Michigan Dept. of Treasury, Local Audit & Finance Division
496 (3-98), Formerly L-3147

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type	Local Government Name	County
[ ] City [ ] Township [ ] Village [x] Other	Washtenaw County Drain Commissioner	Washtenaw

Audit Date	Opinion Date	Date Accountant Report Submitted to State:
12/31/04	2/15/05	3/10/05

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.

2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

[ ] Yes [x] No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.

[x] Yes [ ] No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).

[ ] Yes [x] No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).

[ ] Yes [x] No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.

[ ] Yes [x] No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).

[ ] Yes [x] No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.

[ ] Yes [x] No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).

[ ] Yes [x] No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

[ ] Yes [x] No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name)			
REHMANN ROBSON GERALD J. DESLOOVER, CPA			
Street Address	City	State	Zip
5800 GRATIOT, PO BOX 2025	SAGINAW	MI	48605
Accountant Signature			

WASHTENAW COUNTY
DRAIN COMMISSIONER

Basic Financial Statements

For The Year Ended December 31, 2004

REHMANN ROBSON

Certified Public Accountants

WASHTENAW COUNTY
DRAIN COMMISSIONER

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REHMANN ROBSON
Certified Public Accountants
A member of THE REHMANN GROUP
an independent member of BAKER TILLY INTERNATIONAL

INDEPENDENT AUDITORS' REPORT

February 15, 2005

To the Drain Commissioner of
Washtenaw County
Ann Arbor, Michigan

We have audited the accompanying financial statements of the government activities and the aggregate fund information of the ***Washtenaw County Drain Commissioner, a component unit of Washtenaw County, Michigan,*** as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the Washtenaw County Drain Commissioner. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities and the aggregate fund information of the Washtenaw County Drain Commissioner as of December 31, 2004, and the respective changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Washtenaw County Drain Commissioner has not presented Management's Discussion and Analysis as required supplementary information. The GASB has determined that such information is necessary to supplement, although not required to be part of, the basic financial statements.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Washtenaw County Drain Commissioner's basic financial statements. The combining fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Rehmann Lohan

BASIC FINANCIAL STATEMENTS

WASHTENAW COUNTY DRAIN COMMISSIONER
Statement of Net Assets and
Governmental Funds Balance Sheet
December 31, 2004

	Governmental Funds	Adjustments	Statement of Net Assets
Assets			
Cash and pooled investments	$ 9,833,981	$ -	$ 9,833,981
Accounts receivable	8,264	-	8,264
Special assessments receivable:			
Due within one year	1,745,871	-	1,745,871
Due in more than one year	3,305,805	(132,560)	3,173,245
Due from other drain funds	321,736	(321,736)	-
Deferred charges	-	9,119	9,119
Capital assets, net:			
Infrastructure	-	13,540,509	13,540,509
Construction in progress	-	710,516	710,516
Total assets	**$ 15,215,657**	**13,805,848**	**29,021,505**
Liabilities			
Accounts payable	$ 1,954,034	328,844	2,282,878
Retainages payable	302,127	-	302,127
Accrued liabilities	43,486	-	43,486
Due to other governments	3,579,729	-	3,579,729
Accrued interest payable	-	43,246	43,246
Due to other drain funds	321,736	(321,736)	-
Advances from primary government	328,844	(328,844)	-
Prepaid assessments	132,560	(132,560)	-
Deferred revenue	3,305,805	(3,305,805)	-
Long-term liabilities:			
Due within one year	-	1,055,595	1,055,595
Due in more than one year	-	3,300,735	3,300,735
Total liabilities	9,968,321	639,475	10,607,796
Fund balances			
Reserved for debt service	1,508,832	(1,508,832)	-
Unreserved, designated for construction	3,738,504	(3,738,504)	-
Total fund balances	5,247,336	(5,247,336)	-
Total liabilities and fund balances	**$ 15,215,657**		
Net assets			
Invested in capital assets, net of related debt		9,894,695	9,894,695
Restricted for debt service		1,508,832	1,508,832
Restricted for construction		3,738,504	3,738,504
Unrestricted		3,271,678	3,271,678
Total net assets		**$ 18,413,709**	**$ 18,413,709**

The accompanying notes are an integral part of these financial statements.

WASHTENAW COUNTY DRAIN COMMISSIONER
Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2004

	Governmental Funds	Adjustments	Statement of Activities
Revenues			
Special assessments	$ 1,801,270	$ 340,006	$ 2,141,276
Charges for services	94,381	-	94,381
Investment income	219,573	-	219,573
Permits	63,772	-	63,772
Other revenues	232,208	-	232,208
Total revenues	2,411,204	340,006	2,751,210
Expenditures/expenses			
Public works	$ 471,253	$ 629,322	$ 1,100,575
Capital outlay	1,062,548	(1,062,548)	-
Debt service:			-
Principal	761,996	(761,996)	-
Interest and fiscal charges	190,126	1,899	192,025
Total expenditures/expenses	2,485,923	(1,193,323)	1,292,600
Revenues over (under) expenditures/expenses	(74,719)	1,533,329	1,458,610
Other financing sources			
Proceeds of bonds and notes	892,700	(892,700)	-
Net change in fund balance	817,981	(817,981)	-
Change in net assets	-	1,458,610	1,458,610
Fund balances/net assets			
Beginning of year	4,429,355	12,525,744	16,955,099
End of year	**$ 5,247,336**	**$ 13,166,373**	**$ 18,413,709**

The accompanying notes are an integral part of these financial statements.

WASHTENAW COUNTY
DRAIN COMMISSIONER

Notes To Basic Financial Statements

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Reporting Entity* –** These financial statements represent the financial position and the changes in financial position of the funds of the Washtenaw County Drain Commissioner (the "Drain Commissioner"). These funds are considered to be a discretely presented component unit of Washtenaw County (the "County" or "primary government") and are an integral part of that reporting entity.

***Component-wide and Fund Financial Statements* –** As permitted by GASB Statement No. 34, the Drain Commissioner uses an alternative approach reserved for single program governments to present combined component-wide and fund financial statements by using a columnar format that reconciles individual line items of fund financial data to component-wide data in a separate column. Accordingly, this is presented in the Statement of Net Assets and Governmental Funds Balance Sheet and the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances. Major individual governmental funds are reported as separate columns in the aforementioned financial statements.

***Measurement Focus, Basis of Accounting and Financial Statement Presentation* –** The component-wide financial information is reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial information is reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Drain Commissioner considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Special assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual. The portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

Debt service funds account for the accumulation of resources for, and the payment of, interest and principal on bonded debt.

Capital projects funds account for the use of resources, primarily bond proceeds, in constructing or acquiring capital assets, including buildings.

As a general rule, the effect of interfund activity has been eliminated from the component-wide financial statements.

Receivables and Payables – Activity between funds that are representative of lending/ borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Special assessments receivable, which are based on total estimated construction and maintenance costs of each drain project, reflect amounts due from benefiting parties including local units of government and property owners. No allowance for uncollectibles is recorded because the special assessments represent a lien on the respective properties.

Capital Assets – Capital assets, which are limited to infrastructure assets with a cost of more than $5,000 and an estimated useful life in excess of two years, are reported in the net assets column of the Statement of Net Assets and Governmental Funds Balance Sheet. Major outlays for infrastructure capital assets and improvements are capitalized as projects are constructed. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets, if any, are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Infrastructure is depreciated using the straight-line method over 50 years.

Long-term Obligations – In the component-wide financial statements, long-term debt is reported as a liability. Bond discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

2. CASH AND POOLED INVESTMENTS

At year-end, the carrying amount of the Drain Commissioner's cash and pooled investments, which were deposited entirely in the County Treasurer's internal cash management pool, was $9,833,981. Because it is infeasible to allocate risk to individual component units or pool participants, aggregate cash and investment categorizations are presented in the County's basic financial statements.

3. CAPITAL ASSETS

Capital assets activity for the Drain Commissioner for the year ended December 31, 2004 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated - Construction in progress	$ 676,685	$ 799,448	$ (765,617)	$ 710,516
Capital assets, being depreciated – Infrastructure	18,400,866	765,557	-	19,166,423
Less accumulated depreciation for – Infrastructure	(5,259,752)	(366,162)	-	(5,625,914)
Total capital assets being depreciated, net	13,141,114	399,395	-	13,540,509
Capital assets, net	**$13,817,799**	**$ 1,198,843**	**$ (765,617)**	**$14,251,025**

4. LONG-TERM DEBT

The following is a summary of the changes in long-term obligations for the year ended December 31, 2004:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	$ 3,070,000	$ -	$ (450,000)	$ 2,620,000	$ 405,000
Notes payable	1,160,696	892,700	(311,996)	1,741,400	650,595
Less deferred amounts for issuance discounts	(5,850)	-	780	(5,070)	-
Total	**$ 4,224,846**	**$ 892,700**	**$ (761,216)**	**$ 4,356,330**	**$ 1,055,595**

Drain improvement bonds and notes are issued to finance certain drainage district construction projects. These bonds and notes are direct obligations, and pledge the full faith and credit, of the County and the respective drainage districts. Bonds and notes outstanding at December 31, 2004 are as follows:

Bonds Payable

Carpenter Road - $1,050,000 Drain Improvement Bonds outstanding due in annual installments of $75,000 to $100,000 through June 1, 2015; interest from 4.6% to 5.0%. These bonds are not callable prior to June 1, 2004. The bonds redeemed on or after June 1, 2004, but prior to June 1, 2010 at option of 1.0%. The bonds redeemed on or after June 1, 2010, but prior to maturity at option of 0.5%.

Palmer Baldwin - $250,000 Drain Improvement Bonds outstanding due in annual installments of $50,000 to $95,000 through June 1, 2009; interest from 4.4% to 4.85%. The bonds shall not be subject to redemption prior to maturity.

Traver Creek - $80,000 Drain Improvement Bonds outstanding due in annual installments of $40,000 through April 1, 2006; interest from 6.6% to 6.8%. The bonds maturing after April 1, 1999 are callable at the option of the District.

Traver Creek Drain Crossing - $370,000 Drain Improvement Bonds outstanding due in annual installments of $50,000 to $55,000 through April 1, 2011; interest from 3.60% to 4.50%.

West Branch of Paint Creek - $750,000 Drain Improvement Bonds outstanding due in annual installments of $125,000 through June 1, 2010; interest from 4.0% to 4.5%.

West Park - Miller Avenue - $120,000 Drain Replacement Bonds outstanding due in annual installments of $40,000 through June 1, 2007; interest from 5.5% to 5.7%. The bonds maturing after June 1, 1999 are callable at the option of the District.

Notes Payable

Traver Creek Drain (Misc.) - $273,000 Drain Improvement Bonds outstanding due in annual installments of $39,000 through June 1, 2011; interest at 2.59%.

IJ Williams - $73,200 Note outstanding due in annual installments of $12,200 through June 15, 2009; interest rate at 5.96%.

James Dries Street - $115,240 Note outstanding due in annual installments of $28,810 through June 15, 2008; interest at 5.57%.

Jedele - $79,717 Note outstanding due in annual installments of $26,571 through June 15, 2007; interest at 5.79%.

McCarthy - $89,143 Note outstanding due in annual installments of $29,714 through June 15, 2007; interest at 5.59%.

North Branch of Swan Creek Pliney Harris - $55,500 Note outstanding due in annual installments of $27,750 through June 15, 2006; interest at 5.77%.

Rhodes & Finkbeiner - $60,000 Note outstanding due in annual installments of $10,000 through June 15, 2010; interest at 5.96%.

Saline River - $155,400 Note Outstanding due in annual installments of $77,700 through May 15, 2006; interest at 2.37%.

Stierle - $10,500 Drain Construction Note outstanding due in annual installments of $10,500 through June 15, 2005; interest at 5.09%.

Bridgewater #2 - $135,000 Note outstanding due in annual installments of $45,000 through May 15, 2007; interest at 2.82%.

Bridgewater Village Tile - $75,000 Note outstanding due in annual installments of $25,000 through May 15, 2007; interest at 3.19%.

ManchesterDrain - $100,000 Note outstanding due in one payment on July 9, 2005; interest at 1.98%.

Shady Knolls - $87,000 Note outstanding due in one payment on July 1, 2005; interest at 1.98%.

Lincoln Drive Drain - $62,700 Note outstanding due in annual installments of $31, 350 through May 15, 2006; interest at 1.97%.

Oak Park Washtenaw Heights Drain - $200,000 Note outstanding due in annual installments of $100,000 through May 15, 2006; interest set at 1.97%.

Bazley Foster - $170,000 Note outstanding due in installments of $129,500 on May 15, 2006 and annual installments of $6,750 from May 15, 2007 through May 15, 2012; interest set at 3.69%.

Annual debt service requirements to maturity for all debt outstanding as of December 31, 2004, are as follows:

Year	Bonds Payable	Notes Payable	Total Principal	Interest Requirements	Total Requirements
2005	$ 405,000	$ 650,595	$ 1,055,595	$ 167,252	$ 1,222,847
2006	405,000	582,595	987,595	138,532	1,126,127
2007	365,000	223,050	588,050	97,581	685,631
2008	330,000	96,760	426,760	71,952	498,712
2009	330,000	67,950	397,950	52,400	450,350
2010	280,000	67,950	347,950	35,588	383,538
2011	155,000	45,750	200,750	22,746	223,496
2012	100,000	6,750	106,750	15,250	122,000
2013	100,000	-	100,000	10,000	110,000
2014	75,000	-	75,000	5,625	80,625
2015	75,000	-	75,000	1,875	76,875
TOTAL	**$ 2,620,000**	**$ 1,741,400**	**$ 4,361,400**	**$ 618,800**	**$ 4,980,200**

5. ADJUSTMENTS

Following is an explanation of the adjustments between the governmental funds balance sheet and the component-wide statement of net assets, which reconciles fund balances to net assets:

Fund balances	$ 5,247,336
Adjustments:	
Capital assets are not *current financial resources* and therefore are not reported in the governmental funds:	
Infrastructure	19,166,423
Accumulated depreciation	(5,625,914)
Construction in progress	710,516
Deferred charges for bond issuance costs are currently expended in the governmental funds, whereas they are capitalized and amortized for *net assets*	9,119
Deferred revenue is not a *current financial resource* and therefore is not reported as revenue in the governmental funds	3,305,805
Bonds and notes payable are not due and payable in the current period and therefore not reported in the governmental funds	(4,356,330)
Accrued interest payable on bonds is not recorded by governmental funds	(43,246)
Certain assets and liabilities are aggregated for *net assets* presentation:	
Special assessments receivable	(132,560)
Prepaid assessments	132,560
Payables to the primary government are treated as quasi-external liabilities for purposes of *net assets:*	
Advances from primary government	328,844
Accounts payable	(328,844)
Net assets	**$ 18,413,709**

Following is an explanation of the adjustments between the governmental funds statement of revenues, expenditures and changes in fund balances and the component-wide statement of activities, which reconciles the net change in fund balances to the change in net assets:

Net change in fund balances	$ 817,981
Adjustments:	
Collection of special assessments revenues levied in prior years provide *current financial resources* in the funds, but do not affect *net assets*	340,006
Repayment of bond and note principal is an expenditure in the funds, but the repayment reduces long-term liabilities for *net assets*	761,996
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay	799,448
Depreciation expense	(366,222)
The issuance of bonds and notes provides current financial resources and bond issuance costs are a use of current financial resources. These transactions do not effect *net assets* and therefore are eliminated:	
Bond and note proceeds	(892,700)
Accrued interest expense on bonds and the amortization of bond issuance costs and discounts are not recorded by governmental funds but are reported under interest and fiscal charges for purposes of *net assets:*	
Accrued interest expense	284
Amortization of bond issuance costs	(780)
Amortization of discount on bonds	(1,403)
Change in net assets	**$ 1,458,610**

6. DEFICIT FUND BALANCES

The following funds had deficit fund balances at December 31, 2004:

Chapter 4, 5 and 18 Debt Service Funds:	
James Dries	$ (2,423)

* * * * * *

COMBINING FINANCIAL STATEMENTS

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2004

	Debt Service	Capital Projects	Totals
ASSETS			
Assets			
Cash and pooled investments	$ 615,587	$ 9,218,394	$ 9,833,981
Accounts receivable	-	8,264	8,264
Special assessments receivable:			
Current	1,126,326	619,545	1,745,871
Deferred	3,305,805	-	3,305,805
Due from other drain funds	-	321,736	321,736
TOTAL ASSETS	**$ 5,047,718**	**$ 10,167,939**	**$ 15,215,657**
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 98	$ 1,953,936	$ 1,954,034
Retainages payable	-	302,127	302,127
Accrued liabilities	-	43,486	43,486
Due to other governments	-	3,579,729	3,579,729
Due to other drain funds	52,079	269,657	321,736
Advances from primary government	48,344	280,500	328,844
Prepaid assessments	132,560	-	132,560
Deferred revenue	3,305,805	-	3,305,805
Total liabilities	3,538,886	6,429,435	9,968,321
Fund balances			
Reserved for debt service	1,508,832	-	1,508,832
Unreserved, designated for construction	-	3,738,504	3,738,504
Total fund balances	1,508,832	3,738,504	5,247,336
TOTAL LIABILITIES AND FUND BALANCES	**$ 5,047,718**	**$ 10,167,939**	**$ 15,215,657**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2004

	Debt Service	Capital Projects	Totals
Revenues			
Special assessments	$ 1,177,374	$ 623,896	$ 1,801,270
Charges for services	-	94,381	94,381
Investment income	7,183	212,390	219,573
Permits	-	63,772	63,772
Other revenues	-	232,208	232,208
Total revenues	1,184,557	1,226,647	2,411,204
Expenditures			
Public works	-	471,253	471,253
Capital outlay	-	1,062,548	1,062,548
Debt service:			
Principal	761,996	-	761,996
Interest and fiscal charges	190,126	-	190,126
Total expenditures	952,122	1,533,801	2,485,923
Revenues over (under) expenditures	232,435	(307,154)	(74,719)
Other financing sources (uses)			
Proceeds of bonds and notes	-	892,700	892,700
Transfers in	32,915	59,030	91,945
Transfers out	(39,586)	(52,359)	(91,945)
Total other financing sources (uses)	(6,671)	899,371	892,700
Net change in fund balances	225,764	592,217	817,981
Fund balances, beginning of year	1,283,068	3,146,287	4,429,355
Fund balances, end of year	**$ 1,508,832**	**$ 3,738,504**	**$ 5,247,336**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet - Nonmajor Debt Service Funds
December 31, 2004

	Chapter 4, 5 and 18 Drains	Chapter 20 Drains	Total
ASSETS			
Assets			
Cash and pooled investments	$ 343,910	$ 271,677	$ 615,587
Special assessments receivable:			
Current	747,443	378,883	1,126,326
Deferred	1,681,805	1,624,000	3,305,805
TOTAL ASSETS	**$ 2,773,158**	**$ 2,274,560**	**$ 5,047,718**
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 31	$ 67	$ 98
Due to other drain funds	39,113	12,966	52,079
Advances from other governments	48,344	-	48,344
Prepaid assessments	132,560	-	132,560
Deferred revenue	1,681,805	1,624,000	3,305,805
Total liabilities	1,901,853	1,637,033	3,538,886
Fund balances - reserved for debt service	871,305	637,527	1,508,832
TOTAL LIABILITIES AND FUND BALANCES	**$ 2,773,158**	**$ 2,274,560**	**$ 5,047,718**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds
For the Year Ended December 31, 2004

	Chapter 4, 5 and 18 Drains	Chapter 20 Drains	Total
Revenues			
Special assessments	$ 798,009	$ 379,365	$ 1,177,374
Investment income	3,397	3,786	7,183
Total revenues	801,406	383,151	1,184,557
Expenditures			
Debt service:			
Principal	531,996	230,000	761,996
Interest and fiscal charges	102,850	87,276	190,126
Total expenditures	634,846	317,276	952,122
Revenues over expenditures	166,560	65,875	232,435
Other financing uses			
Transfer in	26,167	6,748	32,915
Transfer out	(39,586)	-	(39,586)
Total other financing sources (uses)	(13,419)	6,748	(6,671)
Net change in fund balances	153,141	72,623	225,764
Fund balances, beginning of year	718,164	564,904	1,283,068
Fund balances, end of year	**$ 871,305**	**$ 637,527**	**$ 1,508,832**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet
Nonmajor Chapter 4, 5 and 18 Drains Debt Service Funds
December 31, 2004

	Bazley Foster	Big Swan Creek IC	Doty
ASSETS			
Assets			
Cash and pooled investments	$ 909	$ 5,247	$ 299
Special assessments receivable:			
Current	-	-	-
Deferred	170,000	-	-
TOTAL ASSETS	$ 170,909	$ 5,247	$ 299
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ -	$ -	$ -
Due to other drain funds	-	-	-
Advances from other governments	-	-	-
Prepaid assessments	-	-	-
Deferred revenue	170,000	-	-
Total liabilities	170,000	-	-
Fund balances (deficit) - reserved for debt service	909	5,247	299
TOTAL LIABILITIES AND FUND BALANCES	$ 170,909	$ 5,247	$ 299

IJ Williams	Iron Lake Level	Jedele	McCarthy	Miller-Marsh	North Branch Swan Creek P/H
$ 4,714	$ 7,666	$ 16,703	$ 12,463	$ 263	$ 34,212
12,069	-	21,823	32,589	-	32,435
61,000	-	53,145	59,430	-	27,750
$ 77,783	$ 7,666	$ 91,671	$ 104,482	$ 263	$ 94,397
$ -	$ 31	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	40,999
-	-	3,833	7,717	-	-
61,000	-	53,145	59,430	-	27,750
61,000	31	56,978	67,147	-	68,749
16,783	7,635	34,693	37,335	263	25,648
$ 77,783	$ 7,666	$ 91,671	$ 104,482	$ 263	$ 94,397

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet
Chapter 4, 5 and 18 Drains Debt Service Funds
December 31, 2004

	Palmer Baldwin	Pierce Lake	Potter
ASSETS			
Assets			
Cash and pooled investments	$ 52,256	$ 1,090	$ 151
Special assessments receivable:			
Current	62,982	16,676	-
Deferred	200,000	-	-
TOTAL ASSETS	$ 315,238	$ 17,766	$ 151
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ -	$ -	$ -
Due to other funds	-	4,301	-
Advances from other governments	705	6,514	-
Prepaid assessments	18,715	-	50
Deferred revenue	200,000	-	-
Total liabilities	219,420	10,815	50
Fund balances (deficit) - reserved for debt service	95,818	6,951	101
TOTAL LIABILITIES AND FUND BALANCES	$ 315,238	$ 17,766	$ 151

Rhodes & Finkbeiner	Stierle	Stoney Creek IC	York and Augusta #2	West Branch Paint Creek Debt Service	James Dries
$ 2,760	$ 1,712	$ 102	$ 522	$ 150,725	$ 14,395
12,833	10,118	-	-	137,076	17,994
50,000	-	-	-	625,000	86,430
$ 65,593	$ 11,830	$ 102	$ 522	$ 912,801	$ 118,819
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	34,812
-	-	-	126	-	-
-	-	-	-	103,571	-
50,000	-	-	-	625,000	86,430
50,000	-	-	126	728,571	121,242
15,593	11,830	102	396	184,230	(2,423)
$ 65,593	$ 11,830	$ 102	$ 522	$ 912,801	$ 118,819

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet
Chapter 4, 5 and 18 Drains Debt Service Funds
December 31, 2003

	Bridgewater #2	Saline River	Bridgewater Village Tile
ASSETS			
Assets			
Cash and pooled investments	$ 11,168	$ 12,518	$ 6,313
Special assessments receivable:			
Current	39,344	68,521	21,707
Deferred	90,000	77,700	50,000
TOTAL ASSETS	$ 140,512	$ 158,739	$ 78,020
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ -	$ -	$ -
Due to other funds	-	-	-
Advances from other governments	-	-	-
Prepaid assessments	1,935	-	614
Deferred revenue	90,000	77,700	50,000
Total liabilities	91,935	77,700	50,614
Fund balances (deficit) - reserved for debt service	48,577	81,039	27,406
TOTAL LIABILITIES AND FUND BALANCES	$ 140,512	$ 158,739	$ 78,020

Manchester	Shady Knolls	Polzin	Lincoln Drive	Oak Park Washtenaw-Heights	Total
$ 1,790	$ -	$ 3,021	$ -	$ 2,911	$ 343,910
24,562	88,720	14,642	32,506	100,846	747,443
-	-	-	31,350	100,000	1,681,805
$ 26,352	$ 88,720	$ 17,663	$ 63,856	$ 203,757	$ 2,773,158

$ -	$ -	$ -	$ -	$ -	$ 31
-	-	-	-	-	39,113
-	-	-	-	-	48,344
(6,275)	-	2,400	-	-	132,560
-	-	-	31,350	100,000	1,681,805
(6,275)	-	2,400	31,350	100,000	1,901,853
32,627	88,720	15,263	32,506	103,757	871,305
$ 26,352	$ 88,720	$ 17,663	$ 63,856	$ 203,757	$ 2,773,158

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Chapter 4, 5 and 18 Drains Debt Service Funds
For the Year Ended December 31, 2004

	Bazley Foster	Big Swan Creek IC	Doty
Revenues			
Special assessments	$ -	$ -	$ -
Investment income	11	60	4
Total revenues	11	60	4
Expenditures			
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	-	-	-
Revenues over (under) expenditures	11	60	4
Other financing uses			
Transfer in	-	-	-
Transfer out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	11	60	4
Fund balances (deficit), beginning of year	898	5,187	295
Fund balances (deficit), end of year	**$ 909**	**$ 5,247**	**$ 299**

IJ Williams	Iron Lake Level	Jedele	McCarthy	Miller-Marsh	North Branch Swan Creek P/H
$ 16,413	$ -	$ 30,638	$ 34,504	$ -	$ 18,954
44	107	148	136	15	435
16,457	107	30,786	34,640	15	19,389
12,200	-	26,569	29,714	-	27,750
5,104	-	6,171	6,662	-	4,811
17,304	-	32,740	36,376	-	32,561
(847)	107	(1,954)	(1,736)	15	(13,172)
-	-	-	-	-	-
-	-	-	-	(23,827)	-
-	-	-	-	(23,827)	-
(847)	107	(1,954)	(1,736)	(23,812)	(13,172)
17,630	7,528	36,647	39,071	24,075	38,820
$ 16,783	**$ 7,635**	**$ 34,693**	**$ 37,335**	**$ 263**	**$ 25,648**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Chapter 4, 5 and 18 Drains Debt Service Funds
For the Year Ended December 31, 2004

	Palmer Baldwin	Pierce Lake	Potter
Revenues			
Special assessments	$ 57,453	$ -	$ -
Investment income	610	45	1
Total revenues	58,063	45	1
Expenditures			
Debt service:			
Principal	95,000	18,753	-
Interest and fiscal charges	14,090	992	-
Total expenditures	109,090	19,745	-
Revenues over (under) expenditures	(51,027)	(19,700)	1
Other financing uses			
Transfer in	-	-	-
Transfer out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(51,027)	(19,700)	1
Fund balances (deficit), beginning of year	146,845	26,651	100
Fund balances (deficit), end of year	**$ 95,818**	**$ 6,951**	**$ 101**

Rhodes & Finkbeiner	Stierle	Stoney Creek IC	York and Augusta #2	West Branch Paint Creek Debt Service	James Dries
$ 13,576	$ 11,035	$ -	$ -	$ 151,593	$ 34,204
27	20	1	5	1,232	229
13,603	11,055	1	5	152,825	34,433
10,000	10,500	-	-	125,000	28,810
4,183	1,069	-	-	35,875	8,046
14,183	11,569	-	-	160,875	36,856
(580)	(514)	1	5	(8,050)	(2,423)
-	-	-	-	-	2,340
-	-	-	-	-	-
-	-	-	-	-	2,340
(580)	(514)	1	5	(8,050)	(83)
16,173	12,344	101	391	192,280	(2,340)
$ 15,593	**$ 11,830**	**$ 102**	**$ 396**	**$ 184,230**	**$ (2,423)**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Chapter 4, 5 and 18 Drains Debt Service Funds
For the Year Ended December 31, 2003

	Bridgewater #2	Saline River	Bridgewater Village Tile
Revenues			
Special assessments	$ 48,488	$ 80,978	$ 27,388
Investment income	88	81	9
Total revenues	48,576	81,059	27,397
Expenditures			
Debt service:			
Principal	45,000	77,700	25,000
Interest and fiscal charges	4,848	8,485	2,514
Total expenditures	49,848	86,185	27,514
Revenues over (under) expenditures	(1,272)	(5,126)	(117)
Other financing uses			
Transfer in	-	-	23,827
Transfer out	-	-	-
Total other financing sources (uses)	-	-	23,827
Net change in fund balances	(1,272)	(5,126)	23,710
Fund balances (deficit), beginning of year	49,849	86,165	3,696
Fund balances (deficit), end of year	**$ 48,577**	**$ 81,039**	**$ 27,406**

Manchester	Shady Knolls	Polzin	Lincoln Drive	Oak Park Washtenaw-Heights	Total
$ 32,628	$ 88,720	$ 15,173	$ 32,507	$ 103,757	$ 798,009
(1)	-	91	(1)	-	3,397
32,627	88,720	15,264	32,506	103,757	801,406
-	-	-	-	-	531,996
-	-	-	-	-	102,850
-	-	-	-	-	634,846
32,627	88,720	15,264	32,506	103,757	166,560
-	-	-	-	-	26,167
-	-	(15,759)	-	-	(39,586)
-	-	(15,759)	-	-	(13,419)
32,627	88,720	(495)	32,506	103,757	153,141
-	-	15,758	-	-	718,164
$ 32,627	**$ 88,720**	**$ 15,263**	**$ 32,506**	**$ 103,757**	**$ 871,305**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet
Nonmajor Chapter 20 Drains Debt Service Funds
December 31, 2004

	Jewell Road	Mallets Creek Pittsfield-Ann Arbor	Mallets Creek (Lans Basin)	North Branch Stoney Creek Ext.	Traver Creek
ASSETS					
Assets					
Cash and pooled investments	$ 45	$ -	$ 2,832	$ 9,359	$ 5,585
Special assessments receivable:					
Current	-	17,463	1	-	52,441
Deferred	-	-	-	-	40,000
TOTAL ASSETS	**$ 45**	**$ 17,463**	**$ 2,833**	**$ 9,359**	**$ 98,026**
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ -	$ -
Due to other drain funds	-	12,966	-	-	-
Deferred revenue	-	-	-	-	40,000
Total liabilities	-	12,966	-	-	40,000
Fund balances - reserved for debt service	45	4,497	2,833	9,359	58,026
TOTAL LIABILITIES AND FUND BALANCES	**$ 45**	**$ 17,463**	**$ 2,833**	**$ 9,359**	**$ 98,026**

Upper Paint Creek	West Park Miller Ave.	Traver Creek Bridge	Traver Creek (Misc)	Carpenter Road	Beyer Drain & Branches	Total
$ 120,096	$ 4,016	$ 76,025	$ 30,384	$ 13,472	$ 9,863	$ 271,677
-	49,225	64,403	45,800	149,550	-	378,883
-	80,000	320,000	234,000	950,000	-	1,624,000
$ 120,096	**$ 133,241**	**$ 460,428**	**$ 310,184**	**$ 1,113,022**	**$ 9,863**	**$ 2,274,560**
$ -	$ 67	$ -	$ -	$ -	$ -	$ 67
-	-	-	-	-	-	12,966
-	80,000	320,000	234,000	950,000	-	1,624,000
-	80,067	320,000	234,000	950,000	-	1,637,033
120,096	53,174	140,428	76,184	163,022	9,863	637,527
$ 120,096	**$ 133,241**	**$ 460,428**	**$ 310,184**	**$ 1,113,022**	**$ 9,863**	**$ 2,274,560**

WASHTENAW COUNTY DRAIN COMMISSIONER

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Chapter 20 Drains Debt Service Funds
For the Year Ended December 31, 2004

	Jewell Road	Mallets Creek Pittsfield-Ann Arbor	Mallets Creek (Lans Basin)	North Branch Stoney Creek Ext.	Traver Creek
Revenues					
Special assessments	$ -	$ -	$ -	$ -	$ 43,690
Investment income	45	-	32	106	165
Total revenues	45	-	32	106	43,855
Expenditures					
Debt service:					
Principal	-	-	-	-	40,000
Interest and fiscal charges	-	-	-	-	7,545
Total expenditures	-	-	-	-	47,545
Revenues over (under) expenditures	45	-	32	106	(3,690)
Other financing uses					
Transfers in	6,748	-	-	-	-
Transfers out	-	-	-	-	-
Total other sources (uses)	6,748	-	-	-	-
Net change in fund balances	6,793	-	32	106	(3,690)
Fund balances (deficit), beginning of year	(6,748)	4,497	2,801	9,253	61,716
Fund balances, end of year	**$ 45**	**$ 4,497**	**$ 2,833**	**$ 9,359**	**$ 58,026**

Upper Paint Creek	West Park Miller Ave.	Traver Creek Bridge	Traver Creek (Misc)	Carpenter Road	Beyer Drain & Branches	Total
$ -	$ 45,700	$ 64,403	$ 76,022	$ 149,550	$ -	$ 379,365
1,378	210	1,021	162	553	114	3,786
1,378	45,910	65,424	76,184	150,103	114	383,151
-	40,000	50,000	-	100,000	-	230,000
-	8,278	16,240	-	55,213	-	87,276
-	48,278	66,240	-	155,213	-	317,276
1,378	(2,368)	(816)	76,184	(5,110)	114	65,875
-	-	-	-	-	-	6,748
-	-	-	-	-	-	-
-	-	-	-	-	-	6,748
1,378	(2,368)	(816)	76,184	(5,110)	114	72,623
118,718	55,542	141,244	-	168,132	9,749	564,904
$ 120,096	**$ 53,174**	**$ 140,428**	**$ 76,184**	**$ 163,022**	**$ 9,863**	**$ 637,527**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2004

	Chapters 4, 5 and 18 Drains	Chapter 20 Drains	Lake Levels	Drain and Lake Level Revolving	Total
ASSETS					
Assets					
Cash and pooled investments	$ 7,155,950	$ 1,892,050	$ 26,276	$ 144,118	$ 9,218,394
Accounts receivable	6,226	2,038	-	-	8,264
Special assessments receivable - current	326,572	225,983	66,990	-	619,545
Due from other drain funds	-	14,224	-	307,512	321,736
TOTAL ASSETS	**$ 7,488,748**	**$ 2,134,295**	**$ 93,266**	**$ 451,630**	**$ 10,167,939**
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 1,307,165	$ 565,945	$ 80,826	$ -	$ 1,953,936
Retainages payable	291,393	10,734	-	-	302,127
Accrued liabilities	43,486	-	-	-	43,486
Due to other governments	3,579,729	-	-	-	3,579,729
Due to other drain funds	214,749	45,349	9,559	-	269,657
Advances from primary government	-	-	-	280,500	280,500
Total liabilities	5,436,522	622,028	90,385	280,500	6,429,435
Fund balances - unreserved, designated for construction	2,052,226	1,512,267	2,881	171,130	3,738,504
TOTAL LIABILITIES AND FUND BALANCES	**$ 7,488,748**	**$ 2,134,295**	**$ 93,266**	**$ 451,630**	**$ 10,167,939**

WASHTENAW COUNTY DRAIN COMMISSIONER
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2004

	Chapters 4, 5 and 18 Drains	Chapter 20 Drains	Lake Levels	Drain and Lake Level Revolving	Total
Revenues					
Special assessments	$ 328,162	$ 242,210	$ 53,524	$ -	$ 623,896
Charges for services	83,781	10,600	-	-	94,381
Investment income	161,831	47,682	803	2,074	212,390
Permits	63,772	-	-	-	63,772
Other revenues	223,367	8,841	-	-	232,208
Total revenues	860,913	309,333	54,327	2,074	1,226,647
Expenditures					
Public works	420,039	-	51,352	(138)	471,253
Capital outlay	539,391	523,157	-	-	1,062,548
Total expenditures	959,430	523,157	51,352	(138)	1,533,801
Revenues over (under) expenditures	(98,517)	(213,824)	2,975	2,212	(307,154)
Other financing sources (uses)					
Proceeds from bond and notes	619,700	273,000	-	-	892,700
Transfers in	15,759	43,212	-	59	59,030
Transfers out	(2,525)	(49,834)	-	-	(52,359)
Total other financing sources	632,934	266,378	-	59	899,371
Net change in fund balances	534,417	52,554	2,975	2,271	592,217
Fund balances, beginning of year	1,517,809	1,459,713	(94)	168,859	3,146,287
Fund balances, end of year	**$ 2,052,226**	**$ 1,512,267**	**$ 2,881**	**$ 171,130**	**$ 3,738,504**