MACOMB COUNTY, MICHIGAN
Government-Wide Statement of Net Assets
December 31, 2005

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and pooled investments	$ 146,562,777	$ 60,074,810	$ 206,637,587	$ 77,654,727
Receivables:				
Property taxes	83,770,079	14,057,965	97,828,044	-
Accrued interest	2,354,899	499,632	2,854,531	402,387
Trade accounts, net	11,374,117	7,475,708	18,849,825	6,237,679
Special assessments	-	-	-	83,025,000
Inventories	412,469	-	412,469	3,404,769
Due from other governments	7,308,727	10,916,105	18,224,832	9,979,083
Internal balances	954,195	(954,195)	-	-
Due from fiduciary funds	1,968,655	9,870,771	11,839,426	-
Due from component units	4,091,953	-	4,091,953	-
Due from funds with different year end dates	-	-	-	-
Surplus property	-	-	-	53,039
Capital assets, net:				
Assets being depreciated	139,275,629	6,744,652	146,020,281	335,064,713
Assets not being depreciated	27,186,026	-	27,186,026	535,467,015
Other assets	505,458	3,431,423	3,936,881	1,196,878
Total assets	425,764,984	112,116,871	537,881,855	1,052,485,290
LIABILITIES				
Accounts payable and accrued liabilities	9,280,550	14,903,566	24,184,116	14,006,308
Accrued wages payable	1,451,043	181,412	1,632,455	1,859
Accrued interest payable	707,535	-	707,535	211,419
Deposits	-	-	-	-
Due to fiduciary funds		-	-	-
Due to other governments	546,193	15,396	561,589	-
Due to primary government	-	-	-	4,091,953
Compensated absences	1,000,000	-	1,000,000	-
Accrued workers compensation claims	800,000	-	800,000	106,690
Accrued general liability claims	850,000	-	850,000	16,765
Deferred revenue	44,286,948	-	44,286,948	78,642,597
Long-term debt maturities due within one year	4,470,000	-	4,470,000	4,775,000
Long-term liabilities:				
Compensated absences	5,604,495	-	5,604,495	1,438,284
Accrued workers compensation claims	990,146	-	990,146	281,613
Accrued general liability claims	1,833,890	-	1,833,890	1,603,773
Long-term debt maturities due in more than one year	84,300,000	-	84,300,000	78,380,000
Total Liabilities	156,120,800	15,100,374	171,221,174	183,556,261
NET ASSETS				
Investment in capital assets, net of related debt	110,591,655	6,744,652	117,336,307	787,376,728
Restricted for				
Capital projects	30,280,638	-	30,280,638	-
Debt service	7,666,450	-	7,666,450	1,395,041
Long-term receivables (Block Grants)	6,854,606	-	6,854,606	-
Revenue Sharing Reserve Fund	52,771,616	-	52,771,616	-
Mental Health risk reserve	-	6,411,028	6,411,028	-
Unrestricted	61,479,219	83,860,817	145,340,036	80,157,260
Total Net Assets	$ 269,644,184	$ 97,016,497	$ 366,660,681	$ 868,929,029

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN

Government-Wide Statement of Activities
For the Year Ended December 31, 2005

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
Legislative	2,076,701	-	-	-	(2,076,701)
Judicial	37,466,334	6,665,548	13,055,757	-	(17,745,029)
General government	52,597,031	20,084,839	2,372,162	1,538,463	(28,601,567)
Public safety	67,117,931	8,931,457	333,111	-	(57,853,363)
Public works	953,845	-	-	-	(953,845)
Health and welfare	76,036,023	11,473,586	38,183,710	-	(26,378,727)
Recreation and culture	2,976,004	310,405	58,600		(2,606,999)
Interest and fees on long-term debt	3,762,691	-	-	-	(3,762,691)
Total governmental activities	242,986,560	47,465,835	54,003,340	1,538,463	(139,978,922)
Business-type activities					
Delinquent tax collections	702,662	6,366,332	-	-	5,663,670
Community Mental Health	145,168,642	139,402,600	-	-	(5,766,042)
Martha T. Berry Medical Care Facility	18,017,209	12,339,924	288,451	-	(5,388,834)
Freedom Hill Park	1,131,003	264,085	-	-	(866,918)
Total business-type activities	165,019,516	158,372,941	288,451	-	(6,358,124)
Total primary governement	$ 408,006,076	$ 205,838,776	$ 54,291,791	$ 1,538,463	$ (146,337,046)
Component Units					
Public Works	17,594,809	12,546,563	-	-	(5,048,246)
Road Commission	66,515,464	13,522,270	-	69,739,866	16,746,672
Workforce Development Board	17,689,562	-	17,743,733	-	54,171
Hospital Finance Authority	-	-	-	-	-
Total component units	$ 101,799,835	$ 26,068,833	$ 17,743,733	$ 69,739,866	$ 11,752,597

The accompanying notes are an intergal part of these financial statements

MACOMB COUNTY, MICHIGAN

Government-Wide Statement of Activities
For the Year Ended December 31, 2005

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Changes in net assets				
Net (expense) revenue (from page B-2)	$ (139,978,922)	$ (6,358,124)	$ (146,337,046)	$ 11,752,597
General revenues:				
Property tax	153,325,600	-	153,325,600	-
Intergovernmental revenues - restricted	492,672	-	492,672	-
Intergovernmental revenues - unrestricted	1,942,918	-	1,942,918	-
Investment earnings	6,456,366	1,856,037	8,312,403	5,400,132
Transfers - internal activities	(8,435,402)	7,449,166	(986,236)	-
Total general revenues and transfers	153,782,154	9,305,203	163,087,357	5,400,132
Change in net assets	13,803,232	2,947,079	16,750,311	17,152,729
Net assets, beginning of year	255,840,952	94,069,418	349,910,370	851,776,300
Net assets, end of year	$ 269,644,184	$ 97,016,497	$ 366,660,681	$ 868,929,029

The accompanying notes are an intergal part of these financial statements

MACOMB COUNTY, MICHIGAN

Balance Sheet - Governmental Funds

December 31, 2005

	Major Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Revenue Sharing Reserve Fund		
Assets				
Cash and pooled investments	$ 38,597,041	$ 14,998,874	$ 65,746,726	$ 119,342,641
Taxes receivable	45,881,813	37,772,742	115,524	83,770,079
Accrued interest receivable	2,261,203	-	93,696	2,354,899
Accounts receivable, net	1,356,563	-	9,940,507	11,297,070
Due from other governments	3,180,486	-	3,806,000	6,986,486
Due from governmental funds	2,720,276	-	-	2,720,276
Due from business-type units	954,195	-	-	954,195
Due from fiduciary funds	1,968,655	-	-	1,968,655
Due from component units	4,091,953	-	-	4,091,953
Advances to other funds	300,000	-	30,000	330,000
Other assets	51,335	-	104,920	156,255
Total Assets	$ 101,363,520	$ 52,771,616	$ 79,837,373	$ 233,972,509
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ 3,132,887	$ -	$ 4,754,151	$ 7,887,038
Accrued liabilities	-	-	625,506	625,506
Accrued compensation and benefits	1,193,084	-	257,959	1,451,043
Due to other governments	98,434	-	443,086	541,520
Due to governmental funds	-	-	2,720,276	2,720,276
Due to business-type units	-	-	-	-
Due to fiduciary funds	-	-	-	-
Deferred revenue	43,337,526	-	949,422	44,286,948
Total Liabilities	47,761,931	-	9,750,400	57,512,331
Fund Balances				
Reserved				
Debt service	-	-	7,666,450	7,666,450
Revenue sharing	-	52,771,616	-	52,771,616
Advances to other funds	300,000	-	30,000	330,000
Long-term receivables	-	-	6,854,606	6,854,606
Capital projects	-	-	30,280,638	30,280,638
Unreserved				
Designated				
Subsequent year budget	40,924,419	-	-	40,924,419
Capital projects	-	-	15,727,131	15,727,131
Programs - special projects				
General fund	1,149,977	-	-	1,149,977
Special revenue funds	-	-	3,272,733	3,272,733
Undesignated				
General fund	11,227,193	-	-	11,227,193
Special revenue funds	-	-	6,255,415	6,255,415
Total Fund Balances	53,601,589	52,771,616	70,086,973	176,460,178
Total Liabilities and Fund Balances	$ 101,363,520	$ 52,771,616	$ 79,837,373	$ 233,972,509

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
RECONCILIATION OF THE FUND BALANCES ON THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS OF GOVERNMENTAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2005

Total fund balances for governmental funds	$ 176,460,178
Amounts reported for governemntal activities in the Government-Wide Statement of Net Assets are different because:	
Governmental funds report capital outlays as expenditures, However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives.	
Capital assets	
Land	12,543,652
Land improvements	7,063,500
Buildings and inprovements	175,145,425
Machinery, equipment and vehicles	41,316,656
Construction in progress	14,642,374
Accumulated depreciation	(85,423,241)
Long-term bonded debt is not due and payable in the current period and, therefore, is not reported in the governmental funds. However, bonded debt is recorded as long-term liabilities in the Government-Wide Statement of Net Assets. (See Note 4)	
Bonds issued in prior years	(72,750,000)
Bonds issued during the current year	(22,255,000)
Bond principal repayments	6,235,000
Accrued interest payable on long-term debt at year-end is not recorded in the governmental funds, but is recorded as a liability in the Statement of Net Assets	(707,535)
Accrued compensated absences not funded at year-end are not recorded in the governmental funds, but is recorded as a liability in the Statement of Net Assets	(361,619)
Internal service funds are used by management to charge the costs of certain activities such as insurance, compensated absences, workers' compensation and central inventory to individual governmental funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Government-Wide Statement of Net Assets	17,734,794
Net assets of governmental activities reported in the Government-Wide Statement of Net Assets	$ 269,644,184

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2005

	Major Funds		Nonmajor	Total
	General Fund	Revenue Sharing Reserve Fund	Governmental Funds	Governmental Funds
Revenues				
Taxes	$ 115,340,337	$ 37,772,742	$ 212,521	$ 153,325,600
Licenses and permits	391,395	-	811,480	1,202,875
Federal & State grants	8,421,712	-	49,268,310	57,690,022
Other grants	-	-	287,371	287,371
Charges for services	30,297,038	-	15,535,330	45,832,368
Investment income	4,703,646	365,826	1,386,894	6,456,366
Charges to other funds for administrative services	11,087,868	-	-	11,087,868
Fines and forfeitures	1,045,629	-	745,089	1,790,718
Other revenue	166,929	-	413,603	580,532
Total Revenues	171,454,554	38,138,568	68,660,598	278,253,720
Expenditures				
Current				
Legislative	2,076,701	-	-	2,076,701
Judicial	22,779,494	-	12,589,978	35,369,472
General government	54,425,059	-	1,298,738	55,723,797
Public safety	56,691,858	-	8,190,901	64,882,759
Public works	-	-	953,845	953,845
Health and welfare	712,784	-	73,155,641	73,868,425
Recreation and cultural	-	-	2,903,999	2,903,999
Other	5,480,571	-	-	5,480,571
Capital outlay	802,454	-	22,968,613	23,771,067
Debt service				
Principal	-	-	3,560,000	3,560,000
Interest and fees	-	-	3,064,278	3,064,278
Bond issue costs	-	-	288,528	288,528
Total Expenditures	142,968,921	-	128,974,521	271,943,442
Excess of Revenues over (under) Expenditures	28,485,633	38,138,568	(60,313,923)	6,310,278
Other financing sources (uses)				
Issuance of debt	-	-	22,255,000	22,255,000
Transfers in	22,724,515	-	61,316,539	84,041,054
Transfers out	(60,347,238)	(14,069,515)	(13,995,723)	(88,412,476)
Bond discounts	-	-	(204,554)	(204,554)
Payment to refunding debt escrow agent	-	-	(2,801,633)	(2,801,633)
Total other financing sources (uses)	(37,622,723)	(14,069,515)	66,569,629	14,877,391
Net change in fund balances	(9,137,090)	24,069,053	6,255,706	21,187,669
Fund Balances, beginning of year	62,738,679	28,702,563	63,831,267	155,272,509
Fund Balances, end of year	$ 53,601,589	$ 52,771,616	$ 70,086,973	$ 176,460,178

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005

Net change in fund balances - total governmental funds	$ 21,187,669
Amounts reported for governemntal activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures, However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives.	
Expenditures for capital assets	23,771,067
Expenditures reported as capital outlay but capitalized in business-type units (See Note 5)	(4,470,615)
Expenditures reported as capital outlay but not capitalized	(1,534,408)
Current year depreciation expense	(9,214,407)
Repayment of debt principal is recorded as an expenditure in the governmental funds, but is recorded as a reduction of long-term liabilities in the Statement of Net Assets. (See Note 4)	6,235,000
The proceeds received as a result of issuing of bonds are recorded as revenue in the governmental funds, but are recorded as increases in long-term liabilities in the Statement of Net Assets. (See Note 4)	(22,255,000)
The change in amount of accrued compensated absences not recorded in the governmental funds but is recorded as an operating expense in the Government-Wide Statement of Activities.	(16,461)
The change in amount of accrued interest payable is not recorded in the governmental funds, but is recorded as interest expense in the Government-Wide Statement of Activities.	(78,698)
Internal service funds are used by management to charge the costs of certain activities such as insurance, compensated absences, workers' compensation and central inventory to individual governmental funds. The net income (loss) attributable to those funds is reported with governmental activities	179,085
Change in net assets of governmental activities reported in the Statement of Activites	$ 13,803,232

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Net Assets
Proprietary Funds
December 31, 2005

	Major Business-Type Activities - Enterprise Funds		
	Delinquent Tax Revolving	Community Mental Health	Martha T Berry Medical Care Facility
ASSETS			
Current assets			
Cash and pooled investments	$ 56,710,767	$ 3,299,037	$ 150
Receivables:			
Property taxes	14,057,965	-	-
Accrued interest	499,632	-	-
Trade accounts, net	2,813,345	2,940,133	1,680,350
Inventories	-	-	-
Due from other governments	-	10,916,105	-
Due from governmental funds	-	-	-
Due from business-type units	-	-	-
Due from fiduciary funds	9,870,771	-	-
Other assets	-	3,348,580	82,843
Total current assets	83,952,480	20,503,855	1,763,343
Noncurrent assets			
Capital assets, net:			
Assets being depreciated	-	34,966	5,603,689
Assets not being depreciated	-	-	-
Total noncurrent assets	-	34,966	5,603,689
Total Assets	83,952,480	20,538,821	7,367,032
LIABILITIES			
Current liabilities			
Accounts payable	446,382	13,972,910	461,340
Accrued wages payable	1,027	-	171,400
Due to other governments	-	15,396	-
Due to governmental funds	-	-	954,195
Due to fiduciary funds	-	-	-
Compensated absences	-	-	-
Claims and judgements	-	-	-
Deferred revenue	-	-	-
Total current liabilities	447,409	13,988,306	1,586,935
Noncurrent liabilities			
Claims and judgements	-	-	-
Compensated absences and accrued wages payable	-	-	-
Advances from other funds	-	-	-
		-	
Total noncurrent liabilities	-	-	-
Total Liabilities	447,409	13,988,306	1,586,935
NET ASSETS			
Investment in capital assets, net of related debt	-	34,966	5,603,689
Restricted	-	6,411,028	-
Unrestricted	83,505,071	104,521	176,408
Total Net Assets	$ 83,505,071	$ 6,550,515	$ 5,780,097

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Net Assets
Proprietary Funds
December 31, 2005

	Major Business-Type Activities - Enterprise Funds		Governmental Activities-
	Freedom Hill Park	Totals	Internal Service Funds
ASSETS			
Current assets			
Cash and pooled investments	$ 64,856	$ 60,074,810	$ 27,220,136
Receivables:			
Property taxes	-	14,057,965	-
Accrued interest	-	499,632	-
Trade accounts, net	41,880	7,475,708	77,047
Inventories	-	-	412,469
Due from other governments	-	10,916,105	322,241
Due from governmental funds	-	-	-
Due from business-type units	-	-	-
Due from fiduciary funds	-	9,870,771	-
Other assets	-	3,431,423	349,203
Total current assets	106,736	106,326,414	28,381,096
Noncurrent assets			
Capital assets, net:			
Assets being depreciated	1,105,997	6,744,652	1,173,289
Assets not being depreciated	-	-	-
Total noncurrent assets	1,105,997	6,744,652	1,173,289
Total Assets	1,212,733	113,071,066	29,554,385
LIABILITIES			
Current liabilities			
Accounts payable	22,934	14,903,566	766,613
Accrued wages payable	8,985	181,412	1,393
Due to other governments	-	15,396	4,673
Due to governmental funds	-	954,195	-
Due to fiduciary funds	-	-	-
Compensated absences	-	-	1,000,000
Claims and judgements	-	-	1,650,000
Deferred revenue	-	-	-
Total current liabilities	31,919	16,054,569	3,422,679
Noncurrent liabilities			
Claims and judgements	-	-	2,824,036
Compensated absences and accrued wages payable	-	-	5,242,876
Advances from other funds	-	-	330,000
Total noncurrent liabilities	-	-	8,396,912
Total Liabilities	31,919	16,054,569	11,819,591
NET ASSETS			
Investment in capital assets, net of related debt	1,105,997	6,744,652	-
Restricted	-	6,411,028	-
Unrestricted	74,817	83,860,817	17,734,794
Total Net Assets	$ 1,180,814	$ 97,016,497	$ 17,734,794

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year Ended December 31, 2005

	Major Business-Type Activities - Enterprise Funds		
	Delinquent Tax Revolving	Community Mental Health	Martha T Berry Medical Care Facility
Operating Revenues			
Charges for services	$ 6,366,332	$ 139,365,332	$ 12,339,924
Other	-	37,268	288,451
Total operating revenues	6,366,332	139,402,600	12,628,375
Operating Expenses			
Personal services	340,638	22,014,371	12,742,124
Contractual services	-	115,338,472	1,944,532
Utilities	-	284,329	630,541
Repairs and maintenance	-	48,938	621,848
Benefits and claims expenses	-	-	-
Supplies and services	362,024	7,463,556	1,878,942
Depreciation	-	18,976	199,222
Total Operating Expenses	702,662	145,168,642	18,017,209
Operating Income (Loss)	5,663,670	(5,766,042)	(5,388,834)
Nonoperating revenues			
Investment income	1,799,367	56,670	-
Total Nonoperating Revenues	1,799,367	56,670	-
Income before Transfers	7,463,037	(5,709,372)	(5,388,834)
Transfers			
Transfers in	-	5,765,711	5,065,185
Transfers out	(8,655,000)	-	-
Other (See note 5)	-	-	4,422,754
Net Transfers	(8,655,000)	5,765,711	9,487,939
Increase (decrease) in net assets	(1,191,963)	56,339	4,099,105
Net assets, beginning of year	84,697,034	6,494,176	1,680,992
Net assets, end of year	$ 83,505,071	$ 6,550,515	$ 5,780,097

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year Ended December 31, 2005

	Major Business-Type Activities - Enterprise Funds		Governmental Activities-
	Freedom Hill Park	Totals	Internal Service Funds
Operating Revenues			
Charges for services	$ 264,085	$ 158,335,673	$ 8,774,978
Other	-	325,719	-
Total operating revenues	264,085	158,661,392	8,774,978
Operating Expenses			
Personal services	705,002	35,802,135	-
Contractual services	-	117,283,004	-
Utilities	150,947	1,065,817	-
Repairs and maintenance	88,493	759,279	-
Benefits and claims expenses	-	-	2,797,263
Supplies and services	122,298	9,826,820	5,746,093
Depreciation	64,263	282,461	459,172
Total Operating Expenses	1,131,003	165,019,516	9,002,528
Operating Income (Loss)	(866,918)	(6,358,124)	(227,550)
Nonoperating revenues			
Investment income	-	1,856,037	-
Total Nonoperating Revenues	-	1,856,037	-
Income before Transfers	(866,918)	(4,502,087)	(227,550)
Transfers			
Transfers in	802,655	11,633,551	406,635
Transfers out	-	(8,655,000)	-
Other (See note 5)	47,861	4,470,615	-
Net Transfers	850,516	7,449,166	406,635
Increase (decrease) in net assets	(16,402)	2,947,079	179,085
Net assets, beginning of year	1,197,216	94,069,418	17,555,709
Net assets, end of year	$ 1,180,814	$ 97,016,497	$ 17,734,794

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Combining Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2005

	Major Business-type Activities - Enterprise Funds		
	Delinquent Tax Revolving	Community Mental Health	Martha T Berry Medical Care Facility
Cash Flows from Operating Activities			
Cash received from customers	$ 4,510,729	$ 134,918,797	$ 13,778,117
Cash received from (paid for) interfund services	(2,846,034)	(1,749,396)	(1,331,897)
Cash payments to employees	(339,847)	(22,014,371)	(12,595,085)
Cash payments to suppliers	(138,615)	(113,678,374)	(4,916,320)
Net cash provided by (used in) Operating Activities	1,186,233	(2,523,344)	(5,065,185)
Cash Flows From Noncapital Financing Activities			
Transfers in	-	5,765,711	9,487,939
Transfers out	(8,655,000)	-	-
Net cash provided by (used in) Noncapital Financing Activities	(8,655,000)	5,765,711	9,487,939
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of capital assets	-	-	
Acquisition of capital assets	-	-	(4,422,754)
Net Cash used in Capital and Related Financing Activities	-	-	(4,422,754)
Cash Flows From Investing Activities			
Interest received on investments	1,604,082	56,670	-
Net cash provided by Investing Activities	1,604,082	56,670	-
Increase (decrease) in cash and short-term investments	(5,864,685)	3,299,037	-
Cash and cash equivalents, beginning of year	62,575,452	-	150
Cash and cash equivalents, end of year	$ 56,710,767	$ 3,299,037	$ 150
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	$ 5,663,670	$ (5,766,042)	$ (5,388,834)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	-	18,976	199,222
Increase in taxes receivable	(1,505,166)	-	-
Decrease (increase) in accounts receivable	(24,466)	57,637	1,149,742
Increase in inventory	-	-	-
Decrease (increase) in amounts due from other governments	178,404	(2,367,221)	-
Decrease (increase) in amounts due from other funds	(2,641,573)	-	-
Decrease (increase) in other assets	-	(205,606)	-
Increase (decrease) in accounts payable	223,409	8,495,089	(14,833)
Increase (decrease) in accrued employee benefits	791	-	147,039
Decrease in amounts due to other governments	(504,375)	(466,154)	-
Decrease in amounts due to other funds	(204,461)	(787,564)	(1,157,521)
Decrease in deferred revenue	-	(1,502,459)	-
Decrease in accrued claims and judgements	-	-	-
Net cash provided by (used in) Operating Activities	$ 1,186,233	$ (2,523,344)	$ (5,065,185)

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Combining Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2005

	Major Business-type Activities - Enterprise Funds		Governmental Activities
	Freedom Hill Park	Totals	Internal Service Funds
Cash Flows from Operating Activities			
Cash received from customers	$ 242,944	$ 153,450,587	$ 133,886
Cash received from (paid for) interfund services	(17,240)	(5,944,567)	8,737,448
Cash payments to employees	(696,912)	(35,646,215)	(1,432,607)
Cash payments to suppliers	(344,653)	(119,077,962)	(8,533,607)
Net cash provided by (used in) Operating Activities	(815,861)	(7,218,157)	(1,094,880)
Cash Flows From Noncapital Financing Activities			
Transfers in	850,516	16,104,166	406,635
Transfers out	-	(8,655,000)	-
Net cash provided by (used in) Noncapital Financing Activities	850,516	7,449,166	406,635
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of capital assets	-	-	-
Acquisition of capital assets	(47,861)	(4,470,615)	(832,627)
Net Cash used in Capital and Related Financing Activities	(47,861)	(4,470,615)	(832,627)
Cash Flows From Investing Activities			
Interest received on investments	-	1,660,752	-
Net cash provided by Investing Activities	-	1,660,752	-
Increase (decrease) in cash and short-term investments	(13,206)	(2,578,854)	(1,520,872)
Cash and cash equivalents, beginning of year	78,062	62,653,664	28,741,008
Cash and cash equivalents, end of year	$ 64,856	$ 60,074,810	$ 27,220,136
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	$ (866,918)	$ (6,358,124)	$ (227,550)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	64,263	282,461	459,172
Increase in taxes receivable	-	(1,505,166)	-
Decrease (increase) in accounts receivable	(21,141)	1,161,772	(52,495)
Increase in inventory	-	-	(72,876)
Decrease (increase) in amounts due from other governments	-	(2,188,817)	(346)
Decrease (increase) in amounts due from other funds	-	(2,641,573)	108,088
Decrease (increase) in other assets	-	(205,606)	86,542
Increase (decrease) in accounts payable	(155)	8,703,510	56,637
Increase (decrease) in accrued employee benefits	8,090	155,920	(310,415)
Decrease in amounts due to other governments	-	(970,529)	-
Decrease in amounts due to other funds	-	(2,149,546)	-
Decrease in deferred revenue	-	(1,502,459)	-
Decrease in accrued claims and judgements	-	-	(1,141,637)
Net cash provided by (used in) Operating Activities	$ (815,861)	$ (7,218,157)	$ (1,094,880)

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2005

	Employee Retirement and Postretirement Health Care Benefits	Agency Funds
ASSETS		
Cash and pooled investments	$ 28,167,056	$ 31,061,987
Receivables		
Accrued interest	1,279,999	-
Other	1,161,782	3,410,255
Total receivables	2,441,781	3,410,255
Investments, at fair value		
US Government obligations	20,664,485	-
Corporate Bonds	45,948,746	-
Preferred Stock	36,863,843	-
Common Stock	315,385,035	-
Foreign Stock	122,074,794	-
Limited partnerships	18,124,324	-
Mutual funds	251,277,241	-
Total investments	810,338,468	-
Securities lending collateral	36,706,226	-
Due from fiduciary funds	463,086	1,312,774
Other assets	-	4,843
Total Assets	878,116,617	$ 35,789,859
LIABILITIES		
Accounts payable	249,101	$ 7,829,822
Accrued compensation and benefits	-	993,221
Deposits	-	11,189,411
Due to other governments	-	5,906,634
Due to governmental funds	1,968,655	-
Due to business-type units	-	9,870,771
Due to fiduciary funds	1,775,860	-
Obligations under securities lending	36,706,226	-
Total Liabilities	40,699,842	$ 35,789,859
NET ASSETS		
Net assets held in trust for pension and other postemployment benefits	$ 837,416,775	

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Statement of Changes In Fiduciary Net Assets
Fiduciary Funds
Year Ended December 31, 2005

	Employee Retirement and Postretirement Health Care Benefits
ADDITIONS	
Contributions	
Employer	$ 23,668,855
Employee	5,966,391
Total contributions	29,635,246
Investment income	
Net appreciation in fair value of assets	51,527,251
Interest	4,161,697
Dividends	13,311,219
Securities lending	201,833
	69,202,000
Less investment expenses	
Management and custodial fees	2,441,450
Securities lending agent fees	79,618
Net investment income	66,680,932
Total additions	96,316,178
DEDUCTIONS	
Benefit payments	41,852,358
Refunds of contributions	257,433
Administrative expense	270,915
Total deductions	42,380,706
Net increase in net assets	53,935,472
NET ASSETS	
Beginning of year	783,481,303
End of year	$ 837,416,775

The accompanying notes are an integral part of these financial statements

MACOMB COUNTY, MICHIGAN
Combining Statement of Net Assets - Component Units
December 31, 2005

	Public Works (1)	Road Commission (1)	Workforce Development Board	Hospital Finance Authority	Total
ASSETS					
Cash and cash equivalents	$ 38,999,761	$ 38,647,321	$ -	$ 7,645	$ 77,654,727
Receivables:					
Accrued interest	51,184	351,203	-	-	402,387
Trade accounts, net	2,996,425	3,241,254	-	-	6,237,679
Special assessments	83,025,000	-	-	-	83,025,000
Inventories	-	3,404,769	-	-	3,404,769
Due from other governments	-	7,774,659	2,204,424	-	9,979,083
Surplus property	-	53,039	-	-	53,039
Capital assets, net:					
Assets being depreciated	162,497,646	172,567,067	-	-	335,064,713
Assets not being depreciated	4,841,257	530,625,758	-	-	535,467,015
Other assets	-	1,196,878	-	-	1,196,878
Total assets	292,411,273	757,861,948	2,204,424	7,645	1,052,485,290
LIABILITIES					
Accounts payable	$ 4,318,454	$ 9,626,223	61,631	-	14,006,308
Accrued wages payable	-	-	1,859	-	1,859
Accrued interest payable	211,419	-	-	-	211,419
Due to primary government	2,005,190	-	2,086,763	-	4,091,953
Accrued workers compensation claims	-	106,690	-	-	106,690
Accrued general liability claims	-	16,765	-	-	16,765
Deferred revenue	78,642,597	-	-	-	78,642,597
Long-term debt maturities due within one year	4,775,000	-	-	-	4,775,000
Long-term liabilities:					
Compensated absences	-	1,438,284	-	-	1,438,284
Accrued workers compensation claims	-	281,613	-	-	281,613
Accrued general liability claims	-	1,603,773	-	-	1,603,773
Long-term debt maturities due in more than one year	78,380,000	-	-	-	78,380,000
Total Liabilities	168,332,660	13,073,348	2,150,253	-	183,556,261
NET ASSETS					
Investment in capital assets, net of related debt	84,183,903	703,192,825	-	-	787,376,728
Restricted for					
Debt service	1,395,041	-	-	-	1,395,041
Unrestricted	38,499,669	41,595,775	54,171	7,645	80,157,260
Total Net Assets	$ 124,078,613	$ 744,788,600	$ 54,171	$ 7,645	$ 868,929,029

(1) - Year-end September 30, 2005

MACOMB COUNTY, MICHIGAN
Combining Statement of Activities - Component Units
For the Year Ended December 31, 2005

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Public Works (1)					
Public works	$ 14,069,632	$ 12,546,563	$ -	$ -	$ (1,523,069)
Interest on long-term debt	3,525,177	-	-	-	(3,525,177)
Total public works	17,594,809	12,546,563	-	-	(5,048,246)
Road Commission (1)					
Public works	66,515,464	13,522,270	-	69,739,866	16,746,672
Total Road Commission	66,515,464	13,522,270	-	69,739,866	16,746,672
Workforce Development Board					
Health and Welfare	17,689,562	-	17,743,733	-	54,171
Total Workforce Development Board	17,689,562	-	17,743,733	-	54,171
Hospital Finance Authority					
Health and Welfare	-	-	-	-	-
Total Workforce Development Board	-	-	-	-	-
Total Component Units	$ 101,799,835	$ 26,068,833	$ 17,743,733	$ 69,739,866	$ 11,752,597

(1) - Year ended September 30, 2005

MACOMB COUNTY, MICHIGAN
Combining Statement of Activities - Component Units
For the Year Ended December 31, 2005

	Public Works (1)	Road Commission (1)	Workforce Development Board	Hospital Finance Authority	Total
Changes in net assets					
Net (expense) revenue	$ (5,048,246)	$ 16,746,672	$ 54,171	$ -	$ 11,752,597
General revenues:					
Investment earnings	4,561,623	838,509	-	-	5,400,132
Total general revenues, contributions and transfers	4,561,623	838,509	-	-	5,400,132
Change in net assets	(486,623)	17,585,181	54,171	-	17,152,729
Net assets, beginning of year (as restated) (2)	124,565,236	727,203,419	-	7,645	851,776,300
Net assets, end of year	$ 124,078,613	$ 744,788,600	$ 54,171	$ 7,645	$ 868,929,029

(1) - Year Ended September 30, 2005

(2) - Restatement of beginning net assets of the Road Commission. See Note 11.