

Report of Independent Auditors

To the Board of Commissioners
Macomb County, Michigan

In our opinion, based on our audits and the report of other auditors, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macomb County, Michigan (the "County") which collectively comprise the County's basic financial statements as listed in the table of contents, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County at December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. We have also audited the aggregate non-major governmental funds, the aggregate internal service fund, and the fiduciary fund type as of and for the year ended December 31, 2004, as displayed in the County's basic financial statements. Certain special revenue funds and component units are accounted for as of September 30, 2004 and for the year then ended, and have been combined with the December 31, 2004 financial statements. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Macomb County Road Commission (the "Road Commission"), which statements reflect total assets of \$740,994,910 (46% of government-wide total assets) and total revenues of \$98,492,791 (18% of government-wide total revenue) for the year then ended. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Road Commission, is based on the report of the other auditors. Further, the net book value of the capital assets of the Road Commission, as of September 30, 2003, were restated by the other auditors in the amount of \$39,055,170 (as disclosed in Note 3). We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinions.

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2005 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis and the required supplementary information on pages A-3 through A-16 and C-1 through C-9 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements and supplemental information 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 the audit of the basic financial statements and, in our opinion, based on our audit, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not audit the financial data presented in the introductory section and the statistical section, and, therefore, we express no opinion thereon.

PricewaterhouseCoopers LLP

Detroit, Michigan

June 24, 2005