEMA	186,148	-	72,852	-	-	-100.0%
Drain Comm - Special Assessment	58,154	52,729	52,729	70,241	70,241	33.2%
Facilities Management - Fallasburg Dam	-	-	95,545	-	-	-100.0%
Remonumentation Program	300,541	380,000	290,133	170,000	170,000	-41.4%
Remonumentation Program-Supplement	47,891	-	-	-	-	NA
Parks - MP EPA Brownfield - HAS	-	-	200,000	-	-	-100.0%
Parks - MP EPA Brownfield - HSC	-	-	240,000	-	-	-100.0%
Parks - MP EPA Brownfield - PA	-	-	200,000	-	-	-100.0%
Parks - MP EPA Brownfield - PC	-	-	240,000	-	-	-100.0%
Sheriff - Countywide 911 Dispatch	88,535	-	75,865	-	-	-100.0%
Sheriff - Emergency Mgmt - 2003 SHSG	-	-	47,923	-	-	-100.0%
Sheriff - Emergency Mgmt - 2004 SHSG	2,086,789	-	650,616	-	-	-100.0%
Sheriff - Emergency Mgmt - 2005 SHSG	16,327	-	2,527,111	-	-	-100.0%
Sheriff - Gifts	30,843	-	-	-	-	NA
Sheriff - Gifts - DARE	-	200	200	200	200	0.0%
Sheriff - Gifts - Honor Camp	-	6,000	6,000	6,000	6,000	0.0%
Sheriff - Gifts - Jail	-	85,000	85,000	90,000	90,000	5.9%
Sheriff - Kent Narcotics	121,469	126,550	-	-	-	NA
Sheriff - Local Corr Officers Training	-	76,000	76,000	146,000	146,000	92.1%
Sheriff - Michigan Dispatch Training	4,086	9,000	9,000	9,000	9,000	0.0%
Sheriff - Michigan Justice Training	43,800	45,000	45,000	45,000	45,000	0.0%
Sheriff - Sheriff Anti-Drug	181,662	-	-	-	-	NA
Sheriff - SHSG Exercise Grant	15,730	-	-	-	-	NA
Sheriff - SHSG Solution Area Planner	15,012	-	-	-	-	NA
Sheriff - SHSG Training Grant	293,100	-	-	-	-	NA
Special Project Fund Calendar Year End	3,922,428	926,688	7,313,182	609,441	609,441	-91.7%
CC - JAIBG	264,411	50,110	111,012	56,611	56,611	-49.0%
CC - Juvenile Accountability	2,536	3,500	20,932	3,500	3,500	-83.3%
Community Corrections Grant	323,778	228,100	229,900	229,900	229,900	0.0%
Community Corrections Admin	2,146,870	2,236,391	2,310,206	2,348,330	2,308,394	-0.1%
Prosecutor - Drug Enforcement Unit	104,752	-	-	-	-	NA
Prosecutor - Cooperative Reimb	1,431,399	1,517,076	1,517,076	1,660,943	1,660,943	9.5%
Sheriff - Sheriff's Drug Enforcement	69,226	89,442	89,442	93,556	93,556	4.6%
Sheriff - Admin & Road Patrol-COPS	252,491	-	391,988	-	-	-100.0%
Sheriff - Law Enforcement Block Grant	100,744	-	45,854	-	-	-100.0%
Sheriff - Secondary Road Patrol	595,425	606,881	562,682	579,327	579,327	3.0%
Special Project Funds Fiscal Year End	5,291,632	4,731,500	5,279,092	4,972,167	4,932,231	-6.6%
Total Special Revenue Funds	\$120,077,179	\$106,206,700	\$115,406,874	\$118,691,996	\$118,108,615	2.3%

County of Kent, Michigan
Fire Prevention Special Revenue Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 100,000	\$ 100,000	\$ 135,000	\$ 135,000	\$ 186,000
Investment earnings	6,691	7,667	4,200	6,300	6,200
Other	16,179	-	9,000	-	12,000
Total Revenues	122,870	107,667	148,200	141,300	204,200
Expenditures:					
Personnel	1,336	1,572	2,100	1,400	2,100
Commodities	6,356	4,702	6,100	6,100	6,100
Contractual services	161,127	149,884	165,450	164,200	176,703
Other	47,935	24,727	13,978	13,978	14,397
Capital outlay	151,712	170,857	170,700	170,000	172,700
Total Expenditures	368,467	351,742	358,328	355,678	372,000
Excess (deficiency) of revenues over (under) expenditures	(245,596)	(244,074)	(210,128)	(214,378)	(167,800)
Other Financing Sources (Uses):					
Transfers in	100,000	100,000	135,000	135,000	186,000
Transfers out	-	-	-	-	-
Total Other financing sources (Uses)	100,000	100,000	135,000	135,000	186,000
Net Inc (Dec) in Fund Balance	(145,596)	(144,074)	(75,128)	(79,378)	18,200
Fund Balance, beginning of year	513,446	367,850	223,775	223,775	144,397
Fund Balance, end of year	\$ 367,850	\$ 223,775	\$ 148,647	\$ 144,397	\$ 162,597

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Parks Special Revenue Fund
Fund Statement**

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 25,000	\$ 19,400	\$ -	\$ -	\$ -
Charges for services	1,273,051	1,340,204	-	-	-
Investment earnings	8,503	9,043	6,075	14,000	14,500
Other	60,077	44,556	-	-	-
Total Revenues	1,366,631	1,413,204	6,075	14,000	14,500
Expenditures:					
Personnel	2,513,613	2,585,105	-	-	-
Commodities	287,662	291,017	-	-	-
Contractual Services	1,285,577	1,076,115	-	-	-
Other	148,087	449,588	-	-	-
Capital outlay	1,281,279	311,769	-	-	-
Total Expenditures	5,516,218	4,713,594	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(4,149,587)	(3,300,390)	6,075	14,000	14,500
Other Financing Sources (Uses):					
Transfers in	3,885,531	3,245,223	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	3,885,531	3,245,223	-	-	-
Net Inc (Dec) in Fund Balance	(264,055)	(55,167)	6,075	14,000	14,500
Fund Balance, beginning of year	641,004	376,949	321,782	321,782	335,782
Fund Balance, end of year	\$ 376,949	\$ 321,782	\$ 327,857	\$ 335,782	\$ 350,282

As of FY 2006, the Parks operations and maintenance is accounted for in the General Fund.

County of Kent, Michigan

Friend of the Court Special Revenue Fund
Fund Statement

	<i>Year ended September 30,</i>				
	2004 Audited	2005 Audited	2006 Amended	2006 Estimated	2007 Adopted
Revenues:					
Intergovernmental	\$ 5,969,426	\$ 5,640,959	\$ 5,583,747	\$ 5,561,000	\$ 5,875,343
Charges for services	548,610	591,661	531,500	596,000	567,500
Fines & Forfeitures	3,348	4,272	2,000	5,000	5,000
Total Revenues	6,521,384	6,236,891	6,117,247	6,162,000	6,447,843
Expenditures:					
Personnel	6,120,462	6,317,131	6,836,376	6,395,000	7,032,940
Commodities	147,873	165,243	215,324	173,000	213,200
Contractual Services	695,962	458,188	376,325	265,000	342,248
Other	706,577	737,644	850,821	850,821	891,236
Capital outlay	282,393	183,385	-	-	409,095
Total Expenditures	7,953,267	7,861,591	8,278,846	7,683,821	8,888,719
Excess (deficiency) of revenues over (under) expenditures	(1,431,883)	(1,624,700)	(2,161,599)	(1,521,821)	(2,440,876)
Other Financing Sources (Uses):					
Transfers in	1,124,168	1,730,293	2,161,599	1,522,000	2,472,784
Transfers out	-	-	-	-	(31,908)
Total Other financing sources (Uses)	1,124,168	1,730,293	2,161,599	1,522,000	2,440,876
Net Inc (Dec) in Fund Balance	(307,715)	105,593	-	179	-
Fund Balance, beginning of year	627,147	319,432	425,026	425,026	425,205
Fund Balance, end of year	\$ 319,432	\$ 425,026	\$ 425,026	\$ 425,205	\$ 425,205

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Health Special Revenue Fund
Fund Statement**

	<i>Year ended September 30,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Licenses and permits	\$ 1,312,281	\$ 1,291,100	\$ 1,297,300	\$ 1,265,000	\$ 1,203,543
Intergovernmental	8,205,562	10,946,568	7,344,634	7,300,000	10,595,371
Charges for services	1,295,767	1,650,269	1,301,562	1,011,000	1,032,312
Fines & Forfeitures	140,132	165,839	162,500	162,000	161,400
Reimbursements	4,203,166	4,491,835	3,891,749	3,252,000	4,211,187
Other	339,941	540,685	548,919	540,000	349,057
Total Revenues	15,496,849	19,086,295	14,546,664	13,530,000	17,552,870
Expenditures:					
Personnel	15,966,804	16,513,326	17,719,363	16,497,000	18,095,302
Commodities	1,091,265	3,467,719	1,785,490	1,204,000	5,239,435
Contractual Services	4,252,169	4,493,087	3,410,398	2,597,000	2,573,204
Other	1,777,642	1,831,935	1,057,829	1,057,000	1,106,513
Capital outlay	539,728	595,737	294,460	198,000	263,381
Total Expenditures	23,627,608	26,901,805	24,267,539	21,553,000	27,277,835
Excess (deficiency) of revenues over (under) expenditures	(8,130,758)	(7,815,509)	(9,720,875)	(8,023,000)	(9,724,965)
Other Financing Sources (Uses):					
Transfers in	9,163,861	7,850,673	9,775,696	8,023,000	9,724,965
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	9,163,861	7,850,673	9,775,696	8,023,000	9,724,965
Net Inc (Dec) in Fund Balance	1,033,103	35,164	54,821	-	-
Fund Balance, beginning of year	8,114	1,041,217	1,076,380	1,076,380	1,076,380
Fund Balance, end of year	\$ 1,041,217	\$ 1,076,380	\$ 1,131,201	\$ 1,076,380	\$ 1,076,380

County of Kent, Michigan
Lodging Excise Tax Special Revenue Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Taxes	\$ 4,170,741	\$ 4,470,866	\$ 4,619,900	\$ 4,700,000	\$ 5,406,500
Charges for services	19,606	1,449	2,000	1,500	2,000
Fines & Forfeitures	2,498	7,064	3,000	14,000	3,000
Investment earnings	110,620	177,561	112,900	224,000	253,500
Total Revenues	4,303,465	4,656,941	4,737,800	4,939,500	5,665,000
Expenditures:					
Personnel	97,986	102,289	115,898	114,500	129,825
Commodities	87	252	900	900	900
Contractual services	1,270,502	1,290,549	1,267,033	1,266,600	1,467,830
Other	4,039,233	4,630,131	4,782,344	4,782,000	4,954,179
Total Expenditures	5,407,809	6,023,220	6,166,175	6,164,000	6,552,734
Net Inc (Dec) in Fund Balance	(1,104,343)	(1,366,280)	(1,428,375)	(1,224,500)	(887,734)
Fund Balance, beginning of year	6,806,466	5,702,123	4,335,843	4,335,843	3,111,343
Fund Balance, end of year	\$ 5,702,123	\$ 4,335,843	\$ 2,907,468	\$ 3,111,343	\$ 2,223,609

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Correction and Detention Special Revenue Fund
Fund Statement**

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Taxes	\$13,221,686	\$13,982,219	\$14,772,070	\$14,772,000	\$15,323,903
Investment earnings	183,228	233,666	200,000	386,000	125,000
Total Revenues	13,404,914	14,215,885	14,972,070	15,158,000	15,448,903
Expenditures:					
Contractual services	-	-	75,000	75,000	-
Total Expenditures	-	-	75,000	75,000	-
Excess (deficiency) of revenues over (under) expenditures	13,404,914	14,215,885	14,897,070	15,083,000	15,448,903
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	(15,795,265)	(18,710,287)	(11,318,840)	(11,318,840)	(15,319,340)
Total Other Financing Sources (Uses)	(15,795,265)	(18,710,287)	(11,318,840)	(11,318,840)	(15,319,340)
Net Inc (Dec) in Fund Balance	(2,390,351)	(4,494,402)	3,578,230	3,764,160	129,563
Fund Balance, beginning of year	7,284,216	4,893,865	399,463	399,463	4,163,623
Fund Balance, end of year	\$ 4,893,865	\$ 399,463	\$ 3,977,693	\$ 4,163,623	\$ 4,293,186

The Correction & Detention Special Revenue Fund increased \$3,764,160 from the 2005 Audited Fund Balance of \$399,463 to the 2006 Estimated Fund Balance of \$4,163,623. This is a result of the subsidy to the General Fund being reduced from \$18,700,000 to \$11,318,840 to off set the increase in property tax revenues generated from the Property Tax Shift. It is the long-term goal of the County to liquidate all reserves by the end of 2010, the final year of this special millage.

County of Kent, Michigan
Senior Millage Special Revenue Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Taxes	\$ 4,096,222	\$ 4,330,400	\$ 4,468,000	\$ 4,501,000	\$ 6,380,079
Investment earnings	48,714	81,235	65,000	125,000	50,000
Total Revenues	4,144,936	4,411,635	4,533,000	4,626,000	6,430,079
Expenditures:					
Administration	197,820	204,904	212,273	212,000	285,809
Priority services	2,587,474	2,343,551	2,575,989	2,575,000	3,112,148
Support services	499,968	484,484	466,868	490,000	603,376
Access	775,214	748,239	836,109	615,000	1,076,405
Access - AAAWM	303,066	378,809	338,310	470,000	488,561
New and general	585,808	575,014	602,192	590,000	825,672
Emergent	15,446	44,745	15,466	15,000	38,108
Total Expenditures	4,964,796	4,779,747	5,047,207	4,967,000	6,430,079
Net Inc (Dec) in Fund Balance	(819,860)	(368,112)	(514,207)	(341,000)	-
Fund Balance, beginning of year	1,799,764	979,904	611,792	611,792	270,792
Fund Balance, end of year	\$ 979,904	\$ 611,792	\$ 97,585	\$ 270,792	\$ 270,792

The 2006 budget, based on the December 2005 tax levy, included a dedicated 0.2444 mills for the purpose of providing services to senior citizens in Kent County. The 0.2444 dedicated millage, which was approved in 1998, expired in 2005. Funding for Fiscal Years 2007 is based on a newly approved millage rate of 0.3244 mills, included in the December 2006 tax levy.

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Register of Deeds Special Revenue Fund
Fund Statement**

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Charges for services	\$ 834,014	\$ 750,174	\$ 750,000	\$ 758,000	\$ 700,000
Investment earnings	1,391	7,832	5,000	31,000	4,500
Total Revenues	835,405	758,006	755,000	789,000	704,500
Expenditures:					
Commodities	281	9,423	15,000	9,000	15,000
Contractual services	120,419	129,249	303,850	130,000	297,510
Other	-	19,416	83,266	83,000	85,764
Capital outlay	130,135	12,529	300,000	13,000	300,000
Total Expenditures	250,835	170,617	702,116	235,000	698,274
Excess (deficiency) of revenues over (under) expenditures	584,570	587,390	52,884	554,000	6,226
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	(526,442)	(60,000)	-	-	-
Total Other Financing Sources (Uses)	(526,442)	(60,000)	-	-	-
Net Inc (Dec) in Fund Balance	58,128	527,390	52,884	554,000	6,226
Fund Balance, beginning of year	-	58,128	585,518	585,518	1,139,518
Fund Balance, end of year	\$ 58,128	\$ 585,518	\$ 638,402	\$ 1,139,518	\$ 1,145,744

County of Kent, Michigan
Drug Law Enforcement Special Revenue Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Fines & Forfeitures	\$ -	\$ -	\$ 351,550	\$ 350,000	\$ 148,554
Investment earnings	-	-	20,000	20,000	-
Total Revenues	-	-	371,550	370,000	148,554
Expenditures:					
Personnel	-	-	48,106	48,000	63,851
Commodities	-	-	3,500	3,500	3,500
Contractual services	-	-	74,944	74,000	72,609
Capital outlay	-	-	-	-	8,594
Total Expenditures	-	-	126,550	125,500	148,554
Net Inc (Dec) in Fund Balance	-	-	245,000	244,500	-
Fund Balance, beginning of year	-	-	-	-	244,500
Fund Balance, end of year	\$ -	\$ -	\$ 245,000	\$ 244,500	\$ 244,500

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Community Development Special Revenue Fund
Fund Statement**

	<i>Year ended June 30,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 2,067,520	\$ 1,868,103	\$ 4,868,626	\$ 1,441,000	\$ 3,118,443
Reimbursements	179,423	187,432	-	167,500	-
Total Revenues	2,246,943	2,055,534	4,868,626	1,608,500	3,118,443
Expenditures:					
Personnel	390,203	418,210	511,390	370,500	436,961
Commodities	8,462	12,446	9,900	10,500	9,800
Contractual services	1,839,308	1,621,845	3,784,956	1,200,500	2,625,641
Other	-	-	-	26,000	46,041
Capital outlay	8,970	3,034	1,300	1,000	-
Total Expenditures	2,246,943	2,055,534	4,307,546	1,608,500	3,118,443
Net Inc (Dec) in Fund Balance	-	-	561,079	-	-
Fund Balance, beginning of year	-	-	-	-	-
Fund Balance, end of year	\$ -	\$ -	\$ 561,079	\$ -	\$ -

This is a memorandum budget already appropriated by the Board of Commissioners in resolution 04-27-06-33.

County of Kent, Michigan
Child Care Special Revenue Fund
Fund Statement

	<i>Year ended September 30,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 7,789,190	\$ 8,533,269	\$ 9,389,416	\$ 9,295,000	\$ 9,957,166
Charges for services	381,124	311,549	391,000	378,000	430,000
Reimbursements	102,634	95,801	100,000	-	107,000
Other	3,500	3,500	2,500	3,500	2,500
Total Revenues	8,276,448	8,944,119	9,882,916	9,676,500	10,496,666
Expenditures:					
Personnel	7,130,187	7,538,738	8,268,022	8,321,000	8,822,471
Commodities	242,327	257,995	272,165	248,000	270,065
Contractual services	10,712,210	11,489,850	12,216,294	11,537,000	12,536,712
Other	662,063	830,626	898,359	892,000	911,785
Capital outlay	69,420	37,883	22,710	18,000	32,555
Total Expenditures	18,816,207	20,155,092	21,677,550	21,016,000	22,573,588
Excess (deficiency) of revenues over (under) expenditures	(10,539,760)	(11,210,973)	(11,794,634)	(11,339,500)	(12,076,922)
Other Financing Sources (Uses):					
Transfers in	10,878,920	11,077,391	11,791,870	11,339,500	12,076,922
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	10,878,920	11,077,391	11,791,870	11,339,500	12,076,922
Net Inc (Dec) in Fund Balance	339,160	(133,582)	(2,764)	-	-
Fund Balance, beginning of year	18,130	357,290	223,708	223,708	223,708
Fund Balance, end of year	\$ 357,290	\$ 223,708	\$ 220,944	\$ 223,708	\$ 223,708

SPECIAL REVENUE FUNDS

County of Kent, Michigan
DHS Child Care Special Revenue Fund
Fund Statement

	<i>Year ended September 30,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 3,766,689	\$ 4,195,495	\$ 4,738,503	\$ 4,048,000	\$ 4,897,290
Reimbursements	37,960	52,524	15,000	38,900	15,000
Total Revenues	3,804,649	4,248,019	4,753,503	4,086,900	4,912,290
Expenditures:					
Contractual services	7,662,483	8,535,106	9,578,865	8,658,000	9,886,919
Other	-	1,975	3,141	3,800	3,913
Total Expenditures	7,662,483	8,537,081	9,582,006	8,661,800	9,890,832
Excess (deficiency) of revenues over (under) expenditures	(3,857,835)	(4,289,062)	(4,828,503)	(4,574,900)	(4,978,542)
Other Financing Sources (Uses):					
Transfers in	3,876,619	4,458,781	4,828,503	4,574,900	4,978,542
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	3,876,619	4,458,781	4,828,503	4,574,900	4,978,542
Net Inc (Dec) in Fund Balance	18,784	169,719	-	-	-
Fund Balance, beginning of year	-	18,784	188,503	188,503	188,503
Fund Balance, end of year	\$ 18,784	\$ 188,503	\$ 188,503	\$ 188,503	\$ 188,503

County of Kent, Michigan

Revenue Sharing Reserve Special Revenue Fund
Fund Statement

	Year ended December 31,				
	2004 Audited	2005 Audited	2006 Amended	2006 Estimated	2007 Adopted
Revenues:					
Taxes	\$24,873,184	\$24,873,184	\$24,676,000	\$24,873,184	\$ -
Investment earnings	(4,892)	245,388	1,026,000	1,026,000	1,350,000
Total Revenues	24,868,293	25,118,572	25,702,000	25,899,184	1,350,000
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	(6,845,403)	(10,494,321)	(10,840,632)	(10,840,632)	(11,198,373)
Total Other Financing Sources (Uses)	(6,845,403)	(10,494,321)	(10,840,632)	(10,840,632)	(11,198,373)
Net Inc (Dec) in Fund Balance	18,022,890	14,624,251	14,861,368	15,058,552	(9,848,373)
Fund Balance, beginning of year	-	18,022,890	32,647,141	32,647,141	47,705,693
Fund Balance, end of year	\$18,022,890	\$32,647,141	\$47,508,509	\$47,705,693	\$37,857,320

Public Act 357 of 2004 provided a funding mechanism to serve as a substitute to county revenue sharing payments. This substitute funding mechanism involves a gradual shift of county property tax millage from a winter tax levy to a summer tax levy.

Tax levy shift - The gradual shift from a winter tax levy to a summer tax levy will occur as follows:

- In 2005, 1/3 of the county's allocated mills was levied in the summer
- In 2006, 2/3 of the county's allocated mills was levied in the summer
- In 2007, and each year after, all of the county's allocated mills will be levied in the summer

Reserve fund establishment - Each county was required to establish a restricted fund known as the Revenue Sharing Reserve Fund. Three payments, the sum total of which equals the county's December 2004 property tax levy, must be placed in the fund from the following:

- 1/3 from the county's December 2004 property tax levy
- 1/3 from the county's December 2005 property tax levy
- 1/3 from the county's December 2006 property tax levy

As an example, if a county's total 2004 property tax levy equals \$74,028,000, then that county will be required to transfer \$24,676,000 from the 2004 levy, \$24,676,000 from the 2005 levy, and \$24,676,000 from the 2006 levy to the Revenue Sharing Reserve Fund.

Revenue Sharing Reserve Fund Use - Annually, each county may make use of the Revenue Sharing Reserve Fund in amounts equal to its October 1, 2003 through September 30, 2004 Revenue Sharing payments adjusted for inflation. The inflation rate is defined by MCL 211.34d(1)(l). The accumulated balance will be drawn down over the next several years to supplement the County's general revenues in lieu of payments previously received under the State's Revenue Sharing Program. Monies held in this fund will be completely drawn down by midyear 2011. It is assumed that the State will begin funding of new revenue sharing payments at that time.

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Veterans' Trust Special Revenue Fund
Fund Statement**

	<i>Year ended September 30,</i>				
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2006</u>	<u>2007</u>
	<u>Audited</u>	<u>Audited</u>	<u>Amended</u>	<u>Estimated</u>	<u>Adopted</u>
Revenues:					
Intergovernmental	\$ 45,896	\$ 46,980	\$ 66,264	\$ 50,300	\$ 66,264
Total Revenues	<u>45,896</u>	<u>46,980</u>	<u>66,264</u>	<u>50,300</u>	<u>66,264</u>
Expenditures:					
Contractual services	44,159	48,489	66,264	50,300	66,264
Total Expenditures	<u>44,159</u>	<u>48,489</u>	<u>66,264</u>	<u>50,300</u>	<u>66,264</u>
Net Inc (Dec) in Fund Balance	1,737	(1,509)	-	-	-
Fund Balance, beginning of year	2,412	4,149	2,640	2,640	2,640
Fund Balance, end of year	<u>\$ 4,149</u>	<u>\$ 2,640</u>	<u>\$ 2,640</u>	<u>\$ 2,640</u>	<u>\$ 2,640</u>

County of Kent, Michigan

Special Projects - Calendar Year Special Revenue Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Licenses and permits	\$ -	\$ 70,755	\$ 73,000	\$ 72,000	\$ 73,000
Intergovernmental	918,669	2,974,730	5,483,997	3,785,000	221,000
Charges for services	170,307	193,292	180,000	326,000	155,000
Fines & Forfeitures	217,092	130,907	-	276,000	-
Investment earnings	205	(0)	684	18,600	-
Reimbursements	5,880	-	-	-	-
Other	541,118	198,221	1,128,487	570,000	109,441
Total Revenues	1,853,271	3,567,905	6,866,168	5,047,600	558,441
Expenditures:					
Personnel	380,812	410,387	248,888	276,000	70,241
Commodities	11,785	15,468	10,000	12,000	10,000
Contractual services	938,082	2,072,774	4,776,049	2,496,000	524,056
Other	10,419	12,550	4,991	4,991	5,144
Capital outlay	397,388	1,406,559	2,273,255	1,191,000	-
Total Expenditures	1,738,486	3,917,738	7,313,182	3,979,991	609,441
Excess (deficiency) of revenues over (under) expenditures	114,785	(349,833)	(447,015)	1,067,609	(51,000)
Other Financing Sources (Uses):					
Transfers in	393	486,215	98,209	98,000	-
Transfers out	(2,490,548)	(4,690)	-	-	-
Total Other Financing Sources (Uses)	(2,490,155)	481,526	98,209	98,000	-
Net Inc (Dec) in Fund Balance	(2,375,370)	131,693	(348,806)	1,165,609	(51,000)
Fund Balance, beginning of year	2,762,841	387,471	519,163	519,163	1,684,772
Fund Balance, end of year	\$ 387,471	\$ 519,163	\$ 170,358	\$ 1,684,772	\$ 1,633,772

The Calendar Year Special Project Fund shows a net decrease in fund balance of \$51,000. This is due to the Sheriff's Department liquidating its accumulated reserves in the Correctional Facility Gifts program.

SPECIAL REVENUE FUNDS

County of Kent, Michigan

**Special Projects - Fiscal Year Special Revenue Fund
Fund Statement**

	<i>Year ended September 30,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 4,745,946	\$ 4,358,494	\$ 4,475,488	\$ 4,475,000	\$ 4,145,337
Fines & Forfeitures	71,488	34,748	52,559	-	54,683
Investment earnings	(1,893)	0	-	2,100	-
Reimbursements	1,530	1,130	11,417	16,000	1,000
Other	5,600	2,500	3,500	3,500	3,500
Total Revenues	4,822,672	4,396,872	4,542,964	4,496,600	4,204,520
Expenditures:					
Personnel	2,447,980	2,590,040	2,599,983	2,336,000	2,339,760
Commodities	69,075	43,259	41,331	41,300	47,400
Contractual services	2,309,580	2,052,572	2,264,133	2,264,000	2,202,974
Other	312,932	356,869	357,411	357,000	338,497
Capital outlay	150,876	144,140	16,235	23,000	3,600
Total Expenditures	5,290,443	5,186,880	5,279,092	5,021,300	4,932,231
Excess (deficiency) of revenues over (under) expenditures	(467,771)	(790,008)	(736,128)	(524,700)	(727,711)
Other Financing Sources (Uses):					
Operating transfers in	536,196	715,196	672,841	600,000	727,711
Operating transfers out	(98,362)	(104,752)	-	-	-
Total Other Financing Sources (Uses)	437,834	610,444	672,841	600,000	727,711
Net Inc (Dec) in Fund Balance	(29,937)	(179,564)	(63,287)	75,300	-
Fund Balance, beginning of year	229,043	199,106	19,542	19,542	94,842
Fund Balance, end of year	\$ 199,106	\$ 19,542	\$ (43,745)	\$ 94,842	\$ 94,842

DEBT SERVICE FUNDS

Debt Service Fund

To account for the retirement of debt related to projects financed from the proceeds of the 2004 Capital Improvement Bonds, which includes various building and land acquisitions within Kent County.

Building Authority Debt Service Fund

To account for the retirement of debt related to projects of the Kent County Building Authority which currently includes the correctional facility, sheriff's administration building, courthouse, senior citizens building, and fuller complex improvements. Financing for the correctional facility debt service is provided by a dedicated tax millage paid by County property owners. Financing for the senior citizens building debt service is through a lease with the Area Agency on Aging.

DEBT SERVICE FUNDS

County of Kent, Michigan

Debt Service Funds Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Audited	Adopted	Amended	Requested	Adopted	
Fuller Complex Improvements	\$ -	\$ -	\$ -	\$ 650,000	\$ 650,000	NA
Series A Bonds	609,047	609,038	609,038	611,094	611,094	0.3%
Series B Bonds	352,501	353,132	353,132	350,682	350,682	-0.7%
Debt Service Fund	961,548	962,170	962,170	1,611,776	1,611,776	67.5%
Courthouse	4,337,679	4,568,528	4,568,528	4,448,814	4,448,814	-2.6%
Sheriff's Administration Building	793,778	788,303	788,303	792,803	792,803	0.6%
Correction and Detention Facilities	62,157,195	319,340	319,340	319,340	319,340	0.0%
Area Agency on Aging	133,455	128,955	128,955	134,458	134,458	4.3%
Building Authority Debt Service	67,422,106	5,805,126	5,805,126	5,695,415	5,695,415	-1.9%
Total Debt Service Fund	\$ 68,383,654	\$ 6,767,296	\$ 6,767,296	\$ 7,307,191	\$ 7,307,191	8.0%

County of Kent, Michigan

Debt Service Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004 Audited	2005 Audited	2006 Amended	2006 Estimated	2007 Adopted
Revenues:					
Investment earnings	\$ 7	\$ 77	\$ -	\$ -	\$ -
Total Revenues	7	77	-	-	-
Expenditures:					
Principal retirement	-	500,000	575,000	575,000	935,000
Interest and agent fees	-	461,548	387,170	385,000	676,776
Total Expenditures	-	961,548	962,170	960,000	1,611,776
Excess (deficiency) of revenues over (under) expenditures	7	(961,471)	(962,170)	(960,000)	(1,611,776)
Other Financing Sources (Uses):					
Operating transfers in	-	1,198,657	962,170	960,000	1,611,776
Operating transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	1,198,657	962,170	960,000	1,611,776
Net Inc (Dec) in Fund Balance	7	237,186	-	-	-
Fund Balance, beginning of year	-	7	237,193	237,193	237,193
Fund Balance, end of year	\$ 7	\$ 237,193	\$ 237,193	\$ 237,193	\$ 237,193

DEBT SERVICE FUNDS**County of Kent, Michigan****Building Authority Debt Service Fund
Fund Statement**

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Investment earnings	\$ (23,196)	\$ (16,445)	\$ 500	\$ -	\$ 10,500
Other	5,473,656	61,124,339	109,250	109,000	109,250
Total Revenues	5,450,460	61,107,894	109,750	109,000	119,750
Expenditures:					
Principal retirement	3,895,000	63,546,425	2,165,000	2,165,000	2,275,000
Bond Sale Expense	-	321,524	-	-	-
Interest and agent fees	4,214,225	3,554,157	3,640,126	3,600,000	3,420,415
Total Expenditures	8,109,225	67,422,106	5,805,126	5,765,000	5,695,415
Excess (deficiency) of revenues over (under) expenditures	(2,658,765)	(6,314,212)	(5,695,376)	(5,656,000)	(5,575,665)
Other Financing Sources (Uses):					
Operating transfers in	2,637,445	6,642,822	5,765,376	5,656,000	5,586,165
Operating transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	2,637,445	6,642,822	5,765,376	5,656,000	5,586,165
Net Inc (Dec) in Fund Balance	(21,320)	328,610	70,000	-	10,500
Fund Balance, beginning of year	89,841	68,521	397,131	397,131	397,131
Fund Balance, end of year	\$ 68,521	\$ 397,131	\$ 467,131	\$ 397,131	\$ 407,631

CAPITAL PROJECT FUNDS

Building Authority Construction Fund

To account for construction projects of the Building Authority.

Bond Capital Improvement Fund

To account for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County, new projects recommended for funding in FY 2007 include the Fuller Complex Improvements and the new 63rd District Court Facility.

Capital Improvement Fund

To account for revenue set aside for general public improvements, excluding Aeronautics and Public Works Department projects.

CAPITAL PROJECT FUNDS

County of Kent, Michigan

Capital Project Funds Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Actual	Adopted	Amended	Requested	Adopted	
Family Court	\$ 12,906	\$ -	\$ -	\$ -	\$ -	NA
Coop Extension	235	-	-	-	-	NA
Justice Center	3,836	-	-	-	-	NA
Correction and Detention Facilities	104,444	-	-	-	-	NA
Parks Headquarters	18,525	-	1,378,656	-	-	-100.0%
Bldg Authority Construction Fund	139,946	-	1,378,656	-	-	-100.0%
63rd District Court	-	-	-	6,000,000	6,000,000	NA
Fuller Complex Improvement	-	-	-	12,000,000	12,000,000	NA
Capital Improvement Fund-Series A	4,913,276	-	-	-	-	NA
Capital Improvement Fund-Series B	9,439	-	-	-	-	NA
Bond Capital Improvement Fund	4,922,715	-	-	18,000,000	18,000,000	NA
Capital Improvement Program Fund	8,699,483	3,884,073	24,165,787	16,693,633	2,669,929	-89.0%
Capital Project Funds before Transfers	13,762,144	3,884,073	25,544,442	34,693,633	20,669,929	-19.1%
Capital Improvement Program Fund	550,000	-	80,000	6,650,000	7,000,000	8650.0%
Transfers Out	550,000	-	80,000	6,650,000	7,000,000	8650.0%
Total Capital Project Funds	\$ 14,312,144	\$ 3,884,073	\$ 25,624,442	\$ 41,343,633	\$ 27,669,929	8.0%

The 2007 Capital Improvement Program (CIP) budget includes \$9,669,929. Seven million of the CIP budget is transferred to other funds, \$6 million to the Building Authority Construction Fund for the 63rd District Court project; \$650,000 to the Building Authority Debt Service Fund for the debt financing of the Fuller Campus Improvements (Animal Shelter, Boiler Plant, Fleet Services, and Fuller Campus Site Improvements); and \$350,000 to the Friend of the Court for the Workflow Project.

Note: The \$6,000,000 for the 63rd District Court project is reflected in the above statement twice; once as an operating expense in the Building Authority Construction Fund; and as a transfer out of the CIP fund to the Building Authority Construction Fund.

Fuller Complex Improvement Projects	\$ 12,000,000
63rd District Court Project	6,000,000
Other CIP Projects	2,669,929
Capital Projects before Transfers	20,669,929
Transfer from the CIP Fund to the Bond Capital Improvement Project Fund for debt service on the Fuller Complex Improvements	650,000
Transfer from the CIP Fund to the F.O.C. Fund for the Imaging Workflow Project	350,000
Capital Projects net of Transfers within the Capital Project Funds	21,669,929
Transfer from the CIP Fund to the Bond Capital Improvement Project Fund for the 63rd District Court Project	6,000,000
Total Capital Project Funds	\$ 27,669,929

County of Kent, Michigan

Building Authority Construction Capital Project Fund
Fund Statement

	<i>Year ended December 31,</i>				
	<u>2004</u> <u>Audited</u>	<u>2005</u> <u>Audited</u>	<u>2006</u> <u>Amended</u>	<u>2006</u> <u>Estimated</u>	<u>2007</u> <u>Adopted</u>
Revenues:					
Investment earnings	\$ 28,531	\$ 45,342	\$ -	\$ 60,000	\$ -
Other	-	-	-	-	-
Total Revenues	<u>28,531</u>	<u>45,342</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Expenditures:					
Capital outlay	148,847	18,525	1,378,656	-	-
Total Expenditures	<u>148,847</u>	<u>18,525</u>	<u>1,378,656</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(120,317)</u>	<u>26,817</u>	<u>(1,378,656)</u>	<u>60,000</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers in	-	118	-	-	-
Transfers out	-	(121,421)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(121,303)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Inc (Dec) in Fund Balance	(120,317)	(94,486)	(1,378,656)	60,000	-
Fund Balance, beginning of year	1,693,643	1,573,326	1,478,840	1,478,840	1,538,840
Fund Balance, end of year	<u>\$ 1,573,326</u>	<u>\$ 1,478,840</u>	<u>\$ 100,184</u>	<u>\$ 1,538,840</u>	<u>\$ 1,538,840</u>

CAPITAL PROJECT FUNDS

County of Kent, Michigan

Bond Capital Improvement Project Capital Fund
Fund Statement

	<i>Year ended December 31,</i>				
	<u>2004</u> <u>Audited</u>	<u>2005</u> <u>Audited</u>	<u>2006</u> <u>Amended</u>	<u>2006</u> <u>Estimated</u>	<u>2007</u> <u>Adopted</u>
Revenues:					
Investment earnings	\$ 15,170	\$ 40,061	\$ -	\$ -	\$ 300,000
Other	10,620,119	-	-	-	12,000,000
Total Revenues	<u>10,635,290</u>	<u>40,061</u>	<u>-</u>	<u>-</u>	<u>12,300,000</u>
Expenditures:					
Other	44,398	-	-	-	-
Capital outlay	5,708,238	4,691,018	-	-	18,000,000
Total Expenditures	<u>5,752,636</u>	<u>4,691,018</u>	<u>-</u>	<u>-</u>	<u>18,000,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,882,654</u>	<u>(4,650,957)</u>	<u>-</u>	<u>-</u>	<u>(5,700,000)</u>
Other Financing Sources (Uses):					
Operating transfers in	-	-	-	-	6,000,000
Operating transfers out	-	(231,697)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(231,697)</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>
Net Inc (Dec) in Fund Balance	4,882,654	(4,882,654)	-	-	300,000
Fund Balance, beginning of year	-	4,882,654	-	-	-
Fund Balance, end of year	<u>\$ 4,882,654</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000</u>

County of Kent, Michigan
 Capital Improvement Program Capital Fund
 Fund Statement

	<i>Year ended December 31,</i>				
	<u>2004</u> <u>Audited</u>	<u>2005</u> <u>Audited</u>	<u>2006</u> <u>Amended</u>	<u>2006</u> <u>Estimated</u>	<u>2007</u> <u>Amended</u>
Revenues:					
Taxes	\$ 3,366,237	\$ 3,501,727	\$ 3,844,073	\$ 3,800,000	\$ 4,033,161
Intergovernmental	541,681	393,701	4,609,382	2,957,000	-
Investment earnings	312,653	420,646	500,000	375,000	500,000
Other	1,200,933	10,000	5,377,506	10,000	-
Total Revenues	5,421,505	4,326,074	14,330,961	7,142,000	4,533,161
Expenditures:					
Capital outlay	10,334,950	8,699,483	24,165,787	5,007,000	2,669,929
Total Expenditures	10,334,950	8,699,483	24,165,787	5,007,000	2,669,929
Excess (deficiency) of revenues over (under) expenditures	(4,913,445)	(4,373,409)	(9,834,825)	2,135,000	1,863,232
Other Financing Sources (Uses):					
Operating transfers in	2,467,902	370,800	101,140	101,140	2,531,908
Operating transfers out	(1,369,421)	(550,000)	(80,000)	(80,000)	(7,000,000)
Total Other Financing Sources (Uses)	1,098,481	(179,200)	21,140	21,140	(4,468,092)
Net Inc (Dec) in Fund Balance	(3,814,965)	(4,552,609)	(9,813,685)	2,156,140	(2,604,860)
Fund Balance, beginning of year	18,838,467	15,023,502	10,470,893	10,470,893	12,627,033
Fund Balance, end of year	\$15,023,502	\$10,470,893	\$ 657,208	\$12,627,033	\$10,022,173

CAPITAL PROJECT FUNDS

County of Kent, Michigan

**2007 Capital Improvement Program
Approved Projects**

Projects	Operating Tax Levy	Debt Financing	Internal Funds	Total
Roofing Replacement	\$ 50,000	\$ -	-	\$ 50,000
82 Ionia Security Improvements	200,000	-	-	200,000
Juvenile Detention Fire Alarm	30,000	-	-	30,000
Energy Management Integration	150,000	-	-	150,000
82 Ionia Parking Ramp Repairs	70,000	-	-	70,000
City/County Workplan	94,775	-	-	94,775
ACSET Capital Projects	115,000	-	-	115,000
Animal Shelter Facility	230,000	4,370,000	-	4,600,000
Boiler Plant Facility	225,000	4,275,000	-	4,500,000
Fleet Services Facility	90,000	1,710,000	-	1,800,000
Fuller Campus Site Improvements	105,000	1,645,000	-	1,750,000
63rd District Court Facility	363,232	-	5,636,768	6,000,000
Facilities Management Total	1,723,007	12,000,000	5,636,768	19,359,775
Autoclave Replacement	41,300	-	-	41,300
Health Total	41,300	-	-	41,300
Imaging & Workflow	350,000	-	-	350,000
Imaging/Work Flow Total	350,000	-	-	350,000
Server Replacement	120,000	-	-	120,000
Network Infrastructure Consolidation	549,859	-	-	549,859
Redundant Fiber to Sheriff's Department	97,500	-	-	97,500
SANS Infrastructure & Software	199,000	-	-	199,000
Information Technology Total	966,359	-	-	966,359
Administration Building Renovations	35,970	-	-	35,970
Park Restrooms	127,050	-	-	127,050
John Ball Zoo Total	163,020	-	-	163,020
Johnson Park Drive	150,000	-	-	150,000
Paving Overlay - Fallasburg	63,750	-	-	63,750
Playground Replacement	60,000	-	-	60,000
Parks Total	273,750	-	-	273,750
Transaction Drawer Replacement	36,000	-	-	36,000
Bath/Shower Room Repair	100,000	-	-	100,000
Jail Carpet Replacement	40,000	-	-	40,000
Sheriff Total	176,000	-	-	176,000
CIP Projects before Undesignated	3,693,436	12,000,000	5,636,768	21,330,204
Undesignated	339,725	-	-	339,725
CIP Projects Total	\$ 4,033,161	\$ 12,000,000	\$ 5,636,768	\$ 21,669,929

County of Kent, Michigan
2007 Capital Improvement Program
 Project Detail

Project Name/Site	Description	Operating Budget Impact	Cost
Fleet Services New Facility To be determined	Replace Fleet Services Building.	More efficient delivery of services.	\$ 1,800,000
Roofing Replacement To be determined	Membrane roof replacement.	Improves appearance, efficiency, and safety of County facilities.	\$ 50,000
Security Improvements 82 Ionia	Phase three of security enhancements include a monitoring system with cameras and digital video recording, upgrading the fire alarm system and building hardware, and securing lower level parking.	Utility and maintenance costs will increase due to added security equipment being maintained by staff and through service contracts.	\$ 200,000
Energy Management Integration Integration 82 Ionia, Information Technology and Health Department Buildings	Temperature control upgrades.	Improves the control of energy consumption and reduces maintenance costs.	\$ 150,000
Parking Ramp Repairs 82 Ionia	Concrete repairs, waterproofing, expansion joint replacement and additional deck drains.	Reduction in maintenance costs.	\$ 70,000
Animal Shelter New Facility Most likely on the Kent County Complex	Replace Animal Shelter Building.	More efficient operation.	\$ 4,600,000
Fuller Campus New Boiler Plant Kent County Complex	Replace Boiler Plant Facility and Equipment.	Reduction in utility usage.	\$ 4,500,000
Fuller Campus Site Improvements Kent County Complex	Improve internal traffic circulation and parking around the Kent County Complex on Fuller Avenue.	None.	\$ 1,750,000
Upgrade Fire Alarm Juvenile Detention Facility	Upgrade Juvenile Detention Fire Alarm.	Possible decrease in utility and maintenance costs. \$500 annually.	\$ 30,000
City/County Work Plan Administration Building	Calder Plaza and Monroe level repairs. Energy Conservation improvements.	Reduction in utility costs.	\$ 94,775

Continued on next page...

CAPITAL PROJECT FUNDS

**County of Kent, Michigan
2007 Capital Improvement Program
Project Detail**

Project Name/Site	Description	Operating Budget Impact	Cost
Capital Projects			
ACSET Sheldon Complex	Renovation of existing facilities.	Improves appearance of County facilities.	\$ 115,000
63rd District Court Consolidation			
East Beltline and 4 Mile Road	Consolidate Cascade's and Rockford's 63rd District Courts.	To be determined.	\$ 6,000,000
SANS Infrastructure Expansion			
Ottawa Data Center	Installation of additional data storage to support County applications (PeopleSoft, GIS, JNET, Equalizer, GroupWise, Mugshots, etc). Will also address the storage needs of the GIS expansion and Document Imaging.	Major technology equipment purchased as a capital expense. All county departments requiring additional storage space in the future.	\$ 199,000
Network Infrastructure Consolidation			
All buildings attached to Network	Consolidation will provide redundancy, improve security, consolidate network equipment and ensure necessary bandwidth in the future.	None.	\$ 549,859
Planned Server Replacement			
Ottawa Data Center	Fund the planned obsolescence of existing servers to allow IT to use some of the older servers as redundant servers and to create a test environment.	None.	\$ 120,000
Redundant Fiber			
Sheriff's Department Data Center to the Ottawa Data Center	Install redundant fiber to ensure access to information systems if existing fiber were to be compromised.	Increase in maintenance costs. \$1,000 annually.	\$ 97,500
Admin Building Renovations			
John Ball Zoo	Install a catering kitchen and additional restrooms in the main administration building to use as a rental facility. Also, add new work spaces in lower level of building for a more efficient work environment.	Possible generation of \$39,000 in annual rental revenues and a \$500 increase in utility and maintenance expense.	\$ 35,970
Park Restrooms			
John Ball Zoo	Replace antiquated restroom facilities that have increased use and are not ADA compliant.	None.	\$ 127,050

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County of Kent, Michigan
 2007 Capital Improvement Program
 Project Detail

Project Name/Site	Description	Operating Budget Impact	Cost
Johnson Park Drive Johnson Park Shelter/Wilson Parking	Move traffic to a signalized intersection at Butterworth and Wilson.	None.	\$ 150,000
Paving Overlay Fallasburg Park	Replacement of existing asphalt where the potential for complete failure exists.	Reduction in maintenance costs.	\$ 63,750
Playground Replacement Long Lake Park	Equipment replacement.	Major equipment purchased as a capital expense.	\$ 60,000
Transaction Drawer Replace Correctional Facility	Replace aging drawers for intake/inmate accounting area.	Lower repair costs.	\$ 36,000
Resident Bath/Shower Room Repair Sheriff's Honor Camp Dorm	Repair two bath/shower rooms to serve	Reduction in maintenance	\$ 100,000
Carpet Replacement Correctional Facility	Replace existing carpet due to extreme wear in the day rooms, inmate accounting and jail administration area and hallways.	None.	\$ 40,000
Autoclave Replacement Health Department Laboratory	Replace equipment to sterilize equipment, media and medical/infectious waste.	Reduction in maintenance costs.	\$ 41,300
Imaging & Workflow Ottawa Data Center for Friend of the Court	Use a combination of OCR, imaging, workflow and electronic signatures to reduce paper usage and storage	The project should generate \$70,000 to \$120,000 in savings per year.	\$ 350,000
Undesignated			\$ 339,725
Total Cost			\$ 21,669,929

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INTERNAL SERVICE FUND

Risk Management and Benefits Fund

To account for claims related to public liability, workers' compensation, health, drug, dental benefits and other County insurance programs. The County is self-insured and finances its insurance payments by billing other funds for their respective share.

INTERNAL SERVICE FUND

County of Kent, Michigan

Internal Service Fund
 Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Actual	Adopted	Amended	Requested	Adopted	
Retirement	\$ 93,409	\$ 226,260	\$ 226,260	\$ 590,000	\$ 590,000	160.8%
Healthcare/Third Party Adm	11,604,656	11,259,337	11,259,337	12,685,703	12,685,703	12.7%
Dental Plan	922,836	1,187,954	1,187,954	1,215,000	1,215,000	2.3%
LT Disability	1,863	-	-	-	-	NA
Prescription Benefits	4,900,455	5,271,948	5,271,948	5,001,000	5,001,000	-5.1%
Insurance	2,339,747	1,975,000	1,975,000	1,975,000	1,975,000	0.0%
Unemployment Comp	130,205	139,667	139,667	145,000	145,000	3.8%
Workers Comp	169,562	813,800	813,800	806,800	806,800	-0.9%
Risk Management Fund	20,162,734	20,873,966	20,873,966	22,418,503	22,418,503	7.4%
Total Internal Service Funds	\$ 20,162,734	\$ 20,873,966	\$ 20,873,966	\$ 22,418,503	\$ 22,418,503	7.4%

County of Kent, Michigan

Risk Management Internal Service Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Charges for services	\$ 1,795,525	\$ 1,806,338	\$ 1,905,000	\$ 1,815,000	\$ 1,905,000
Investment earnings	92,937	182,466	106,530	133,000	130,530
Reimbursements	14,645,500	17,474,324	18,859,966	17,278,000	20,352,503
Other	82,451	149,451	25,000	100,000	25,000
Total Revenues	16,616,412	19,612,579	20,896,496	19,326,000	22,413,033
Expenditures:					
Personnel	371,323	358,347	504,403	500,000	880,406
Commodities	1,364	850	1,485	2,400	1,485
Contractual services	17,099,056	19,713,243	20,277,844	17,900,000	21,443,671
Other	139,044	90,293	90,234	90,234	92,941
Total Expenditures	17,610,787	20,162,734	20,873,966	18,492,634	22,418,503
Net Inc (Dec) in Fund Balance	(994,375)	(550,155)	22,530	833,366	(5,470)
Fund Balance, beginning of year	4,308,227	3,313,852	2,763,697	2,763,697	3,597,063
Fund Balance, end of year	\$ 3,313,852	\$ 2,763,697	\$ 2,786,227	\$ 3,597,063	\$ 3,591,593

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COMPONENT UNIT FUNDS

Public Works

To account for the operation and maintenance of facilities managed by the Kent County Department of Public Works. Financing is provided primarily by charges for services.

Social Welfare

To account for the administration of various human service programs. State statute requires that the County Treasurer serve as the custodian of all funds provided for the use of the Department of Human Services (DHS). In this case, the County simply serves as a pass-through with respect to state and federal funds for DHS operations, maintaining the funds and records as required by the State. The County also appropriates, at its discretion, funding to maintain and administer various welfare services within the County, including hospitalization, community-based organization funding and client support programs.

Housing Commission

To account for the development of viable urban and rural communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate income. Funding is provided by the federal government, the state, and the Community Development Block Grant (CDBG).

COMPONENT UNIT FUNDS

County of Kent, Michigan

Component Unit Funds Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Actual	Adopted	Amended	Requested	Adopted	
Act 185 Bond Fund	\$ 1,541,387	\$ 1,531,350	\$ 1,531,350	\$ 1,523,174	\$ 1,523,174	-0.5%
Administration	665,270	808,100	808,100	779,000	779,000	-3.6%
Water & Sewer Division	3,855,538	4,209,100	4,209,100	4,330,200	4,330,200	2.9%
Solid Waste/Landfill Operations	6,848,978	8,066,450	8,066,450	8,365,399	8,365,399	3.7%
Waste-to Energy Operations	32,176,290	37,399,679	37,399,679	41,119,914	41,119,914	9.9%
Public Works Funds	45,087,463	52,014,679	52,014,679	56,117,687	56,117,687	7.9%
Administration & Hospitalization	86,065	85,577	85,577	85,384	85,384	-0.2%
State Funded Local Payments	2,753,285	3,362,000	3,362,000	3,362,000	3,362,000	0.0%
Humans Services Programs	726,351	677,960	677,960	764,050	677,960	0.0%
Social Welfare Fund	3,565,702	4,125,537	4,125,537	4,211,434	4,125,344	0.0%
Family Services Coordinator	99,954	113,639	113,639	115,155	115,155	1.3%
Voucher Program	2,235,178	2,259,709	3,440,018	2,208,211	2,208,211	-35.8%
Sponsor Based Rental Assistance	170,898	-	-	-	-	NA
Tenant Based Rental Assistance	263,921	-	-	-	-	NA
Community Rebuilders	294,310	1,063,692	1,063,692	1,063,692	1,063,692	0.0%
Dwelling Place	-	125,040	125,040	125,040	125,040	0.0%
Housing Commission	3,064,261	3,562,080	4,742,389	3,512,098	3,512,098	-25.9%
Total Component Unit Funds	\$51,717,425	\$59,702,296	\$60,882,605	\$63,841,219	\$63,755,129	4.7%

County of Kent, Michigan
Public Works Component Unit Fund
 Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 1,614,209	\$ 1,528,714	\$ 1,531,350	\$ 1,074,000	\$ 1,523,174
Charges for services	46,518,431	47,911,689	48,507,131	50,000,000	52,121,414
Investment earnings	745,804	1,408,661	715,000	2,246,000	1,270,000
Other	633,012	905,433	1,261,198	1,033,000	1,203,098
Total Revenues	49,511,457	51,754,498	52,014,679	54,353,000	56,117,686
Expenditures:					
Personnel	3,732,098	3,947,578	4,287,139	3,850,000	4,470,181
Commodities	124,193	130,198	164,740	125,000	181,859
Contractual services	36,051,575	35,627,008	36,886,752	38,523,000	40,584,969
Other	5,533,119	4,763,038	9,940,048	3,672,000	10,007,178
Capital outlay	682,037	619,640	736,000	724,000	873,500
Total Expenditures	46,123,023	45,087,463	52,014,679	46,894,000	56,117,687
Net Inc (Dec) in Fund Balance	3,388,434	6,667,035	-	7,459,000	(1)
Fund Balance, beginning of year	35,299,076	38,687,510	45,354,545	45,354,545	52,813,545
Fund Balance, end of year	\$38,687,510	\$45,354,545	\$45,354,545	\$52,813,545	\$52,813,544

COMPONENT UNIT FUNDS**County of Kent, Michigan****Social Welfare Component Unit Fund
Fund Statement**

	<i>Year ended December 31,</i>				
	<u>2004</u> <u>Audited</u>	<u>2005</u> <u>Audited</u>	<u>2006</u> <u>Amended</u>	<u>2006</u> <u>Estimated</u>	<u>2007</u> <u>Adopted</u>
Revenues:					
Intergovernmental	\$ 2,381,866	\$ 2,466,102	\$ 2,984,500	\$ 2,421,000	\$ 2,984,500
Reimbursements	333,543	374,547	510,570	415,000	480,570
Other	3,051	164	500	200	500
Total Revenues	<u>2,718,460</u>	<u>2,840,813</u>	<u>3,495,570</u>	<u>2,836,200</u>	<u>3,465,570</u>
Expenditures:					
Personnel	13,826	24,444	21,000	20,000	21,000
Contractual services	3,562,548	3,541,258	4,104,537	3,515,000	4,104,344
Total Expenditures	<u>3,576,374</u>	<u>3,565,702</u>	<u>4,125,537</u>	<u>3,535,000</u>	<u>4,125,344</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(857,914)</u>	<u>(724,889)</u>	<u>(629,967)</u>	<u>(698,800)</u>	<u>(659,774)</u>
Other Financing Sources (Uses):					
Transfers in	782,070	770,000	729,967	729,900	729,774
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>782,070</u>	<u>770,000</u>	<u>729,967</u>	<u>729,900</u>	<u>729,774</u>
Net Inc (Dec) in Fund Balance	(75,845)	45,111	100,000	31,100	70,000
Fund Balance, beginning of year	-	(75,845)	(30,733)	(30,733)	367
Fund Balance, end of year	<u>\$ (75,845)</u>	<u>\$ (30,733)</u>	<u>\$ 69,267</u>	<u>\$ 367</u>	<u>\$ 70,367</u>

County of Kent, Michigan
Housing Commission Component Unit Fund
 Fund Statement

	<i>Year ended June 30,</i>				
	2004 Audited	2005 Audited	2006 Amended	2006 Estimated	2007 Adopted
Revenues:					
Intergovernmental	\$ 3,035,137	\$ 3,060,199	\$ 5,104,090	\$ 2,952,000	\$ 3,512,098
Other	2,141	4,062	-	3,500	-
Total Revenues	3,037,278	3,064,261	5,104,090	2,955,500	3,512,098
Expenditures:					
Personnel	214,442	217,560	301,637	236,000	184,963
Commodities	3,734	1,577	4,033	4,200	1,700
Contractual services	2,814,223	2,842,686	4,429,052	2,715,000	3,325,435
Capital outlay	4,880	2,437	7,668	150	-
Total Expenditures	3,037,278	3,064,261	4,742,389	2,955,350	3,512,098
Net Inc (Dec) in Fund Balance	-	-	361,701	150	-
Fund Balance, beginning of year	70,127	70,127	70,127	70,127	70,277
Fund Balance, end of year	\$ 70,127	\$ 70,127	\$ 431,828	\$ 70,277	\$ 70,277

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PROPRIETARY FUNDS

Aeronautics Fund

To account for the operation and maintenance of the Gerald R. Ford International Airport. Financing is provided primarily by user charges.

Delinquent Tax Revolving Fund

To account for and stabilize annual revenues for local taxing units. It does this by paying our local communities 100% of their share of delinquent property taxes in anticipation of the collection of those taxes by the County Treasurer. The County funds the DTRF by borrowing money and issuing revolving fund notes. Payment of the notes is made from the proceeds of delinquent tax collections. Once the notes are paid in full, any surplus in the fund may be transferred to the County General Fund by action of the Board of Commissioners.

PROPRIETARY FUNDS

County of Kent, Michigan

Proprietary Funds
Schedule of Uses of Financial Resources

Program Descriptions	FY 2005	FY 2006		FY 2007		Amended % Change
	Actual	Adopted	Amended	Requested	Adopted	
Airfield	\$ 6,900,463	\$ 6,804,643	\$ 6,806,643	\$ 6,987,447	\$ 6,987,447	2.7%
Other Lands & Buildings	322,010	335,940	413,940	344,120	344,120	-16.9%
General Aviation	102,044	118,190	118,190	120,930	120,930	2.3%
Dispatch Oper & Safety	6,010,226	6,728,316	6,611,316	6,976,319	6,976,319	5.5%
Building Security	1,283,656	1,399,064	1,402,064	1,394,342	1,394,342	-0.6%
General Maintenance	2,250,960	2,248,894	2,249,894	2,405,678	2,405,678	6.9%
Administration	3,926,002	3,863,742	3,893,742	4,400,192	4,400,192	13.0%
Air Cargo	1,091,294	1,131,480	1,131,480	1,121,910	1,121,910	-0.8%
Parking	3,928,697	3,987,385	3,990,385	4,913,592	4,913,592	23.1%
Undesignated	-	3,586,998	3,586,998	4,212,056	4,212,056	17.4%
Debt Service 1996	4,680,223	4,683,981	4,683,981	4,392,418	4,392,418	-6.2%
Aeronautics Fund	30,495,576	34,888,633	34,888,633	37,269,004	37,269,004	6.8%
Delinquent Tax Fund	2,096,995	1,621,500	1,621,500	2,087,000	2,087,000	28.7%
Proprietary Funds before Transfer	32,592,571	36,510,133	36,510,133	39,356,004	39,356,004	7.8%
Delinquent Tax Fund	3,000,000	2,828,795	2,828,795	2,500,000	2,500,000	-11.6%
Transfers Out	3,000,000	2,828,795	2,828,795	2,500,000	2,500,000	-11.6%
Total Proprietary Funds	\$35,592,571	\$39,338,928	\$39,338,928	\$41,856,004	\$41,856,004	6.4%

County of Kent, Michigan

Aeronautics Proprietary Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Intergovernmental	\$ 4,976,275	\$ 2,315,261	\$ 4,200,000	\$ 2,000,000	\$ 4,200,000
Charges for services	16,010,391	16,915,656	18,817,112	18,943,000	18,856,587
Fines & Forfeitures	7,852	55,591	8,000	5,000	8,000
Investment earnings	422,841	1,034,357	400,000	1,691,000	1,090,000
Reimbursements	-	84,469	190,000	85,000	190,000
Other	11,767,562	12,173,972	11,273,521	12,805,000	12,924,417
Total Revenues	33,184,920	32,579,306	34,888,633	35,529,000	37,269,004
Expenditures:					
Personnel	7,018,478	7,578,929	7,995,426	7,714,000	8,533,952
Commodities	388,879	482,449	428,314	517,000	529,949
Contractual services	14,815,845	16,329,417	16,732,907	16,155,000	17,746,589
Other	5,907,247	5,951,055	9,312,036	5,614,000	10,084,474
Capital outlay	62,571	153,726	419,950	217,000	374,040
Total Expenditures	28,193,021	30,495,576	34,888,633	30,217,000	37,269,004
Net Inc (Dec) in Fund Balance	4,991,900	2,083,730	-	5,312,000	-
Fund Balance, beginning of year	156,305,061	161,296,961	163,380,690	163,380,690	168,692,690
Fund Balance, end of year	\$161,296,961	\$163,380,690	\$163,380,690	\$168,692,690	\$168,692,690

County of Kent, Michigan
Delinquent Tax Proprietary Fund
Fund Statement

	<i>Year ended December 31,</i>				
	2004	2005	2006	2006	2007
	Audited	Audited	Amended	Estimated	Adopted
Revenues:					
Taxes	\$ 2,765,900	\$ 2,638,963	\$ 2,595,000	\$ 2,892,000	\$ 1,870,000
Charges for services	424,667	399,015	452,000	526,000	452,000
Investment earnings	819,609	1,519,146	609,500	2,091,000	1,521,500
Total Revenues	4,010,175	4,557,123	3,656,500	5,509,000	3,843,500
Expenditures:					
Commodities	38,883	34,702	118,000	25,000	118,000
Contractual services	235,404	249,215	334,500	358,000	339,000
Other	861,663	1,813,078	1,165,000	2,467,000	1,630,000
Capital outlay	29,295	-	4,000	-	-
Total Expenditures	1,165,244	2,096,995	1,621,500	2,850,000	2,087,000
Excess (deficiency) of revenues over (under) expenditures	2,844,931	2,460,128	2,035,000	2,659,000	1,756,500
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	(3,059,980)	(3,000,000)	(2,828,795)	(2,828,000)	(2,500,000)
Total Other Financing Sources (Uses)	(3,059,980)	(3,000,000)	(2,828,795)	(2,828,000)	(2,500,000)
Net Inc (Dec) in Fund Balance	(215,049)	(539,872)	(793,795)	(169,000)	(743,500)
Fund Balance, beginning of year	10,374,410	10,159,361	9,619,489	9,619,489	9,450,489
Fund Balance, end of year	\$10,159,361	\$ 9,619,489	\$ 8,825,694	\$ 9,450,489	\$ 8,706,989

MILLAGE RATES & PROPERTY TAX REVENUE

Property Tax is the primary source of revenue for the County's General Fund. Property tax revenue is based on three variables: taxable valuation, the operating millage, and tax abatement/capture programs initiated by local governmental units. The taxable valuation is based on the assessed property valuation of agricultural, commercial, industrial, and residential parcels, both real and personal property. The County's maximum operating millage rate is fixed, subject only to rollback based on the "Headlee" provisions in the state constitution. Application of the authorized millage rate to current taxable valuation produces the total gross tax levy. After recognition of exemption for the taxable valuation of properties located in renaissance zones and capture of tax increments by local governments, the County's net tax levy (2007 property tax revenues) is determined.

Michigan Public Act 357 of 2004 changed the collection schedule for the operating property tax levy. Beginning with the 2005 summer tax levy, one-third of the county operating property tax levy was billed on July 1, 2005. In 2006, two-thirds of the operating tax levy will be billed in the summer. In 2007, the entire operating tax levy will be billed in the summer. Winter tax bills are reduced each year by the same amount. Special millages are excluded and will continue to be billed in December each year. The excess cash flows derived from acceleration of the property tax levy are being placed into a reserve account from which the County can draw to replace the suspended State Revenue Sharing program distributions. When the reserve account has been depleted, the State Revenue Sharing program will be reinstated.

The estimated FY 2007 operating millage rate is 4.2803 mills per \$1,000 of taxable value, this is unchanged from the FY 2006 rate. The correctional facility millage for FY 2007 is 0.7893, this is also unchanged from the FY 2006 rate. The dedicated millage which provided 0.2444 mills for the delivery of senior services, expired in 2005. The voters approved the renewal of the senior millage on the August primary ballot. The new millage was approved at an increased rate of 0.3244 mills, representing an increase of 0.0800 mills or 24.7%. The total estimated millage levy for BY 2007 is 5.3940 mills per \$1,000 of taxable value. This rate represents a 1.5% increase over the FY 2006 millage of 5.3140 mills.

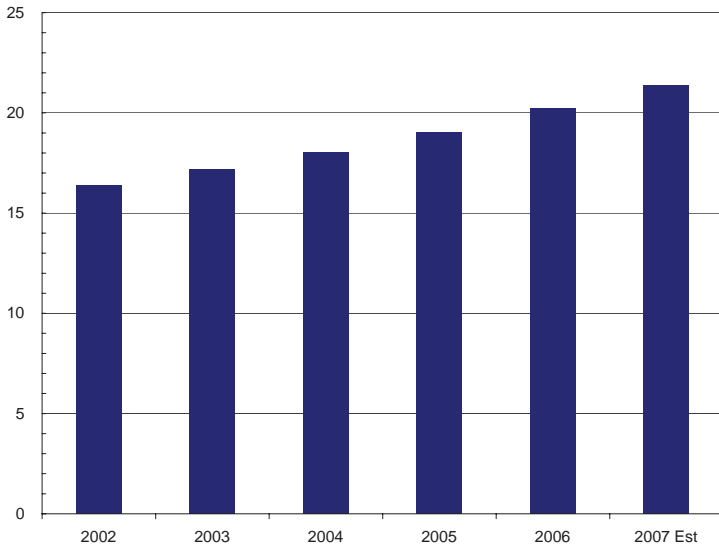
The County's taxable valuation increased from \$19.044 billion in tax year 2005 to \$20.223 billion in tax year 2006, or 6.2%. It is estimated that the taxable valuation will increase to \$21.378 billion, for an additional 5.7% in tax year 2007.

For the tax calculation, 1.4268 mills per \$1,000 (December 2006 tax billing), or 1/3 of the remaining 2006 levy, is applied to the 2006 taxable value of \$20.223 billion generating \$2.8 million in net property tax revenue (after depositing \$24.9 million to the Revenue Sharing Reserve Fund). The entire 2007 levy, or 4.2803 mills, is applied to the 2007 estimated taxable value of \$21.378 billion to generate \$87.4 million in property tax revenue.

The total estimated tax collection from the ad valorem operating levy is \$90.2 million, an estimated 9.2% increase over the 2006 budget estimate of \$82.7 million. The total tax collection estimate will grow 10.1% from \$101.6 million in FY 2006 to \$111.8 million in FY 2007. The \$90.2 million operating levy is allocated to the General Fund (\$86.2 million) and the CIP Fund (\$4.0 million) per the County's Capital Improvement Program Policy.

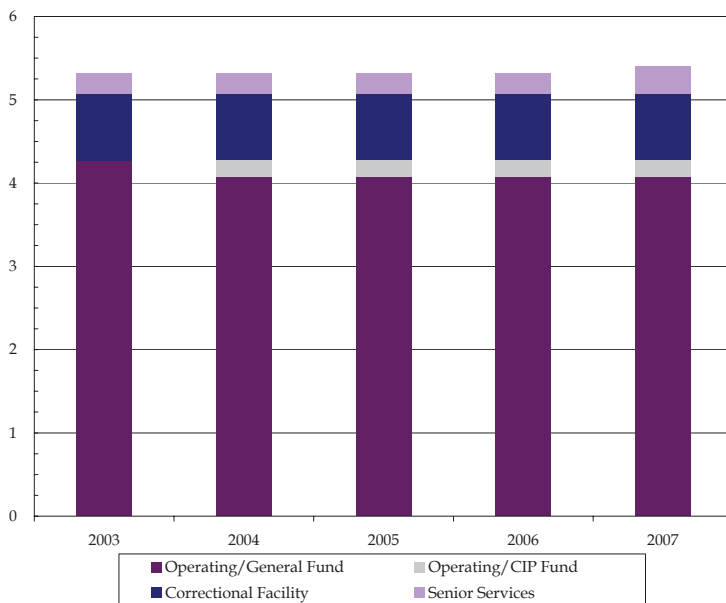
MILLAGE RATES & PROPERTY TAX REVENUE

State Taxable Value *(in billions)*



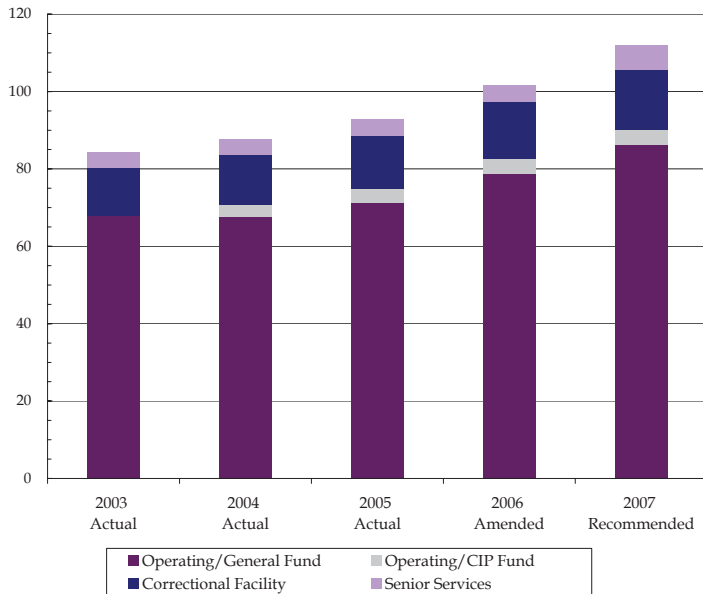
The Kent County State Taxable Value has increased from \$16.411 billion in tax year 2002 to \$20.223 billion in tax year 2006. This represents a 23.2% increase or an average annual increase of 5.8%. The increase from tax year 2005 to tax year 2006 is 6.2%. It is estimated that the taxable valuation will increase to \$21.378 billion, or 5.7%, in tax year 2007.

Millage Rates



The estimated operating millage rate for FY 2007 is 4.2803 mills, this is unchanged from FY 2006. Per the CIP Policy, the operating millage for FY 2007 is being split between the General Fund (4.0803 mills) and the CIP Fund (0.2000 mills). The correctional facility millage for FY 2007 is 0.7893 and 0.3244 mills for senior services. The total estimated millage rate for FY 2007 is 5.3940, this rate represents a 1.5% increase over the FY 2006 millage of 5.3140 mills. The 0.0800 mill increase is a result of the voter approved millage for senior services, which was increased from 0.2444 mills to 0.3244 mills.

Property Tax Revenue (in millions)



Property tax revenue, based on the increase in the STV, the increased Senior Millage, and the operating millage tax shift from the winter to the summer, will grow 10.1% from \$101.6 million in FY 2006 to \$111.8 million in FY 2007. The FY 2007 operating portion of the property tax revenue is \$86.2 million, an increase of 9.2% over the FY 2006 budget estimate.

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