

AUDITING PROCEDURES REPORT

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

| | | | | | |
|--|--|--|--|--|--|
| Local Government Type [] City [] Township [] Village [x] Other | | Local Government Name Washtenaw County Building Authority | | County Washtenaw | |
| Audit Date 12/31/04 | | Opinion Date 2/8/05 | | Date Accountant Report Submitted to State: 3/1/05 | |

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.
- [] Yes [x] 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 5800 GRATIOT, PO BOX 2025 | City SAGINAW | State MI | Zip 48605 |
| Accountant Signature  | | | |

**WASHTENAW COUNTY
BUILDING AUTHORITY**

Basic Financial Statements

For The Year Ended December 31, 2004



REHMANN ROBSON

Certified Public Accountants

WASHTENAW COUNTY BUILDING AUTHORITY

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REHMANN ROBSON

Certified Public Accountants

A member of **THE REHMANN GROUP**



INDEPENDENT AUDITORS' REPORT

February 8, 2005

To the Commissioners of the
Washtenaw County Building Authority Board
Ann Arbor, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the ***Washtenaw County Building Authority, a component unit of Washtenaw County***, 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 Building Authority. 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 governmental activities, each major fund and the aggregate remaining fund information of the Washtenaw County Building Authority as of December 31, 2004, and the respective changes in its financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Authority 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority'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.

A handwritten signature in black ink that reads "Lehmann Johnson". The signature is written in a cursive, flowing style.

BASIC FINANCIAL STATEMENTS

WASHTENAW COUNTY BUILDING AUTHORITY
Statement of Net Assets and
Governmental Funds Balance Sheet
December 31, 2004

| | Debt Service Funds | | | |
|--|-------------------------------|---------------------------------|---------------------------|---------------------------|
| | Road Commission Project | Ypsilanti Social Services | Space Plan Phase IA | Space Plan Phase II |
| Assets | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ 307 |
| Deferred charges | - | - | - | - |
| Leases receivable - County | - | - | - | - |
| Leases receivable - third parties | - | - | - | - |
| | - | - | - | - |
| Total assets | \$ - | \$ - | \$ - | \$ 307 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued interest payable | - | - | - | - |
| Long-term liabilities: | | | | |
| Due within one year | - | - | - | - |
| Due in more than one year | - | - | - | - |
| | - | - | - | - |
| Total liabilities | - | - | - | - |
| Fund balances | | | | |
| Unreserved, undesignated | - | - | - | 307 |
| | - | - | - | 307 |
| Total liabilities and fund balances | \$ - | \$ - | \$ - | \$ 307 |
| Net assets | | | | |
| Restricted for debt service | | | | |
| Restricted for construction | | | | |
| Total net assets | | | | |

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

Capital Projects Funds

| Space Plan Phase IA | HVA Building | Head Start Building | Other Governmental Funds | Total Governmental Funds | Adjustments | Statement of Net Assets |
|------------------------------------|-------------------------|------------------------------------|---|---|---------------------|------------------------------------|
| \$ 22,442 | \$ 1,762,255 | \$ 856,357 | \$ 37,623 | \$ 2,678,984 | \$ - | \$ 2,678,984 |
| - | - | - | - | - | 135,405 | 135,405 |
| - | - | - | - | - | 23,328,705 | 23,328,705 |
| - | - | - | - | - | 146,500 | 146,500 |
| <u>\$ 22,442</u> | <u>\$ 1,762,255</u> | <u>\$ 856,357</u> | <u>\$ 37,623</u> | <u>\$ 2,678,984</u> | 23,610,610 | 26,289,594 |
| \$ - | \$ - | \$ 29,991 | \$ - | \$ 29,991 | - | 29,991 |
| - | - | - | - | - | 332,551 | 332,551 |
| - | - | - | - | - | 1,985,000 | 1,985,000 |
| - | - | - | - | - | 21,972,787 | 21,972,787 |
| - | - | 29,991 | - | 29,991 | 24,290,338 | 24,320,329 |
| 22,442 | 1,762,255 | 826,366 | 37,623 | 2,648,993 | (2,648,993) | - |
| <u>\$ 22,442</u> | <u>\$ 1,762,255</u> | <u>\$ 856,357</u> | <u>\$ 37,623</u> | <u>\$ 2,678,984</u> | | |
| | | | | | 12,930 | 12,930 |
| | | | | | 1,956,335 | 1,956,335 |
| | | | | | <u>\$ 1,969,265</u> | <u>\$ 1,969,265</u> |

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

| | Debt Service Funds | | | |
|--|--|--|------------------------------------|------------------------------------|
| | Road Commission Project | Ypsilanti Social Services | Space Plan Phase IA | Space Plan Phase II |
| Revenues | | | | |
| Intergovernmental revenue | \$ 313,096 | \$ - | \$ - | \$ - |
| Contributions from local agencies | - | - | - | - |
| Investment income | - | - | 2 | 90 |
| Total revenues | 313,096 | - | 2 | 90 |
| Expenditures / expenses | | | | |
| Capital improvements and acquisitions | - | - | - | - |
| Debt service: | | | | |
| Principal | 300,000 | 680,000 | 650,000 | 575,000 |
| Interest and fiscal charges | 13,200 | 20,863 | 31,500 | 666,588 |
| Total expenditures / expenses | 313,200 | 700,863 | 681,500 | 1,241,588 |
| Revenues over (under) expenditures | (104) | (700,863) | (681,498) | (1,241,498) |
| Other financing sources (uses) | | | | |
| Payment to refunding escrow agent | (3,495,470) | - | - | - |
| Transfers in | 3,495,470 | 700,859 | 681,475 | 1,241,773 |
| Transfers out | - | - | - | - |
| Total other financing sources | - | 700,859 | 681,475 | 1,241,773 |
| Revenues and other sources over (under) expenditures | (104) | (4) | (23) | 275 |
| Change in net assets | - | - | - | - |
| Fund balances / net assets | | | | |
| Beginning of year | 104 | 4 | 23 | 32 |
| End of year | \$ - | \$ - | \$ - | \$ 307 |

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

Capital Projects Funds

| Space Plan Phase IA | HVA Building | Head Start Building | Other Governmental Funds | Total Governmental Funds | Adjustments | Statement of Activities |
|----------------------------|---------------------|----------------------------|---------------------------------|---------------------------------|--------------------|--------------------------------|
| \$ - | \$ - | \$ 195,571 | \$ 39,310 | \$ 547,977 | \$ 418,899 | \$ 966,876 |
| 431,165 | - | - | - | 431,165 | - | 431,165 |
| 15,823 | 21 | 21,195 | 24,814 | 61,945 | - | 61,945 |
| 446,988 | 21 | 216,766 | 64,124 | 1,041,087 | 418,899 | 1,459,986 |
| 156,311 | - | 24,814 | (25,752) | 155,373 | (155,373) | - |
| - | - | - | 895,000 | 3,100,000 | (3,100,000) | - |
| - | - | - | 465,609 | 1,197,760 | (99,878) | 1,097,882 |
| 156,311 | - | 24,814 | 1,334,857 | 4,453,133 | (3,355,251) | 1,097,882 |
| 290,677 | 21 | 191,952 | (1,270,733) | (3,412,046) | 3,774,150 | 362,104 |
| - | - | - | (4,362,433) | (7,857,903) | 7,857,903 | - |
| - | 1,762,234 | - | 5,583,356 | 13,465,167 | (13,465,167) | - |
| (651,483) | - | - | (1,110,752) | (1,762,235) | 1,762,235 | - |
| (651,483) | 1,762,234 | - | 110,171 | 3,845,029 | (3,845,029) | - |
| (360,806) | 1,762,255 | 191,952 | (1,160,562) | 432,983 | (432,983) | - |
| - | - | - | - | - | 362,104 | 362,104 |
| 383,248 | - | 634,414 | 1,198,185 | 2,216,010 | (608,849) | 1,607,161 |
| \$ 22,442 | \$ 1,762,255 | \$ 826,366 | \$ 37,623 | \$ 2,648,993 | \$ (679,728) | \$ 1,969,265 |

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Washtenaw County Building Authority (the “Authority”) was established pursuant to Act 31, Public Acts of Michigan, as amended. The Authority has entered into various lease agreements with Washtenaw County (the “County”) and certain third party governments covering buildings constructed by the Authority (see Note 3).

Reporting Entity – These financial statements represent the financial position and the results of operations of a blended component unit of the County and are an integral part of that reporting entity.

Authority-wide and Fund Financial Statements – As permitted by GASB Statement No. 34, the Authority uses an alternative approach reserved for single program governments to present combined authority-wide and fund financial statements by using a columnar format that reconciles individual line items of fund financial data to authority-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 authority-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 government 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.

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

The Authority reports the following major governmental funds:

- Debt Service Funds:
 - Road Commission Project
 - Ypsilanti Social Services
 - Space Plan Phase IA
 - Space Plan Phase II
- Capital Projects Funds:
 - Space Plan Phase IA
 - Huron Valley Ambulance Building
 - Head Start Building

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent those standards do not conflict with or contradict guidance of the Governmental Accounting Standard Board.

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

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

In the fund financial statements, governmental fund types recognize bond discounts, premiums and issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Discounts or premiums on debt issuances are reported as other financing uses or sources, respectively. 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.

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

2. CASH AND CASH EQUIVALENTS

At year-end, the carrying amount of the Authority's cash and cash equivalents, which were deposited entirely in the County Treasurer's internal cash management pool, was \$2,678,984. 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. LEASES RECEIVABLE

The Authority has entered into various lease agreements with the County and other governments for buildings acquired or constructed by the Authority. These agreements generally terminate with the retirement of the related bond issues. Leases receivable are reported at an amount equal to the lesser of the actual bond-financed construction costs incurred to date less bond principal payments made to date or the outstanding bond principal. Annual lease payments under these agreements are equal to the related bond principal and interest due each year. At termination of a lease, title to the leased property is passed to the County or other government.

Under the accrual basis of accounting and the provisions of FASB (Financial Accounting Standards Board) Statement No. 13, *Accounting for Leases*, the Authority's leases are classified as sales leases. As a result, leases receivable are recognized in the accompanying statement of net assets, whereas capital assets are not.

All lease agreements provide for the lessee to use, operate and maintain the property, at its own expense, subject to the terms and conditions of the agreements.

4. COMMITMENTS

The Authority has approximately \$2.66 million in capital projects fund balance at December 31, 2004, which is committed for construction or building acquisition that will occur in 2005 and succeeding years. Included in this amount is approximately \$1.76 million to acquire the Huron Valley Ambulance building, which is adjacent to the County's Hogback Road facilities that house the Sheriff Department and County Jail, among other things.

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

5. LONG-TERM DEBT

The Authority issues general obligation bonds to provide funds for the construction and acquisition of major capital facilities. The original amount of general obligation bonds issued in prior years was \$54,635,000. No new general obligation bonds were issued during the year, although three issues were refunded by the County.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 15 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|---------------------------|-----------------------|----------------------|
| Governmental activities: | | |
| Ann Arbor Social Services | 5.75% | \$ 400,000 |
| Ann Arbor District Court | 5.4% | 215,000 |
| Space Plan II | 4.55-5.5% | 12,400,000 |
| Head Start Building | 2.05-4.75% | 2,800,000 |
| Space Plan IA Refunding | 2.0-3.25% | 8,480,000 |
| | | \$ 24,295,000 |

Annual debt service requirements to maturity for general obligation bonds are as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> |
|-------------|----------------------|---------------------|
| 2005 | \$ 1,985,000 | \$ 988,997 |
| 2006 | 1,615,000 | 928,735 |
| 2007 | 1,705,000 | 878,522 |
| 2008 | 1,765,000 | 823,484 |
| 2009 | 1,765,000 | 764,988 |
| 2010-2014 | 8,835,000 | 2,786,351 |
| 2015-2019 | 6,000,000 | 1,125,726 |
| 2020-2022 | 625,000 | 59,562 |
| | \$ 24,295,000 | \$ 8,356,365 |

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

Current refunding. During the year, Washtenaw County issued \$3,535,000 of general obligation limited tax bonds for a current refunding of \$3,360,000 of building authority bonds. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$135,470. This amount is being netted against the new debt on the books of the County and amortized over the new debt's life, which is the same as the refunded debt. The transaction resulted in an economic gain of \$188,360 and a reduction of \$217,067 in future debt service payments.

Also during the year, Washtenaw County issued \$4,300,000 of general obligation limited tax bonds for a current refunding of \$4,280,000 of building authority bonds. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$82,432. This amount is being netted against the new debt on the books of the County and amortized over the new debt's life, which is the same as the refunded debt. The transaction resulted in an economic gain of \$243,123 and a reduction of \$278,690 in future debt service payments.

Because the County issued the refunding debt in both of the above instances, the bond proceeds are reported in its financial statements and then, for purposes of the Authority's financial statements, shown as transfers in (i.e., other financing source) and offset by a payment to escrow agent account (i.e., other financing use). Shortly after the payments to the escrow agent (and during the current year), the refunded bonds were called and redeemed in their entirety.

Long-term liability activity for the year ended December 31, 2004 was as follows:

| | <u>Beginning</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending</u> | <u>Due Within</u> |
|-----------------------|-----------------------------|-------------------------|-------------------------------|-----------------------------|----------------------------|
| | <u>Balance</u> | | | <u>Balance</u> | <u>One Year</u> |
| Bonds payable | \$ 35,035,000 | \$ - | \$ (10,740,000) | \$ 24,295,000 | \$ 1,985,000 |
| Deferred amounts for: | | | | | |
| Issuance discounts | (47,500) | - | 2,500 | (45,000) | - |
| Issuance premiums | 137,519 | - | (13,752) | 123,767 | - |
| Refunding loss | (462,200) | - | 46,220 | (415,980) | - |
| | <u>\$ 34,662,819</u> | <u>\$ -</u> | <u>\$ (10,705,032)</u> | <u>\$ 23,957,787</u> | <u>\$ 1,985,000</u> |

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

6. 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 | \$ 2,648,993 |
| Adjustments: | |
| Leases receivable are not <i>current financial resources</i> and therefore are not reported in the governmental funds | |
| Leases receivable - County | 23,328,705 |
| Leases receivable - third parties | 146,500 |
| Deferred charges for bond issuance costs are currently expended in the governmental funds, whereas they are capitalized and amortized for net assets | 135,405 |
| Bonds payable are not due and payable in the current period and therefore not reported in the governmental funds | (24,295,000) |
| Discounts and premiums on bonds are reported as other financing uses or sources in the governmental funds, whereas they are capitalized and amortized for net assets (netted against bonds payable) | (78,767) |
| Deferred charges for bond refunding losses are not recognized in the governmental funds, whereas they are capitalized and amortized for net assets (netted against bonds payable) | 415,980 |
| Accrued interest payable on bonds is not recorded by governmental funds | (332,551) |
| Net assets | <u><u>\$ 1,969,265</u></u> |

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:

WASHTENAW COUNTY BUILDING AUTHORITY

Notes To Basic Financial Statements

Net change in fund balances \$ 432,983

Adjustments:

Amounts received for the payment of certain bond principal and interest is recorded in the funds as other financing sources. For the statement of activities, the other financing sources are eliminated with that portion of the receipts that pertain to bond interest being recognized as intergovernmental revenues.

| | |
|--------------------------------------|-------------|
| Intergovernmental revenues | 418,899 |
| Transfers from Washtenaw County, net | (3,845,029) |

| | |
|--|-----------|
| Repayment of bond and note principal is an expenditure in the funds, but the repayment reduces long-term liabilities for <i>net assets</i> | 3,100,000 |
|--|-----------|

| | |
|--|---------|
| Construction costs are recorded as expenditures in the funds, but increase leases receivable for <i>net assets</i> | 155,373 |
|--|---------|

The issuance of bonds provides current financial resources and bond issuance costs, discounts and premiums are a source/use of current financial resources. These transactions do not effect *net assets* and therefore are eliminated:

| | |
|------------------------------------|-------------|
| Transfers in from Washtenaw County | (7,857,903) |
| Payment to refunding escrow agent | 7,857,903 |

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 | 147,340 |
| Amortization of bond issuance costs | (12,494) |
| Amortization of discount on bonds | (2,500) |
| Amortization of premium on bonds | 13,752 |
| Amortization of deferred refunding loss | (46,220) |

| | |
|-----------------------------|-------------------|
| Change in net assets | \$ 362,104 |
|-----------------------------|-------------------|

COMBINING FINANCIAL STATEMENTS

WASHTENAW COUNTY BUILDING AUTHORITY
Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2004

| | <u>Debt Service Funds</u> | <u>Capital Projects Fund</u> | <u>Totals</u> |
|-----------------------------|-------------------------------|----------------------------------|------------------|
| <u>Assets</u> | | | |
| Assets | | | |
| Cash and cash equivalents | <u>\$ 12,623</u> | <u>\$ 25,000</u> | <u>\$ 37,623</u> |
| <u>Fund Balances</u> | | | |
| Fund balances | | | |
| Unreserved, undesignated | <u>\$ 12,623</u> | <u>\$ 25,000</u> | <u>\$ 37,623</u> |

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

| | <u>Debt Service Funds</u> | <u>Capital Projects Fund</u> | <u>Totals</u> |
|---|-------------------------------|----------------------------------|---------------|
| Revenues | | | |
| Intergovernmental revenue | \$ 39,310 | \$ - | \$ 39,310 |
| Investment income | 234 | 24,580 | 24,814 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 39,544 | 24,580 | 64,124 |
| Expenditures | | | |
| Capital improvements and acquisitions | - | (25,752) | (25,752) |
| Debt service: | | | |
| Principal | 895,000 | - | 895,000 |
| Interest and fiscal charges | 465,609 | - | 465,609 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 1,360,609 | (25,752) | 1,334,857 |
| Revenues over (under) expenditures | <hr/> | <hr/> | <hr/> |
| | (1,321,065) | 50,332 | (1,270,733) |
| Other financing sources (uses) | | | |
| Payment to refunding escrow agent | (4,262,176) | (100,257) | (4,362,433) |
| Transfers in | 5,583,356 | - | 5,583,356 |
| Transfers out | - | (1,110,752) | (1,110,752) |
| | <hr/> | <hr/> | <hr/> |
| Total other sources (uses) | 1,321,180 | (1,211,009) | 110,171 |
| Revenues and other sources over (under) expenditures | 115 | (1,160,677) | (1,160,562) |
| Fund balances, beginning of year | <hr/> | <hr/> | <hr/> |
| | 12,508 | 1,185,677 | 1,198,185 |
| Fund balances, end of year | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | \$ 12,623 | \$ 25,000 | \$ 37,623 |

WASHTENAW COUNTY BUILDING AUTHORITY
Combining Balance Sheet - Nonmajor Debt Service Funds
December 31, 2004

| | Ann Arbor Social Services | 110 N. Fourth | Safe House Project |
|-----------------------------|--|--------------------------|-----------------------------------|
| <u>Assets</u> | | | |
| Assets | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 12,611 |
| <u>Fund Balances</u> | | | |
| Fund balances | | | |
| Unreserved, undesignated | \$ - | \$ - | \$ 12,611 |

| Ann Arbor District Court | 911 Radio | Space Plan Phase IB | Head Start Building | Space Plan Phase IA Refunding | Total |
|---|----------------------|------------------------------------|------------------------------------|--|------------------|
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 12,623</u> |

| | | | | | |
|-------------|-------------|-------------|-------------|-------------|------------------|
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 12,623</u> |
|-------------|-------------|-------------|-------------|-------------|------------------|

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

| | Ann Arbor Social Services | 110 N. Fourth | Safe House Project |
|---|--|--------------------------|-----------------------------------|
| Revenues | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - |
| Investment income | 36 | - | 145 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 36 | - | 145 |
| | <hr/> | <hr/> | <hr/> |
| Expenditures | | | |
| Debt service: | | | |
| Principal | 370,000 | - | - |
| Interest and fiscal charges | 34,051 | 500 | - |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 404,051 | 500 | - |
| | <hr/> | <hr/> | <hr/> |
| Revenues over (under) expenditures | (404,015) | (500) | 145 |
| | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses) | | | |
| Payment to refunding escrow agent | - | (946,044) | - |
| Transfers in | 404,011 | 946,542 | - |
| | <hr/> | <hr/> | <hr/> |
| Total other sources (uses) | 404,011 | 498 | - |
| | <hr/> | <hr/> | <hr/> |
| Revenues and other sources over (under) expenditures | (4) | (2) | 145 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, beginning of year | 4 | 2 | 12,466 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 12,611</u> |

| Ann Arbor District Court | 911 Radio | Space Plan Phase IB | Head Start Building | Space Plan Phase IA Refunding | Total |
|---|----------------------|------------------------------------|------------------------------------|--|--------------------------|
| \$ 39,035 (2) | \$ 275 - | \$ - 14 | \$ - 15 | \$ - 26 | \$ 39,310 234 |
| <u>39,033</u> | <u>275</u> | <u>14</u> | <u>15</u> | <u>26</u> | <u>39,544</u> |
| 45,000 14,495 | - 275 | 275,000 87,056 | 100,000 109,163 | 105,000 220,069 | 895,000 465,609 |
| <u>59,495</u> | <u>275</u> | <u>362,056</u> | <u>209,163</u> | <u>325,069</u> | <u>1,360,609</u> |
| <u>(20,462)</u> | <u>-</u> | <u>(362,042)</u> | <u>(209,148)</u> | <u>(325,043)</u> | <u>(1,321,065)</u> |
| - 20,455 | - - | (3,316,132) 3,678,161 | - 209,143 | - 325,044 | (4,262,176) 5,583,356 |
| <u>20,455</u> | <u>-</u> | <u>362,029</u> | <u>209,143</u> | <u>325,044</u> | <u>1,321,180</u> |
| (7) | - | (13) | (5) | 1 | 115 |
| <u>7</u> | <u>-</u> | <u>13</u> | <u>10</u> | <u>6</u> | <u>12,508</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 12,623</u> |

WASHTENAW COUNTY BUILDING AUTHORITY
Combining Balance Sheet - Nonmajor Capital Projects Funds
December 31, 2004

| | <u>Space Plan Phase IB</u> | <u>Space Plan Phase II</u> | <u>Total</u> |
|----------------------------------|------------------------------------|------------------------------------|--------------|
| <u>Assets</u> | | | |
| Assets | | | |
| Cash and cash equivalents | \$ - | \$ 25,000 | \$ 25,000 |
| | - | 25,000 | 25,000 |
| <u>Fund Balances</u> | | | |
| Fund balances | | | |
| Reserved for future improvements | \$ - | \$ 25,000 | \$ 25,000 |
| | - | 25,000 | 25,000 |

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

| | <u>Space Plan Phase IB</u> | <u>Space Plan Phase II</u> | <u>Total</u> |
|---|------------------------------------|------------------------------------|-------------------------|
| Revenues | | | |
| Investment income | \$ 227 | \$ 24,353 | \$ 24,580 |
| Expenditures | | | |
| Capital improvements and acquisitions | <u>-</u> | <u>(25,752)</u> | <u>(25,752)</u> |
| Revenues over expenditures | <u>227</u> | <u>50,105</u> | <u>50,332</u> |
| Other financing uses | | | |
| Payment to refunding bond escrow agent | (100,257) | - | (100,257) |
| Transfers out | <u>-</u> | <u>(1,110,752)</u> | <u>(1,110,752)</u> |
| Total financing uses | <u>(100,257)</u> | <u>(1,110,752)</u> | <u>(1,211,009)</u> |
| Revenues under expenditures and other uses | (100,030) | (1,060,647) | (1,160,677) |
| Fund balances, beginning of year | <u>100,030</u> | <u>1,085,647</u> | <u>1,185,677</u> |
| Fund balances, end of year | <u>\$ -</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> |