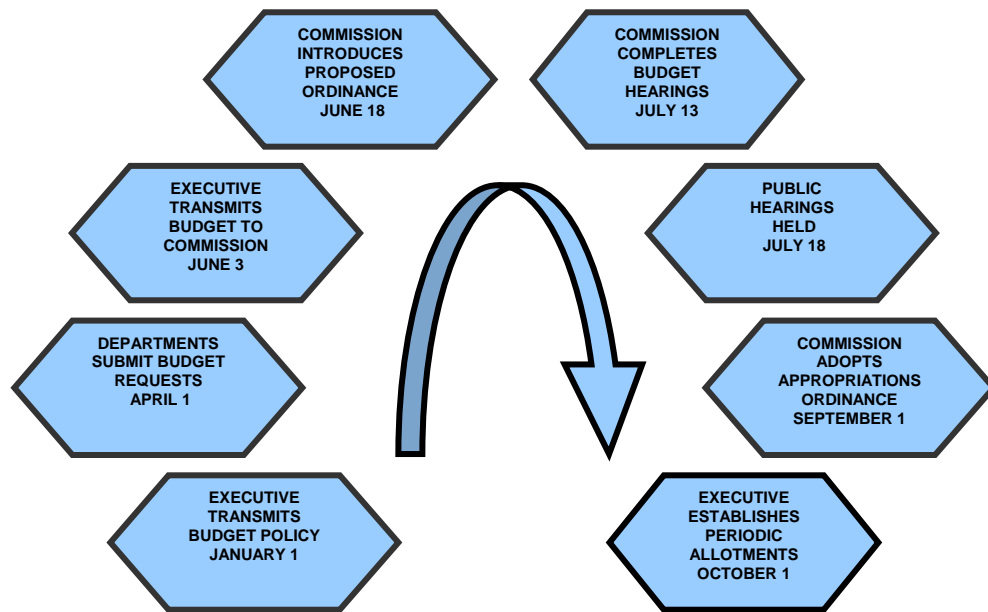


BUDGET OVERVIEW



The City of Wyandotte was a village for the Native American tribe known as the Wyandot during the 1700s. Incorporated in 1867, this waterfront community Wyandotte is known for its distinctive architecture, charming downtown district and variety of cultural offerings and was awarded the designation of a Preserve America Community by the Federal Government.

CHARTER COUNTY OF WAYNE BUDGET CYCLE



BUDGET CALENDAR

Article V in the Wayne County Charter establishes dates for budget preparation, transmission, adoption and implementation.

<i>January 1</i>	<i>The County Executive transmits the budget policy statement, including revenue estimates, to all departments and agencies.</i>
<i>April 1</i>	<i>All departments and agencies submit their budget requests and other required information to the County Executive.</i>
<i>June 3</i>	<i>The County Executive transmits the proposed budget to the County Commission.</i>
<i>June 18</i>	<i>The County Commission introduces the proposed Appropriation Ordinance.</i>
<i>July 13</i>	<i>The County Commission completes hearings on the budget.</i>
<i>July 18</i>	<i>The County Commission holds at least two public hearings to receive citizen testimony on the budget.</i>
<i>September 1</i>	<i>The County Commission adopts the appropriations ordinance.</i>
<i>October 1</i>	<i>The County Executive establishes a schedule of periodic allotments for the fiscal year.</i>



Wayne County Government *Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013*

READER'S GUIDE TO WAYNE COUNTY'S BUDGET

The budget document is organized into the following sections: The first pages of the book, before the tabbed sections, provide an introduction to Wayne County Government. It includes a listing of all Elected Officials and Executive Department Heads, a countywide organizational chart and an Executive Branch organization chart. In addition, the County's Mission Statement, the County Executive's Strategic Goals, Core Work Values, Long Range Goals, Budget Message and the County Commission's Changes to the County Executive's Recommended Budget for the fiscal year are included.

The tabbed sections of the book begin with Tab 1, a Budget Overview, including this Reader's Guide, format changes to the budget, the budget calendar, the budget process, a summary of the County's financial policies, County profile, fund and account descriptions, assumptions used and actions taken in the development of the adopted budget. Tab 2 is a Budget Summary of all appropriated funds and Position Summary and Tab 3, a Budget Summary of the General Fund. Tabs 2 and 3 include charts and graphs illustrating the adopted budget's funding and personnel.

The next twenty one individual tabs include all of the Elected Officials and Executive Departments representing the Executive, Legislative and Judicial functions of Wayne County government. Wayne County continues to transition to a performance budgeting philosophy as a result of the Managing for Results (MFR) Initiative (explained below). Accordingly, the County Budget document has been revised and updated. At the department level, all departments continue to present the budget in the original format to provide historical information more consistently. For those departments that have implemented MFR, the budget document includes information at the end of the department section in the MFR format. The FY 2011-12 Adopted Budget is the fourth year that MFR is being presented in the budget document.

The conversion to MFR performance based budgeting is a process that continues to evolve over time. While all nine departments under the direct authority of the Wayne County Executive have gone through the MFR process, those functions under the control of other County elected officials have not; however, they do plan to do so in the future.

Similar to previous years, the Department sections are arranged in alphabetical order separated by a divider. The back of each divider includes a pie chart depicting the department's major expenditure categories as well as a five-year expenditure trend bar chart. Included behind

each department tab is: a summary of the Department's overall operations including the Mission Statement, Budget Summary showing the department's total expenditures, sources of revenues and an Organizational Chart in the traditional view. This is followed by the Departmental Narrative Section comprised of Major Activity Descriptions, Goals, Objectives, Performance Measurements, Accomplishments and Highlights, New Initiatives and an Impact Statement which explains how this year's budget will effect each department's operations. Following the Department Narrative Section, is the Financial Section which includes a three-year fiscal presentation of the budgeted revenues, expenditures and positions. This more detailed presentation is organized by fund and function. Also included in this section is a schedule highlighting and explaining the changes to the Department's budget from the prior year.

For those departments participating in the MFR Initiative, an additional section includes information on the new organizational structure and an explanation of each department's strategic goals and performance measures as they relate to the County Executive's Priorities. The section is identified by the MFR logo in the upper right hand corner of the header.

The final section of the Budget document contains tabs related to the County's Non-Departmental allocations, Debt Service and Capital and concludes with an Appendix that includes the Adopted Appropriations Ordinance for the fiscal year, detailed financial policies, demographics, glossary and list of acronyms.



Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

SAMPLE OF THE DEPARTMENTAL BUDGET SECTIONS

The Budget Summary is the first page of every department section allowing for a quick view of the overall budget for the current fiscal year as well as two years of budget history. The department's mission statement, positions and organizational charts are also included. All departments are organized in the same format and order. This information has been historically provided in the budget document.

Departments that are part of the MFR Performance Budget will have additional schedules explaining the department's budget from the Managing for Results programmatic view which will be discussed later in this section.

The first page of every department section of the Budget Document will be presented in the format diagrammed below. It is meant to provide the reader with a snapshot of the operating budget for the department.

Wayne County Government
Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

DEPARTMENT OF HUMAN RESOURCES

MISSION

The Mission of the Human Resources Department is to provide Workforce Management, Organizational Development, Benefit Administration and Labor Relation and Dispute Resolution services to Job Applicants, Employees, and Departments and other Government Agencies so they can be successful in meeting their needs and goals.

BUDGET SUMMARY - ALL FUNDS	FY 2009-2010 Budget	FY 2010-2011 Budget	FY 2011-2012 Budget	FY 2012-2013 Projected
Total Departmental Expenditures	\$6,210,401	\$6,252,102	\$5,657,962	\$5,657,962
Departmental Revenue Charges, Fees, and Fines	6,210,401	6,252,102	5,657,962	5,657,962
Total Revenues	\$6,210,401	\$6,252,102	\$5,657,962	\$5,657,962
General Fund General Purpose	\$0	\$0	\$0	\$0
Total Budgeted Positions	44	41	37	35

Contact: Georgetta Kelly, Director
500 Griswold St., 9th Floor • Detroit, MI 48226 • Phone: (313) 224-0440

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graph TD
    Director[DIRECTOR (1)] --> Deputy[DEPUTY DIRECTOR (1)]
    Deputy --> Benefit[Benefit Administration (10)]
    Deputy --> Civil[Civil Service Commission]
    Deputy --> Labor[Labor Relations (2)]
    Deputy --> Org[Organizational Development]
    Deputy --> Workforce[Workforce Administration (20)]
        
```

This section displays the
Department Mission Statement

This section displays the
Department's Revenues, Total
Expenditures, Full Time
Equivalents (FTE's) and Contact
information

This section displays
the Departmental
Organizational Chart

MAJOR ACTIVITIES AND DESCRIPTIONS

The next section will begin on page two and display the descriptions of Major Activities, Highlights and Accomplishments of the department that occurred during the past fiscal year, New Initiatives and the Impact Statement. Although updated from prior years, the information provided in this section is similar to the information provided in the prior year's budget document.

This section displays the
Major Activities
of the Department

This section displays the
Departments Accomplishments
and other Highlights of the
previous year

Wayne County Government
Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

DEPARTMENT OF HUMAN RESOURCES

MAJOR ACTIVITIES AND DESCRIPTIONS:

DIVISION OF BENEFIT ADMINISTRATION: Manage all functions related to employee health and disability benefits including: medical, dental and vision benefits; Family Medical Leave Act (FMLA); leave requests; evaluate requests for job accommodations in accordance with the American Disabilities Act (ADA); Employee Assistance Program (EAP)/Wellness; worker's compensation and long-term disability; flexible spending accounts and supplemental benefit programs.

DIVISION OF CIVIL SERVICE COMMISSION: Hear employee appeals of examinations, disciplinary matters and complaints of discrimination.

DIVISION OF LABOR RELATIONS: Conduct contract negotiations, assist departments in the administration and interpretation of labor agreements, hear grievances and represent the County in arbitrations and before the Michigan Employment Relations Commission (MERC). Monitor compliance with the County's policy against sexual harassment or other discrimination in the workplace. Investigate and respond to complaints of employment discrimination filed with internal, state and federal agencies. Process all unemployment claims.

DIVISION OF ORGANIZATIONAL EFFECTIVENESS: Develop and administer countywide training programs; oversee employee recognition programs and conduct new employee orientation.

DIVISION OF WORKFORCE ADMINISTRATION: Processing of all displacements and layoffs. Maintain and publish the Executive and Non-Executive employee Benefit Plan. Evaluate requests for salary increases, maintain and publish pay plans. Ensure adherence to all County Policies and State and Federal laws.

EXAMINATION: Recruit applicants and fill vacancies. Conduct examinations. Review and approve requests for temporary assignment pay.

CERTIFICATION: Maintain eligibility lists and certify names from appropriate lists to fill vacancies in accordance with collective bargaining agreements and Civil Service Rules.

CLASSIFICATION: Create new classes and maintain the classification plan. Allocate vacant positions. Audit reclassification requests and determine pay grade for new classes.

PERSONNEL INFORMATION: Maintain PeopleSoft Human Resource Information System and employee records. Assist other departments with personnel transactions and process employment verification requests. Respond to FOIA requests.

FISCAL YEAR 2010-2011 ACCOMPLISHMENTS AND HIGHLIGHTS

Implemented all collective bargaining agreements for current contract cycle.

Implemented eLearning for County employees.



Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

PERFORMANCE REPORT

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013					
REGISTER OF DEEDS PERFORMANCE REPORT					
RECORDING AND INDEXING					
Purpose Statement The purpose of the Recording and Indexing Group is to provide recording, indexing and maintenance services for Wayne County land records, in compliance with the Constitution of the United States of America and the laws of the State of Michigan, so these records may be researched by the general public, commercial customers and government agencies in an efficient manner.					
MEASURE	2009-2010 ACTUAL	2010-2011 BUDGET	2011-2012 BUDGET	2012-2013 PROJECTED	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of documents recorded and indexed within 5 business days of receipt	99.8%	99%	98%	98%	DG1
OUTPUT: Number of documents recorded and indexed	459,899	405,880	410,000	410,000	DG1
DEMAND: Number of documents anticipated	460,000	410,000	420,000	420,000	DG1
EFFICIENCY: Cost per document recorded and indexed	\$16	\$22	\$20	\$20	DG1
SEARCH AND REPRODUCTION					
Purpose Statement The purpose of the Search and Reproduction Services Group is to provide customized search services to the general public, to more than 150 commercial customers (title companies, banks, law offices, etc.) and scores of government agencies on a daily basis, so they can obtain the information needed to facilitate decision-making regarding real estate parcels and thereby stimulate economic activity.					
MEASURE	2009-2010 ACTUAL	2010-2011 BUDGET	2011-2012 BUDGET	2012-2013 PROJECTED	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of respondents will say they obtained information needed to facilitate decision-making	98%	not reported	75.5%	75.5%	DG2
OUTPUT: Number of website visits	1,000,000	1,000,000	1,100,000	1,100,000	DG2
DEMAND: Number of website visits anticipated	1,000,000	1,000,000	1,100,000	1,100,000	DG2
EFFICIENCY: Cost per website visit	\$7	\$8	\$8	\$8	DG2
RESULT: Percentage of information requests processed within 7 business days	80%	90%	98%	98%	DG2
OUTPUT: Number of information requests provided	4,500	4,935	5,000	5,000	DG2
DEMAND: Number of information requests anticipated	5,000	5,000	5,100	5,100	DG2
EFFICIENCY: Cost per information request	\$16	\$18	\$17	\$17	DG2

The Department Performance Report describes performance results for one year of actuals, two years of budget and one projected budget and follows the Description of Major Activities section. The last column references the Strategic Priority (SP) code (found on page 1.4 of this document) that this measure is aligned to. This shows the departments progression toward the County's shared goals.

Results, Output, Demands and Efficiencies are listed here along with the Strategic Priority code.

FINANCIAL REPORT

Following the Performance Report is the departments Financial Report. This report displays the detailed revenue and expenditure budget information for the previous 2 years, the current year and the next years projected budget for the department. This report is organized by fund and function. Also included in this section is the summary of positions which displays the list of positions that were adopted as part of the budget.

This is the Fund Number and Name

Summary of Budgeted Positions follows on the next page of the report

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013				
OFFICE OF THE COUNTY EXECUTIVE Financial Report				
	FY 2009-2010 Budget	FY 2010-2011 Budget	FY 2011-2012 Budget	FY 2012-2013 Budget
00101 General Fund				
171 County Executive				
Revenues				
Charges, Fees, and Fines	1,048,900	1,021,800	730,400	780,400
Total Revenues	\$1,048,900	\$1,021,800	\$730,400	\$780,400
Expenditures				
Personnel	985,261	842,145	792,874	792,874
Fringe Benefits	427,952	281,452	258,393	303,465
Pension	210,243	179,950	230,822	253,905
Materials and Supplies	70,556	68,000	68,000	68,000
Services and Contractual Serv	296,964	302,977	186,428	191,253
Travel	31,500	30,000	30,000	30,000
Operating Expenses	17,388	17,558	19,176	19,176
Rentals	9,000	21,000	279,191	278,521
Operating Transfers Out	202,057	512,700	0	0
Total Expenditures	\$2,350,925	\$2,155,782	\$1,864,884	\$1,937,194
TOTAL DEPARTMENTAL REVENUES	\$1,048,900	\$1,021,800	\$730,400	\$780,400
TOTAL DEPARTMENTAL EXPENDITURES	\$2,350,925	\$2,155,782	\$1,864,884	\$1,937,194
Summary of Positions				
	FY 2009-2010 Budget	FY 2010-2011 Budget	FY 2011-2012 Budget	FY 2012-2013 Budget
001 GENERAL FUND				
171 COUNTY EXECUTIVE				
ELECTED AND EXECUTIVE/	7	6	5	5
SUPPORT STAFF	2	1	1	1
TOTAL POSITIONS	9	7	6	6
TOTAL DEPARTMENTAL POSITIONS	9	7	6	6



Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

BUDGET CHANGES AND HIGHLIGHTS

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013		
DEPARTMENT OF HUMAN RESOURCES BUDGET CHANGE AND HIGHLIGHTS FY 2011-2012		
	Increase / (Decrease) from 2010-2011 Adopted Budget	Description of Change
REVENUES		
Charges, Fees, and Fines	(594,140)	Decrease in revenue from chargebacks to other County departments.
TOTAL REVENUES	\$(594,140)	
EXPENDITURES		
Personnel	(360,110)	Reduction of 4 FTE's duties absorbed by remaining staff.
Fringe Benefits	(162,772)	Fringe benefit cost associated with reduced workforce.
Pension	94,208	Increase due to calculation method of retirement costs.
Materials and Supplies	(17,603)	Required reduction in general fund/general purpose supported programs.
Services and Contractual Services	63,877	Increase in chargebacks from other County departments.
Travel	(300)	Required reduction in general fund/general purpose supported programs.
Operating Expenses	(95,460)	Decrease in Equipment Maint & Repair.
Rentals	334,065	Reclass of building rental expenses.
Other Charges	(3,000)	Decrease in Miscellaneous Operating expenses.
Operating Transfers Out	(446,645)	Reclass of building rental expenses.
TOTAL EXPENDITURES	\$(594,140)	

This schedule provides the reader a high level departmental snapshot of changes in the budget from the prior years budget. The schedule shows the net increase or (decrease) from year to year along with a high level explanation of the change by account type, i.e. revenues, personnel, fringe benefits, etc.

These columns display the net change amount from the previous fiscal year and a brief explanation

This completes the departmental section for all departments included in the FY 2011-12 Adopted Budget with the exception of those departments that have gone through the MFR Performance based budgeting and strategic planning process discussed below. Those departments who have undergone MFR have two supplemental schedules which present the budget re-aligned in the MFR performance based budgets. MFR will be explained in more detail later in this section.

MANAGING FOR RESULTS PERFORMANCE BUDGET

These schedules provide the reader with a summary of the departments FY 2011-12 Adopted Budget re-aligned into the MFR strategic groups and programs and a description of the MFR organizational structure, Departmental Goals (DG) and the Strategic Priorities

(SP) that they are associated with. The Strategic Priorities are listed on page 1.4 of this document. Departments that have gone through the MFR process are denoted by the MFR logo in the upper right hand corner of the header.

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013				
DEPARTMENT OF HUMAN RESOURCES				
PERFORMANCE—MANAGING FOR RESULTS (MFR)				
	FY 2009-2010 Budget	FY 2010-2011 Budget	FY 2011-2012 Budget	FY 2012-2013 Projected
Group Revenues				
Charges, Fees, and Fines	6,210,401	6,252,102	5,657,962	5,657,962
Total Group Revenues	\$6,210,401	\$6,252,102	\$5,657,962	\$5,657,962
Group Expenditures				
Benefit and Disability Administration	998,883	961,076	1,011,711	1,011,711
Workforce Administration and Compliance	3,754,564	3,857,599	3,519,166	3,519,166
Development	0	124,492	99,699	99,699
Labor Relations and Dispute Management	1,456,954	1,308,935	1,027,386	1,027,386
Total Group Expenditures	\$6,210,401	\$6,252,102	\$5,657,962	\$5,657,962
Total Budgeted Positions	44	41	37	35
MANAGING FOR RESULTS ORGANIZATION STRUCTURE				
Benefit and Disability Administration Group Benefit and Disability Administration Program Occupational Safety Program		Development Group Organizational and Employee Development		
Workforce Administration and Compliance Group Workforce Management Program Human Resources Information Program (Human Resource, Loss Prevention Program)		Labor Relations and Dispute Resolution Group Labor Relations and Dispute Resolution		

This MFR schedule shows the revenue and the expenditure budget allocated, as well as the total FTE count. The bottom portion displays the organizational structure under MFR.

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013	
DEPARTMENT OF HUMAN RESOURCES	
LONG-TERM DEPARTMENTAL GOALS	
Departmental Goal 1: Health Care Benefit Cost Stabilization	ALIGNED WITH STRATEGIC PRIORITY 1 (SP1)
By September 30, 2013, Wayne County will achieve health care benefit cost stabilization as evidenced by: • Annual employer health care benefit cost increases will be at 80% of national average or lower for large unionized employers. • Post-retirement health care liability will be at 90% or lower of present liability through plan design and employee cost sharing. • Employee medical health benefit care claims (for chronic disease conditions) (5 per 1,000 employees) will be at 12%. • Employee leave usage will be reduced by 10% due to the improved health condition of our employees caused by their participation in the Wellness Program and the Return To Work Program.	Departmental Goal 1 (DG1)
Departmental Goal 2: Well-Trained, Highly Skilled Workforce	ALIGNED WITH STRATEGIC PRIORITY 1 (SP1)
By September 30, 2013, customers of Wayne County government will benefit from a well-trained, highly skilled workforce as evidenced by: • 50% of employees will complete at least two (2) competency based courses. • 40% of advancements from classified service will be developed from the ranks of the current Wayne County employee pool. • 50% of managers, supervisors and those identified for advancement will complete two (2) leadership development courses every two years. • 25% of Executive Departments will have an approved succession plan.	Departmental Goal 2 (DG2)
Departmental Goal 3: Recognized as an Employer of Choice	ALIGNED WITH STRATEGIC PRIORITY 1 (SP1)
By September 30, 2013, Wayne County will be recognized as an Employer of Choice as evidenced by: • 35% of employees will participate in non-traditional employee related programs such as voluntary benefit programs, flexible work arrangements, and wellness programs. • 90% of classified employees with 10 years of service with Wayne County will express satisfaction with their work and work environment. • Human Resources receiving the Innovation Award, an award that recognizes innovation and best practices by public sector Human Resource Departments, from the International Personnel Management Association (IPMA). • 75% of grievances scheduled for arbitration will be resolved without an arbitration hearing.	Departmental Goal 3 (DG3)
Departmental Goal 4: Personnel Services to Wayne County Local and Surrounding Communities	ALIGNED WITH STRATEGIC PRIORITY 1 (SP1)
By 2013, Wayne County employees and the departments that they serve will experience enhanced customer service as evidenced by: • \$900,000 will be generated by Human Resource shared services programs. • 75% of communities within Wayne County participating in shared services programs. • 90% of participating communities who state that shared services programs afforded them a cost	Departmental Goal 4 (DG4)

This MFR schedule shows the department's long-term goals (DG) that align with the County's Strategic Priorities (SP).



Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

The Department Performance Report describes performance results for one year of actuals, two years of budget and the next year projected budget. The last column references the Department Goal that is associated with the Strategic Priority (SP) code that each measure is aligned with. This shows the departments progression toward the County's shared priorities.

Results, Output, Demands and Efficiencies are listed here along with the Department Goal.

Wayne County Government Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013					
DEPARTMENT OF HUMAN RESOURCES MFR PERFORMANCE MEASUREMENTS BY GROUP					
BENEFIT AND DISABILITY ADMINISTRATION 51011214					
Purpose Statement The purpose of the Benefit and Disability Administration Group is to provide employment cost management and employment health and wellness services to Wayne County Government so it can realize long-term economic stability and provide quality of life for its employees and retirees.					
MEASURE	2009-2010 ACTUAL	2010-2011 BUDGET	2011-2012 BUDGET	2012-2013 PROJECTED	ASSIGNED WITH DEPT. GOAL
RESULT: Percentage of workers compensation claimants returned to work within four months	96.4%	96.7%	96.7%	96.7%	DGI1
OUTPUT: Number of workers compensation claimants returned to work	13	50	50	50	DGI1
DEMAND: Number of employees anticipated to be referred to the return to work program	35	79	75	75	DGI1
EFFICIENCY: Average expenditure per workers compensation claim in the return to work program	\$1079	\$418	\$415	\$415	DGI1
RESULT: Percentage of safety and health complaints that will be responded to within forty-eight (48) hours	100%	100%	100%	100%	DGI1
OUTPUT: Number of employee safety and health evaluations conducted	148	180	180	180	DGI1
DEMAND: Number of employee safety and health evaluations anticipated	89	180	180	180	DGI1
EFFICIENCY: Average cost per employee safety and health evaluations conducted	\$737	\$609	\$459	\$459	DGI1
LABOR RELATIONS AND DISPUTE RESOLUTION GROUP 51021206					
Purpose Statement The purpose of the Labor Relations and Dispute Resolution Group is to provide collective bargaining, employee relations, dispute management, monitoring and reporting, investigation, and notification services to Wayne County Departments that enables the County to continue to provide fair, efficient, and effective public services to its citizens.					
MEASURE	2009-2010 ACTUAL	2010-2011 BUDGET	2011-2012 BUDGET	2012-2013 PROJECTED	ASSIGNED WITH DEPT. GOAL

MANAGING FOR RESULTS STRATEGIC INITIATIVE

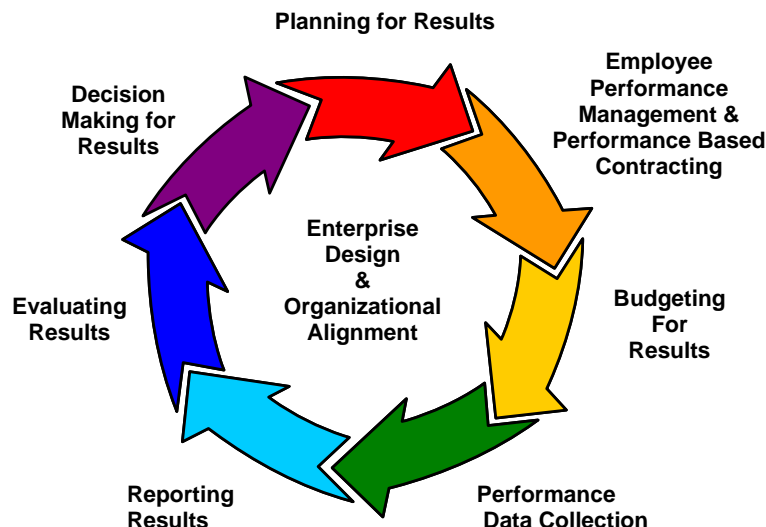
Managing for Results (MFR) is an integrated management system which focuses on strategic planning, employee performance planning, budget development and execution, data collection and information management, performance reporting, performance evaluation, and policy and budgetary decision-making. The goal of MFR is to align department goals to ensure end results for customers served.

Beginning in 2007, each of the nine departments under the direct authority of the CEO went through extensive training and identified core services that are provided to their customers. Similar services were then organized into Programs. Similar programs were then put into Groups. Finally, those groups were assigned to Departments. At each level of the process, a thoughtful purpose statement was developed to define the reason for the program to exist. This identifies the purpose of the program/group and allows employees to align the work performed every day to this purpose.

These statements were developed to accomplish the Strategic Goals set by each department in support of the County Executive's Priorities.

MFR does not stop with goal setting. It takes the process a step further to identify and then measure the action steps that are required to achieve key results and reach performance goals. This allows programs and groups to "correct-course" in order to achieve the greater goals and priorities of the County.

These statements and results take the place of goals and performance measures previously used by these departments. The operating budgets traditionally appropriated by department or function would now realign resources to show the relationship between program funding levels and expected results. It will also allow decision makers to clearly see the performance trade offs of funding one program versus another. The following graphic illustrates how these management systems are aligned:





Wayne County Government

Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013

OVERVIEW

The MFR Initiative is a long-term commitment that changes the way that the County allocates resources and evaluates performance. It is based on the premise that government is empowered by its citizens to provide key services and programs, and government should be held accountable on how well these key services and programs are provided to its citizens. Governments are increasingly challenged to maintain the public trust and be more accountable for the results they produce for the citizens. In 2002, the Government Financial Officers Association (GFOA) released a revision to their "Recommended Practice: Performance Measures" that calls for performance measures to be linked to government budgeting and used consistently through-out strategic planning, reporting and government decision making. Similarly, the Government Accounting Standards Board (GASB) now recommends that governments implement a performance management system that directly links government efforts and delivery of services to results for customers. The Government Performance and Results Act (GPRSA), passed in Congress in 1993, requires that federal agencies develop strategic plans and performance measures focusing on results.

Wayne County is the first government in Michigan to implement the MFR system which integrates key enterprise management systems and focuses on results for customers.

ENTERPRISE DESIGN AND ORGANIZATIONAL ALIGNMENT

Understanding the desired results, policies and design decisions guide the enterprise-wide implementation. Organizational changes are managed and supported so that MFR can be sustained throughout the County over time.

PLANNING FOR RESULTS

All nine of the Executive Departments (including the Office of the County Executive) have developed Strategic Business Plans (SBP) which:

- Focus on long-term operational results
- Organize services around results for customers
- Establishes performance measures for programs
- Provides structure for accounting systems, budgets, contracts and employee performance plans

EMPLOYEE PERFORMANCE MANAGEMENT

Links the department's purpose statements and key results to employee performance plans so that every employee can align their efforts to the department's strategic and operational results.

BUDGETING FOR RESULTS

The strategic business plan provides the structure for the chart of accounts and development of Departmental budgets. Integrating the cost information with the results tells the customers what they are getting for their money.

PERFORMANCE DATA COLLECTION

Wayne County has developed and implemented a performance management information system (PMIS). PMIS captures, stores and manages performance information so that program team members, managers and directors can access current, accurate and relevant data to make decisions. This information is entered each month by all participating departments.

REPORTING RESULTS

Results are reported monthly at department meetings and reviewed by county leadership in order to determine what measures are tracking at an acceptable level and what actions need to be taken to change/improve results. Regular reporting provides the stakeholders with clear and concise performance information so they understand which results are being achieved and why.

EVALUATING RESULTS

Departments continuously evaluate actual program results as compared to intended results. This supports the identification of areas for potential process improvements and best practices. It also reinforces the commitment to Managing for Results and supports performance audits.

DECISION MAKING FOR RESULTS

When performance information is presented in a consistent, easily understood format, elected officials and other key decision makers can make more informed policy, operating and financial decisions.

SUMMARY

MFR provides direction for making good business decisions based on performance and makes departments accountable for results. Departments that have been trained and are part of the MFR initiative are:

- Children and Family Services
- Corporation Counsel
- Office of the County Executive
- Economic Development Growth Engine
- Health and Human Services
- Homeland Security and Emergency Management
- Management and Budget
- Personnel/Human Resources
- Public Services
- Senior and Veteran's Services
- Technology

The FY 2011-12 Adopted Budget is the fourth year that MFR is being presented in the budget document. Since MFR is a continually evolving management system, the presentation in the budget document of the information collected must evolve as well. In FY 2011-12, the county department using MFR will be revisiting their strategic plans initially developed in FY 2007 and FY 2008. As such, the reader may notice that some of the performance measures sunset in FY 2012. These performance measures will be revised or replaced with new performance measures which will be intended to be more meaningful and informative to our stakeholders, the citizens of Wayne County.



Wayne County Government *Adopted Budget FY 2011-2012 and Projected Budget FY 2012-2013*

THE ANNUAL BUDGET PROCESS

MECHANICS OF THE ANNUAL BUDGET PROCESS

The annual budget serves as the foundation for the County's financial planning and control for the upcoming year. The Appropriations Ordinance adopted by the County Commission represents the legal authorization for county departments to procure goods and services on behalf of the citizens of Wayne County.

Section 5 of the County Charter sets the timeline which must be met during the budget process. The first step is the development and transmittal of the budget policy statement and budget goals to all county departments. All agencies of the County are required to submit requests for appropriation on or before April 1st of each year. These requests are the starting point for developing a proposed budget. The County Executive submits the proposed operating budget to the Commission for review prior to June 3rd as required by the County Charter. After public hearings to obtain taxpayers' comments, the Commission enacts the budget through the passage of the appropriations ordinance which can be found in the appendix of this document. The budget for the General Fund is adopted by function (e.g., general government, public safety, public works, etc). Amendments to aggregate departmental appropriations require approval of the Commission. Certain transfers within line items that do not affect aggregate departmental appropriations may be made without the Commission's approval.

BALANCED BUDGET

The County budget, by State and County law, must be balanced. This means that budgeted expenditures can not exceed appropriated revenues, transfers or use of fund balance reserves. In simple terms, the County is obligated to live within its financial means and avoid spending when the resources to pay for these expenditures are not available. The County is subject to the budgetary control requirements of the State of Michigan Public Act 621 of 1978 known as the Uniform Budgeting Act which requires all local units of government in Michigan to adopt balanced budgets, establish responsibilities and define procedures for the preparation, adoption and maintenance of the budget, and require certain information for the budget process. The following statements represent a brief synopsis of the major provisions of this Act. These provisions are reinforced and reiterated in the County's Home Rule Charter, adopted by the Wayne County voters in 1981:

1. Budgets must be adopted for the General Fund, special revenue funds, and debt service funds.
2. The budgets must be balanced – i.e. budgeted expenditures cannot exceed the appropriated revenues. Expenditures may include reservations or contingencies in addition to expenditures for

operating purposes. In certain cases, fund balance reserves and transfers from other funds can be appropriated as part of the budget to supplement revenues.

3. Expenditures cannot be made unless authorized in the budget.
4. The budget must be amended when necessary.
5. Debt cannot be incurred unless permitted by law.
6. Public hearings must be held before budget adoption.

BUDGET POLICY STATEMENT AND BUDGET GOALS

The County Executive Officer (CEO) has the charter responsibility for preparation and submission of a comprehensive budget for Wayne County. At least nine months before the start of the next fiscal year, the CEO transmits the budget policy statement to all units of County government to be included in the budget. The budget policy statement outlines the CEO's goals, objectives and guidelines for the next fiscal year as well as identifies economic conditions, constraints and assumptions which may impact the budget. The policy statement also includes estimates of revenue anticipated to be available for the next fiscal year. Departmental budget requests are required to comply with assumptions outlined in the CEO's policy statement.

BUDGET REQUESTS

For FY 2011-12, all departments were advised through the CEO's policy statement, as a result of anticipated reductions in tax and other sources of general fund revenue, and the lack of any major new general fund revenue sources, all General Fund supported departments and Internal Service departments and divisions were to reduce their operating dependency on general fund general purpose spending up to ten percent from the FY 2010-11 spending levels; all Enterprise and non-general fund supported budget requests were to be balanced. Departments could not exceed their expenditure targets unless a new revenue source other than general fund general purpose revenue could be identified. Likewise, if departmental revenue decreased, departments were expected to absorb the loss and reduce their expenditure requests.

The budget request package sent to each department head and elected official included budget request detail forms, personnel lists, fringe benefit calculation instructions, departmental narratives, five-year capital improvement spreadsheets, and various other forms to be used to detail background information which would provide justification for budget requests. Ideas for new revenue sources were encouraged. The Charter required due date for submission of budget requests is on or before April 1.



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BUDGET DOCUMENT AND TRANSMITTAL

On or before June 3rd or at least 120 days before the new fiscal year begins, the CEO is required to transmit the proposed comprehensive budget to the Commission. This budget contains the budget message, budget document, the proposed Appropriations Ordinance, as well as other information required by County Charter, law or ordinance.

COUNTY COMMISSION REVIEW AND ADOPTION

By Charter, at least 105 days before the next fiscal year (June 18), the Commission is required to introduce the proposed Appropriations Ordinance. Hearings on the budget are to be completed 80 days prior to the next fiscal year (July 13), which affords an opportunity for persons authorized by law to testify. During this period the Commission may request the CEO to submit additional information concerning the comprehensive budget. Two public hearings must be held at least 75 days prior to the start of the next fiscal year (July 18) to receive citizen testimony on the budget. Notice of these hearings must be published as required by law.

The Commission is required to adopt the Appropriations Ordinance 30 days before the next fiscal year (September 1). The total appropriations cannot exceed revenue estimates certified by the CEO plus any increase in revenue raising authority adopted. Any proposed amendments that would increase appropriations on final adoption of the budget must also include a balancing increase in revenue raising authority or a reduction in other proposed expenditures.

The Appropriations Ordinance contains funding for debt service, pensions and the other mandatory expenditures certified by the CEO. It contains budget execution instructions and establishes the transfer and impoundment authority of the CEO. It constitutes a determination by the Commission that the appropriations are a serviceable level of funding.

BUDGET AMENDMENT PROCESS

Budget amendments that change the Appropriations Ordinance require Commission approval. It should be noted that general ledger detail accounts below the level at which the Commission adopts the budget may be revised without Commission action, as long as that revision does not change the appropriations set forth in the Enrolled Appropriations Ordinance. The Enrolled Appropriations Ordinance can be found in the Appendix of this document. An increase in appropriations may be made only if sufficient unappropriated revenue is available. In the event that the CEO submits a proposed appropriation reduction based on a certified reduction in estimated revenue, the Commission must reduce appropriations, to avoid a deficit, within 30 days after the certification of the reduced revenue or the requested

appropriation reduction submitted by the CEO takes effect.

BUDGET AMENDMENT PROCEDURE

It is the responsibility of County Departments and Elected Offices to monitor their budgets and advise the Chief Financial Officer (CFO) of any necessary budgetary changes between accounts contained in their budgets. This is accomplished with the submission of a budget adjustment from to the Department of Management and Budget, Budgeting and Planning Division, which reviews and approves all budget adjustments for the CFO. This process includes reviewing the appropriateness of the budget adjustment, sufficiency of funds in transfers between accounts and a programmatic assessment of appropriateness.

If it is determined that a budget adjustment will require an amendment to the Enrolled Appropriations Ordinance, Commission approval is required. A proposed amendment to the Enrolled Appropriations Ordinance is prepared by Management and Budget and transmitted to the County Commission under the signature of the CEO. A letter describing the requested change to the budget is attached to the proposed amendment. The request is referred to the Commission's Standing Committee on Ways and Means which is responsible for review and oversight of financial issues that relate to allocation of resources, which include the budget, compensation, bond issues, retirement, tax matters, and the assessment and equalization of property. The Committee reviews the budget adjustment in a public meeting and makes a recommendation to the full Board of Commissioners. The proposed amendment must be approved by a majority vote before it takes effect; otherwise it is denied or referred back to the Standing Committee for further review.

DEVELOPMENT OF THE BI-ANNUAL BUDGET

In April, 2011, the Wayne County Commission approved ordinance 2011-136 which gives the authority and flexibility to the County Executive of submitting a multiyear budget for the Commissions for approval. Previously, the Wayne County Charter only allowed the submission of the budget for the upcoming year. Mentioned in the Chief Executive's Budget Message, this year, for the first time, the multi-year budget approach is being presented in the following pages. It will encompass not only the budget for the upcoming budget year, FY 2011-12 but also present a projected budget for the second year, FY 2012-13. The upcoming year's budget is called the Adopted Budget throughout this document and funds are legally appropriated though the budget appropriation ordinance by the Commission to fund operations of the County in the upcoming year. The second year budget is called the Projected Budget and will be used for planning purposed for the basis for the 2013 budget cycle in the following year. As the



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County Charter requires the County Commission to appropriate funds for the operations of the County on an annual basis, the 2012-13 Projected Budget does not bind the County or have any legal effect on the appropriation ordinance for FY 2012-13. Combined, the multiyear budgets will improve long term and strategic planning because it extends the view for planning and allocating resources over a longer horizon. The two year budget

allows departments and elected officials to recognize and plan for the future impact and consequences of decisions made today. That being stated, please note that the narrative and analysis on the following pages of this document continue to primarily focus the discussion on the FY 2011-12 Adopted Budget that was legally appropriated by the Wayne County Commission.

SUMMARY OF FINANCIAL POLICIES

Wayne County financial policies set the foundation for making financial decisions that ensure long-term strategic priorities are met; core work value are maintained; and the vision of the County's Executive Officer for the community is achieved. Financial policies also provide constituents surety that tax dollars are being spent efficiently, effectively, and legally.

Wayne County is one of the few Charter Counties in the State of Michigan. A charter or municipal corporation is the legal term for a local governing body, including (but not necessarily limited to) cities, counties, towns, townships, charter townships, villages, and boroughs. Municipal incorporation occurs when such municipalities become self-governing entities under the laws of the state or province in which they are located. Often, this event is marked by the award or declaration of a municipal charter. As such, financial policies and procedures related to the development and adoption of the annual budget were included in the Charter adopted by the citizens of Wayne County in 1981. The financial policies included in the charter were established to define the process of appropriating and managing the financial resources of the County. Article V – Finance addresses the responsibilities and outlines specific mandatory requirements of the annual operating budget for the County. Article V of the Charter dictates specific information to be provided and establishes date milestones which must be adhered to by the Chief Executive Officer (CEO), Chief Financial Officer (CFO) as well as the legislative branch, the County Commission. Article V of the County Charter is included in the Appendix. The entire Wayne County Charter can be viewed online in the Wayne County Code of Ordinances, Part I in Municode Library at www.municode.com. The Code of Ordinances includes not only the County Charter but a vast number of policies and ordinances of Wayne County government and should be considered a valuable tool to anyone interested in researching the County's ordinances.

The County also requires consistent adherence to the same policies and guidelines used in developing its annual budget when preparing interim internal reports and the Comprehensive Annual Financial Report (CAFR). This ensures that the presentation of the budget

and actual results will provide a comparison and ensures that as a planning tool, the budget provides a meaningful roadmap to follow for the ensuing year. Below is a description of financial policies and guidelines used in developing the budget. Formal County policies pertaining to the development of the budget are included in the Appendix of this document.

Basis of Presentation, Accounting and Budgeting:

Basis of Presentation: The accounting transactions for the County are recorded and reported in accordance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board. The County's accounts are organized on the basis of "funds" and "accounts". Each fund is a separate accounting entity with a self-balancing set of accounts. The County's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled.

There are three categories of funds: 1) governmental, 2) proprietary and 3) fiduciary. A purpose and description of each fund is provided on the fund pages in the Budget by Fund section of this budget document. A description of the three fund categories is provided below.

1) **Governmental Funds:** Governmental funds are used to account for activities typically associated with local government operations. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financial uses) of current financial resources.

This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds. The four



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generic fund types in this category are described in the following paragraphs.

The General Fund is the general operating fund of the County and accounts for all activities not required to be accounted for in some other fund.

Special Revenue Funds account for the proceeds of specific revenue sources - other than expendable trusts or revenues designated for major capital projects - that are legally restricted to expenditures for specific purposes.

Debt Service Funds account for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs.

Capital Projects Funds account for the acquisition or construction of major capital facilities except those financed by proprietary funds and trust funds.

Discrete Component Units account for entities that are legally separate from the County but for which the County is financially accountable or their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete.

- 2) **Proprietary Funds:** Proprietary Funds are used to account for activities similar to those found in the private sector where the intent of the governing body is to finance the full cost of providing services, including depreciation, primarily through user charges. All proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities. As described below, there are two generic fund types in this category.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the County is to finance or recover, primarily through user charges, the costs of providing goods or services to the general public on a continuing basis.

Internal Services Funds account for business-like activities where related goods or services are primarily provided to other departments or funds of the County on a cost-reimbursed basis.

- 3) **Fiduciary Funds:** Fiduciary funds are used to account for assets held by the County in a trustee capacity or as

an agent for individuals, private organizations, other governments, or other funds. These funds share characteristics with both the governmental and proprietary funds and use the measurements focus and basis of accounting most appropriate to their specific operations. This fund category includes expendable trust, nonexpendable trust, pension trust, and agency funds. The County has a number of fiduciary funds but due to their custodial nature, only the Retirement System-Employees and the Equipment Financing fund are included in the County Budget Appropriation.

Basis of Accounting and Reporting: Basis of accounting refers to the timing of recognition of revenues and expenditures or expenses, i.e. when transactions are recorded and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

The accrual basis of accounting recognizes revenues when they are earned and expenses are recorded when incurred. All assets and liabilities are recorded in the fund. The County, employing Generally Accepted Accounting Principles (GAAP), uses the flow of current financial resources measurement focus and the modified accrual basis of accounting for all governmental funds. Under this method, revenues are recorded when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property tax revenues, and in general, all other revenues, to be available if collection occurs within sixty (60) days of fiscal year-end, which is September 30. Expenditures are recognized as payable on the modified accrual basis when the liability is incurred, except for principal and interest on general long-term obligations, compensated absences, and claims, litigation and assessments, which are recognized when due. Proprietary funds, fiduciary funds and all discretely presented component units utilize the full accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded as incurred.

The County's Comprehensive Annual Financial Report (CAFR) includes financial statements and government-wide financial statements. The government-wide financial statements display information about the County as a whole, excluding fiduciary funds and component units that are fiduciary in nature. The government-wide financial statements are reported using the accrual basis of accounting. The fund financial statements are reported on the accounting basis described above.



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Basis of Budgeting and Budgetary Controls: The basis of budgeting is identical to the basis of accounting for the recognition of costs and revenue in the budget development; also for establishing and reporting appropriations which are the legal authority to spend and collect revenues. The basis of budgeting is the same used in the audited financial statements except for discretely presented component units and the government-wide statements. Certain component units that are required to be included in the CAFR are not included in the Adopted budget as they are governed by separate governing authorities and do not fall under the authority of the County Commission for appropriation purposes. Those discretely presented component units that are included in the Adopted budget are budgeted using the modified accrual basis of accounting and reported in the CAFR using the full accrual basis of accounting. In addition, the government-wide statements are not included in the budget..

The General Fund, all special revenue funds, debt service funds and certain other governmental funds are under formal budgetary control as required by the Wayne County Charter and the State of Michigan Uniform Budgeting Act. The purpose of these budgetary controls is to ensure compliance with the legal provisions embodied in the annual appropriated budget ordinance approved by the County Commission. A schedule of periodic allotments is established for the fiscal year. The allotments are binding on departments and shall not be exceeded. Supplemental appropriations to the County's expenditure budget require the approval of a budget adjustment by the County Commission. Certain transfers within line items that do not affect the department's aggregate appropriations may be made without Commission approval. Expenditures are required to remain within appropriated amounts. All appropriations lapse at the end of the fiscal year.

Auditing and Financial Reporting: An independent audit is performed annually by Certified Public Accountants. The County produces the CAFR in conformity with GAAP. The auditing firm used by the County is Plante & Moran, PLLC.

Cash Management and Investments: Cash resources of the individual funds, except as specifically stated by ordinance, are pooled and invested. Funds are allowed to borrow from the pooled cash on a short term basis due to timing of collections, and are charged interest on the funds borrowed. Interest on pooled investments is allocated among the respective funds based on average investment balances and are included as part of the department's revenues or expenditures.

Investments are made in conformity with the Wayne County Comprehensive Investment Policy. Investment

maturities for operating funds are scheduled to coincide with projected cash flow needs. Gains or losses on investments sold or exchanged are recognized when the transactions are completed or on settlement dates. The County Treasurer is responsible for maintenance and enforcement of the investment policies of the County. The Wayne County Comprehensive Investment Policy and other cash receipts and collection policies can be viewed in the Appendix of this document.

Revenues: The County's primary sources of revenue include property tax collections, state revenue sharing, airport parking taxes, investment earnings, charges for services, operating grants and contributions, capital grants and contributions, and various charges, fees, and fines. A detailed discussion of revenues follows in the All Funds and General Fund sections of this document.

While the County maintains a user fee schedule and policy, each department is responsible for incorporating fees and the associated services into their respective budgets. Fees and other charges not governed by law are required to be approved by the County Commission. The County is currently conducting a study of all user fees in order to ensure proper reimbursement for the services provided. Phase I of the fee study which focused on the fees charged by the County Health department and Assessments division of Management and Budget were approved by the county commission and the resulting anticipated adjustments to revenues have been included in the Adopted budget.

As provided in Wayne County's policy number 10013, non-recurring revenues are not predictable but may be included in the budget to the extent that these revenues can be verified as a viable revenue source and the revenue continues to be available. Once the revenue is terminated, the associated expenditure appropriation must be eliminated. Additionally, all departments have been encouraged to identify alternative revenues, such as user fees and new grants with no general fund match.

There are a number of County policies related to the recognition of revenue. These policies are included in the Appendix section of this document.

Expenditures: The Appropriations Ordinance passed by the County Commission outlines the available funding for each department and fund. County departments, including those headed by elected officials, are required by Charter to adhere to appropriated budgets. The Charter also states that, on a quarterly basis, departments are required to project anticipated revenues and expenditures for the remainder of the fiscal year. Departments projected to end the year in deficit are required to submit a deficit elimination plan and take immediate action to curtail spending in order to avoid ending the fiscal year in deficit. Purchases are reviewed



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by the Purchasing and the Budgeting and Planning Divisions of Management and Budget to ensure that expenditures comply with the County procurement ordinance and that sufficient funding is available. Additionally, capital equipment and other capital asset expenditures are subject to the capital assets policy which addresses the acquisition, use, reporting and disposal of County owned assets. This policy can be found in the policy section of the Appendix. The CFO is charged with ensuring that departments comply with spending levels outlined by the Appropriations Ordinance.

Centralized Service Cost Allocation (Chargebacks):

A chargeback is a financial transaction to allocate costs for an internally provided good or service; in other words, when one Wayne County unit provides a good or service to another Wayne County unit and seeks to recover the cost of the good or service. Also, the costs of providing insurance for County employees, such as health care and long-term disability, are accumulated centrally. The cost of these services and insurance directly and/or indirectly benefit each department and/or the employees of each department within the County. This policy can also be found on page 28-88 of the policy section of the Appendix.

Debt: Cash balances are maintained at a sufficient level for general operations, which are defined as items normally funded in the County's annual operating budget and having a useful life of less than one year. The County may issue, upon appropriate approval, long-term debt, which may include, but is not limited to, general obligation bonds and revenue bonds.

The County may, with appropriate approval, also enter into capital leases for public facilities, property, and equipment; provided, however, that such long-term leases may or may not be characterized as "debt", depending on whether the leases are "true" leases or financing capital leases.

The debt service statement of the County's annual budget document includes certification by the CEO of the level of appropriations required to meet all debt service requirements of the County for the next fiscal year. The level of appropriations shall be approved by the County Commission at least thirty days before the next fiscal year, as part of their adoption of an appropriations ordinance. Further discussion of the Debt Policy, the legal debt capacity, debt service and current outstanding debt can be found in the Debt Service section of this document. The Debt Policy and related reporting and disclosure policies can be viewed in full beginning on page 28-39 of the policy section of the Appendix.

GASB 54: In 2009, the Government Accounting Standards Board issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type*

Definitions, (GASB 54) in order to help citizens and decision-makers better understand the constraints placed on fund balances. The statement is intended to improve the usefulness of the amounts reported in fund balance by providing more structured classification. The statement also clarifies the existing definitions of the general fund, special revenue funds, debt service funds and capital project funds but does not affect proprietary and fiduciary fund types. The County is required to implement GASB 54 and restate the beginning fund balances in the financial statements currently being prepared for FY 2011 as well as going forward for FY 2012.

As of the date of this writing, FY 2011 has not been completed as of this writing, and the County is undergoing an extensive review of its operations and fund types to determine the impact of implementing the GASB 54 reporting requirements. As a result, this Budget Document does not include any restatements of funds and operations; such changes will occur through the budget amendment process and will be included in future Budget Documents.

Other Planning Processes

Long-Term Financial Planning

The County is committed to developing a long-term prospective in governing. Using resources from all branches of the County government, the fundamental building blocks of a long-term financial plan are beginning to take form with the goal of aligning its long-term financial needs with its strategic plan with an emphasis toward performance management and budgeting concepts to ensure the County's continued financial stability. The County intends to build a self-sustaining government with a sound infrastructure. This plan shifts the emphasis from bottom line financial and budgetary concerns to service delivery with a longer-term financial planning horizon.

In order to assist with this endeavor, the County has contracted with the consulting branch of the Government Finance Officers Association (GFOA) which has significant expertise in the development of long-term planning. The firm is working closely with County management, guiding the planning process and departing knowledge that will ensure that the plan is a success. The development of this plan is a County-wide collaborative effort, which includes input from elected officials, department heads and other internal and external stakeholders.

In the third year of the process that is anticipated to be implemented over a number of years, the long-term financial plan has begun to take shape. In the FY 2011-12 budget process, the five year financial forecast model was being developed and it is expected to be used for the



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2012-13 –2013-14 budget process. When finished, the plan will include:

- An assessment of the County's demographic and economic environment. This stage includes interviews with County stakeholders and compilation of key indices and statistics. This information will then be included in a final assessment report.
- Analysis of the County's current financial position in order to develop a long-term perspective and strategy, which includes development of a scorecard for use in bench marking and trend analysis, as well as forecast and analysis of the County's General Fund revenues and expenditures.
- Development of financial planning principles and supporting policies to guide future budgets.
- Definition of critical financial Issues and development of financial strategies to address these issues.
- An approach for linking the long-term financial plan to the budget and budgeting process.
- Approval by the County Executive and the County Commissioners.

In March 2010, a number of strategic issues were identified and prioritized with input from a broad cross-section of elected officials and staff, as well as representatives of a number of civic organizations with insight into the financial and economic factors affecting the County. The strategic plan will focus these issues as the plan is developed. The following is list of priority issues to be addressed in the Strategic Plan:

- A. Budget Execution and Cost Control
- B. Budget Formulation
- C. Innovation Management and New Revenues
- D. Economic Development
- E. Regionalism, Intergovernmental Relations and Communications
- F. Public Safety

The County formed cross-functional work teams, Issue Advisory Teams (IATs), of staff to analyze the Critical Issues and recommend strategies. The IATs ranged anywhere from three to seven people. A Critical Issue analysis process was developed that was operationally feasible for the County. The IATs did not try to cover all the Strategic Questions for each Critical Issue. This did not mean the deferred Strategic Questions were unimportant – just that the teams should concentrate on a limited number of Questions. The IATs analyzed strategic questions that:

- Would likely lead directly to useable recommendations for the team that would make a difference to County operations in the near to mid-term.
- Have positive long-term impacts.

- Are tangible and within the ability of staff teams to influence in order to give staff more confidence in their ability to develop good strategies in this initial round of planning.

After the County successfully dealt with these questions, it could address some of the other questions in a later planning cycle. Also, if the teams feel they are making good progress and would like to take on some of the questions that were originally deferred, then they were free to do so.

Eventually the long-term financial plan will include a detailed one-year budget, a three-year budget forecast, and an update of the five-year projection, including identification of the long-term funding challenges and the County's progress in addressing those challenges.

Five-Year Capital Improvement Plan

Section 5.126f of the County Charter requires that a five-year Capital Improvement Plan (CIP) be prepared and submitted to the Commission as part of the overall County budget. The capital plan presented to the Commission is a consolidation of several long-term capital planning processes championed by several steering committees, all of which have distinctly different objectives and different funding sources but have the common goals of providing exemplary and efficient services as outlined in the CEO's mission.

Some of the critical components which influence and affect the planning processes include a myriad of factors such as a forecast of demand for future services and capital facilities, taking into account all applicable demand factors including population, housing units, traffic volume, commercial growth, etc. Another factor is the inventory of existing facilities to determine future demands for maintenance, repair, rehabilitation or replacement and to determine the adequacy of existing facilities to meet future needs. An assessment of services currently provided and projections of services to be provided in the future is also taken into consideration. Future demand may include expectations of the taxpaying public. Formal capital project requests, together with supporting data, contain all the information on which each project is evaluated and ranked.

The recommendations of the capital planning committees, established for the purpose of planning the short-term and long-term strategies in the areas of wastewater management, road construction and maintenance, building and parks renovations and improvements, are forwarded to the CEO. Additionally, certain long-term initiatives championed by departments such as Technology, which are determined to provide a cost benefit and/or efficiency, could also be funded as part of the CIP.



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The CEO is responsible for annually developing this consolidated plan which identifies capital outlays and funding sources for major construction, renovation, maintenance or investments in equipment or technologies for the County.

The CEO reviews and prioritizes each department's capital request, and the recommendation is incorporated as part of the budget submission for action by the County Commission and becomes part of the Enrolled Appropriations Ordinance. Funding for the entire plan must be identified prior to its recommendation and approval by the Commission and the first year of the adopted five-year plan is reflected in that fiscal year's budget. The Capital Improvement Plan is updated and revised annually. The approved five-year plan is used as a basis for determining the need and timing of capital debt issuance. The five-year capital projects are provided in Section 27 of this document.



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2011-12 ADOPTED BUDGET OVERVIEW

PROFILE OF THE COUNTY

With a sparkling waterfront location, the Charter County of Wayne is the 15th largest county in the United States and is the most populous county in the state. It boasts 18% of Michigan's population. It encompasses approximately 623 square miles and consists of 34 cities, including Detroit (County Seat), nine townships and 34 public school districts, serving approximately 313,000 students. In addition, there are 97 Public School Academies (PSA's) in Wayne County serving 53,000 students, 16% of the county's total students. The County consistently leads the state in economic growth and development initiatives and opportunities.

The County's rich history and diverse cultures and faiths make it the place with something for everyone. From the Grosse Pointes to Grosse Ile, from downtown Detroit to Downriver and Western Wayne, the County's cosmopolitan centers, towns and rural communities offer a variety of lifestyle choices.

Wayne County's 2009 median owner-occupied home value was \$125,300, almost 32% below the national average of \$185,400. The County is an exceptionally diverse county. Migrants historically drawn by the area's good manufacturing jobs have created a rich tapestry of communities. While Wayne County is home to two of the world's largest corporations; General

Motors Corporation and Ford Motor Company, it is also home to over 200 foreign-owned and operated business from 26 countries. The region's automotive heritage has been a major driver of foreign investment from Europe and Asia. These businesses recognize the advantages of being located in America's manufacturing heartland. These and all companies and their employees benefit from the comfort of proximity to quality schools, prominent universities and 25 hospitals, which include two, teaching/research hospitals.

Residents and businesses are attracted by the county's expansive shoreline along the Detroit River, a gateway to Lake St. Clair and the Great Lakes. The area is extremely inviting to commercial shipping, leisure cruise lines and recreational boating. It is home to the Detroit River International Wildlife Refuge, the only international wildlife refuge in North America.

POPULATION DIVERSITY INFORMATION

Population by Age 2010 Census

Under 18	25%
18-24	10%
25-34	12%
35-49	21%
50-64	20%
65 & over	13%

Gender Composition 2010

Male	48%
Female	52%

Racial Composition 2010

White	52%
Black	41%
Other Race	4%
Asian or Native American	3%

TRANSPORTATION HIGHLIGHTS

Major Highways and Expressways

I-96, I-94, I-75, I-275, I-696, US10, US12, US24,
M5, M10, M39, M85, M102, M153

Rail Lines

Amtrak, CSX., Conrail, Grand Trunks,
Norfolk Southern

Bus Service

SMART, D-DOT

Port Facilities

Detroit Bulk Storage, Inc.
Michigan Marine Terminal
Harridon Terminal, Inc.
Nicholson Terminal and Dock Co.

Airport

Detroit Metropolitan (18 miles SW of Detroit)
Detroit City (10 miles from downtown)
Willow Run Freight (25 miles SW of Detroit)
Windsor (Ontario) Airport (8 miles from Detroit-Windsor Tunnel)

By ship, train, truck or automobile, the County is North America's #1 international border crossing. Over \$300 million in trade goods pass through the County's bridges, tunnels and ports with Canada daily. The Detroit-Windsor border remains one of the friendliest in the



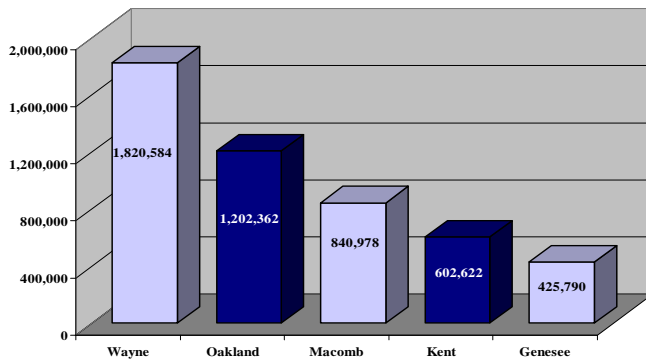
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world. The County currently has two crossings into Canada, the Ambassador Bridge and the Detroit-Windsor Tunnel and a third has been proposed. Discussions are currently underway at the state level regarding a new bridge crossing the Detroit River to Canada. The bridge is estimated to cost just less than \$1 billion. The total project, including plazas and connecting roadways on both sides of the river is estimated to cost about \$3.6 billion.

The County seat is the City of Detroit, Michigan's largest city and the nation's 11th largest city. It is home to three casinos, the North American International Auto Show, the Motown Historical Museum and several historic theatres and entertainment venues.

Five Largest Michigan Counties 2010



Wayne County boasts a world-class international airport, renowned health care systems, prestigious educational institutions, sports venues, arts and culture, and many tourist attractions. The Executive and Legislative branches of Wayne County work closely with its 43 municipalities on infrastructure and government policies that encourage and support thriving communities complete with industrial, commercial and residential initiatives.

The Detroit River and the railroads, once the sole commerce arteries, helped to make the county a prime location for business and economic development in the 21st Century. Today, the I-94 corridor offers a tremendous advantage to attract business development that reaches into numerous communities. In addition, discussions have begun towards bringing a light rail system to the region.

With a \$2.1 billion annual budget and a workforce of almost 4,200 people, Wayne County's infrastructure of government services are vast and represent vital support for those who want to invest, live, work and raise families here. The CEO believes that strong family values make for a strong county and has been a powerful advocate for family-oriented support services, safe communities, urban parks, appealing waterfronts and vibrant economic areas.

Tree-lined neighborhoods, waterfront developments, an energetic urban center and rural communities allow families of all incomes and sizes to feel at home here. A rich history of homeownership continues with a wide selection of modern lofts, condos, traditional single-family homes, mansions and estates.

Average household size in Southeast Michigan has been decreasing for several decades. However, the average household size in the County remained mostly unchanged between 2000 and 2005 and has edged upward since then. One possible explanation could be the decade-long economic decline in the region. It is likely that record unemployment is resulting in fewer young adults living by themselves and high foreclosure rates are resulting in more young families moving in with parents or relatives.

Total Households

2009 (Est.)	836,638
2008	837,844
2007	736,342
2006	736,495
2005	757,640
2000	768,440

Average Household (Persons)

2009 (Est.)	2.78
2007	2.76
2006	2.67
2005	2.60
2000	2.64

There continues to be an employment shift in the County away from the traditional blue collar industrial and manufacturing jobs and towards services and professionals. The service sector has seen the largest increase and now accounts for one of every two private sector jobs in the County.

The County is aggressively pursuing economic opportunities internationally in places such as China and the United Arab Emirates. The County has a strong commitment to job development through programs that improve the environment and transportation systems that, in turn, improve the climate for economic development. Some of the best-trained and educated workers in the County are in the professional and business areas. A key area of future growth will be attraction and retention of high-wage jobs in the services sector and educational opportunities in technical fields. The top employers are listed below. (Detroit is excluded as they have their own demographic section in the Appendix of this document.)



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10 Largest Employers 2009 (excludes Detroit)

Company	# of Employees
Ford Motor Company	33,000
Oakwood Healthcare Inc.	5,679
Henry Ford Health System	3,727
Auto Alliance International Inc	3,508
Johnson Controls	2,700
U.S. Postal Service	2,691
Dearborn Public Schools	2,215
Livonia Public Schools	2,048
Plymouth-Canton Community Schools	1,967
U.S. Government	1,800

Other demographic information for the County, as well as for the city of Detroit, can be found in the Appendix.

WAYNE COUNTY HISTORY

On July 24, 1701, Antoine de la Mothe Cadillac, former commandant of Fort Michilimackinac, landed on the wooded shores of “la place du detroit” (the place of the strait) with his party, and the history of Detroit and Wayne County began. On August 15, 1796, Wayne County was officially established by Winthrop Sargent,

Employment by Industry 2009

Industry	# of Employees
Trade, Transportation, Utilities	126,844
Educational & Healthcare	121,270
Professional & Business Services	98,713
Leisure & Hospitality	73,344
Manufacturing	68,405
Finance	26,859
Other Services	21,121
Construction	16,282
Information	8,628
Natural Resources & Mining	742

secretary and acting governor of the Northwest Territory. The County was named after Major General “Mad Anthony” Wayne who was a career military officer. He led troops during the American Revolutionary War and successfully forced the British Army into surrendering near present day Toledo, Ohio.

Wayne County was originally established to encompass northwestern Ohio; a strip across the northern parts of

Indiana and Illinois (including Chicago); all the Lower Peninsula of Michigan; about three-quarters of the Upper Peninsula and about 75,000 square miles of Wisconsin. Over the next 23 years, the boundaries of the County were modified and decreased until September 10, 1822, when the current boundaries – about 626 square miles – were established. Wayne County is bounded on the west by Washtenaw County at Napier and Rawsonville Roads and on the north by Oakland and Macomb Counties at Eight Mile Road also known as Baseline Road. The Detroit River shapes the southeastern side and the Huron River and Monroe County form the southern boundary.

PROFILE OF THE GOVERNMENT

The County is a public corporation, created under the Constitution and Statutes of the State of Michigan. The County has general governmental powers and authority as provided by law. Effective January 1, 1983, Wayne County became the first Home Rule County in Michigan pursuant to a charter adopted by the voters in a special election on November 3, 1981. The County was incorporated under Act No. 293, Public Acts of Michigan, 1967, as amended. It is governed by a Chief Executive Officer (CEO) as head of the executive branch of government who is elected on an at-large basis for a four-year term and a County Commission (the Commission) comprised of 15 members elected on a partisan basis, by district, for two-year terms.

The Commission comprises the legislative branch of the County. It is responsible for establishing ordinances, laws and the appropriating funds through the County budget. The County also elects the following officials on an at-large basis for four-year terms: County Clerk, Register of Deeds, Prosecuting Attorney, Sheriff and County Treasurer. The County Clerk and the Register of Deeds are responsible for the general recording of official records.

The Prosecuting Attorney and Sheriff are responsible for providing quality law enforcement to all people of the County. The Treasurer is responsible for the receipt, custody, and investment of all County funds and the collection of taxes.

The County has primary funding responsibility for the Third Circuit and Probate Courts (judicial branch), although both are separate entities. The Courts are responsible for judicial proceedings within the County. There are three separate divisions of Third Circuit Court: civil, criminal, and family court. The civil division is responsible for the resolution of general civil cases. The criminal division has sole jurisdiction over felonies and high misdemeanors. The family court division is responsible for hearing both domestic relations and juvenile cases. Probate Court has eight judges who have



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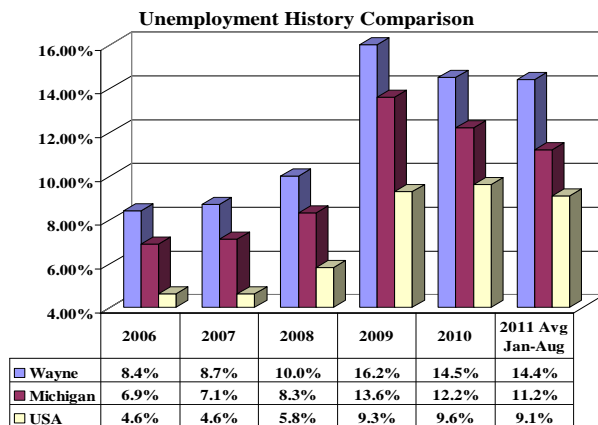
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jurisdiction in all matters related to settlement of estates, trusts and appointment of trustees.

Local Economy

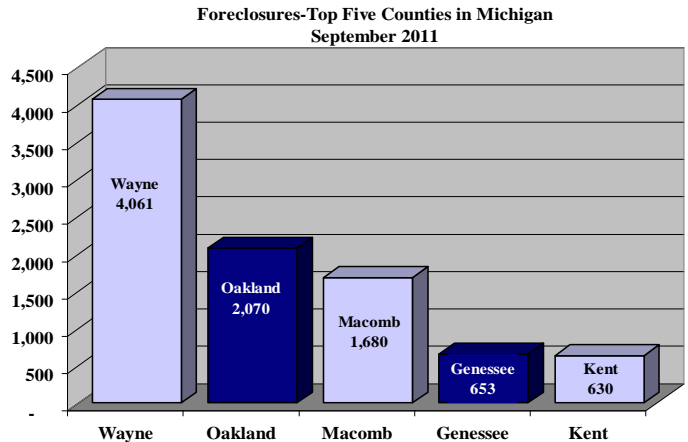
Michigan continues to endure the increasingly difficult economic downturn desperate fiscal situation. Michigan is confronted with a severe economic recession and a meltdown of the economy's core automotive sector. Michigan's economy has spent the decade in recession, largely driven by the same fundamental restructuring that is affecting the manufacturing industry globally. Manufacturing has experienced significant job losses as the economy has become more global. The domestic job issues in Michigan have been massive.

The "Big Three" automobile manufacturers, General Motors (GM), Chrysler and Ford Motor all lost market share during the previous 3-5 years. With the assistance of the Federal government, GM and Chrysler went through bankruptcy and as a result, have emerged as smaller, leaner and more competitive organizations. According to the New York Times Ford Motor made more money in the first six months of 2011 than the previous five years combined. GM is profitable and is preparing for the biggest stock offerings in American history. Even Chrysler is hiring new workers. All signs that a burdened region is on the rebound.



Employment Outlook - Michigan's employment situation has fared worse than the national average over the last nine years. Nevertheless, Michigan's job performance is not necessarily inconsistent with other states, considering the state's economic composition. In September, 2010, the unemployment rate was 13.0%. Currently, the state's unemployment rate has fallen to 11.2% as of August, 2011. According to the most recent report released by the U.S. Department of Labor, Michigan ranks third behind Nevada's 13.4% unemployment rate, which is the highest in the country. This shows a slight improvement for the State, which was ranked second in the prior year behind Nevada. The states with the next highest rates

were California, 12.1%, South Carolina, 11.1% and District of Columbia, 11.1% each. The report also showed that in total, 32 states posted jobless rates at or lower than the U.S. figure of 9.1%. Other states had measurably higher rates.



Housing Industry - In conjunction with a high unemployment rate, foreclosures have become Wayne County's worst adversary. For years, manufacturing, more specifically automotive manufacturing, has been a major employer of Wayne County citizens. During this automotive industry transition other companies are also downsizing or closing. Citizens of Wayne County have experienced job losses at an alarming rate. Without a job, the average citizen is not capable of maintaining their standard of living; impairing their ability to make mortgage payments.

For the last several years, Michigan ranked among the top 10 states for home foreclosures. According to RealtyTrac, a foreclosure authority who publishes a database of foreclosed, auctioned and bank-owned properties, the new foreclosure activity (i.e. foreclosure filing/default notice, auction or bank repossession) in the month of October, 2011, ranked Michigan 3rd in the nation with 16,106 or 1 in every 282 housing units being in foreclosure. The County has the largest number of foreclosures with 3,735 or 1 in every 224 housing units. This represents 23.2% of all new foreclosure filings in Michigan. Within the County, Detroit's new foreclosures activity for September, 2011 totaled 1,465 or 38.4% of the total for the County followed by Redford Township -249 or 6.1%; Dearborn-214 or 5.3%; Westland-209 or 5.1%; and Taylor-177 or 4.4%. In Redford Township, 1 out of every 97 homes is in foreclosure.

The County is seeking to address the foreclosure crisis gripping the county and many of its residents. In collaboration with lenders, investors and local housing counseling agencies, Wayne County aims to mitigate this



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crisis through the Mortgage Foreclosure Prevention Program. Through this initiative and at no cost to the citizen, residents at risk of mortgage foreclosure will gain viable options through foreclosure education, process awareness and intervention. For more information, visit the Mortgage Foreclosure Prevention Program website at:

www.fightmortgageforeclosure.com.

With the state and federal governments unable to provide adequate resources for services; some legislatively mandated, the County relies greatly on property taxes to provide services to our residents. With each and every new foreclosure, the County tax roll is reduced; reduced tax roll leads to reduced services. For local governments, property tax revenue depends heavily on home ownerships along with industrial/commercial development, forcing decision makers to prioritize goals, services and efforts.

Economic Stimulus - While the County continues to struggle with difficult economic issues, the wheels are in motion for economic revitalization not only for the County but for southeastern Michigan. The region continues to attract a diverse cross section of varying industries. Research and development facilities continue to migrate to Wayne County and expand their operations. Piston Automotive, a manufacturer of chassis and electric batteries, has committed \$15 million to expanding their operations within the county rather than relocating out-state because they recognize the positive momentum emerging in the region, showing that, as expected, the next generation of automotive remains right here in southeast Michigan.

Quicken Loans Inc. the nation's largest online retail mortgage lender and among the five largest overall retail home lenders in the United States, moved its headquarters and 3,200 of its full-time team members to downtown Detroit. In early 2012, they will be transferring an additional 1,000 employees to several vacant office buildings the company purchased and are currently renovating within the city with the intent of transforming it into a high-tech hub of business and ingenuity.

In the area of healthcare, Tennessee based Vanguard Health Systems, Inc. acquired the eight hospital Detroit Medical Center (DMC) for \$368.1 million with an additional commitment to invest \$500 million in new construction and renovation projects at DMC facilities in the next five years and \$350 million in routine capital projects.

Other success stories as well as information on doing business in Wayne County can be found at <http://www.waynecounty.com/EDGE>.

A major long-term economic development strategy for the County is centered on the planned Detroit Regional Aerotropolis, an aviation linked urban area consisting of an airport surrounded by tens of thousands of acres of light industrial space, office space, upscale retail mix, business-class hotel accommodations, restaurants, entertainment, recreation, golf courses, and single and multiple-family housing. One of the County's greatest assets is the Detroit Metropolitan Airport (Airport) and the fact that it is not land-locked. The Aerotropolis has become a reality through the transformation of business from ground transport to air transport. The Airport has become the Central Business District (CBD) providing employment, shopping, entertainment, and business meeting destinations, and spin-off businesses have sprung up around this new CBD in clusters of both radial and string formations. The creation of an Aerotropolis provides Wayne County with the ability to attract corporations that rely on time and location-sensitive manufacturing, e-commerce fulfillment, and telecommunications, in addition to serving air-travel intensive professionals by providing convenient access to air travel transport to national and international destinations.

Expected returns for a community with the development of an Aerotropolis include an international business presence; a growing tax base; an increase in travelers to the region; construction jobs; a high-income white-collar work force serving office, research, technology, retail and commercial facilities; and an increase in local material purchases. Local spending will increase with the Aerotropolis becoming a destination not only for business but leisure travelers participating in the shopping and recreation activities provided. The vision of the Aerotropolis of Wayne County is to transform approximately 1,200 acres of underutilized, County-owned land in close proximity to the airport into a high quality, mixed-use business and high-technology development. For more information about this regional initiative, visit the Aerotropolis website at www.detroitaerotropolis.com.

Wayne County is home to the North American International Auto Show (NAIAS). The NAIAS is among the largest auto shows in the world. Held annually at the Cobo Center (Cobo) in downtown Detroit, the show provides a huge annual economic boost estimated at up to \$500 million to this region, benefiting hotels, restaurants, exhibit companies and retail throughout the metro area. Many businesses and families profit from this show throughout the year. The goal is to keep that revenue stable and here in Michigan for the continued support to our economy. In order to do so, the region must find a way to make Cobo more financially attractive to new conventions and exhibitions. As part of this effort, legislation was passed in which Cobo was transferred to a regional authority from the city of



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Detroit. The new authority will bond for up to \$288 million for the expansion and renovation of Cobo. This should ensure the continuation of the NAIAS and will also attract other conventions and venues to Detroit and Wayne County. The growth and revitalization of Detroit is critical to the growth and revitalization of Michigan and the County of Wayne. Keeping the NAIAS's prominent place in Detroit preserves Michigan's trademark and brand.

Since the Film Incentive Package passed in 2008 celebrity sightings have become more common since several locations within the Metro Detroit area have attracted international movie moguls and production companies in the film industry to produce their movies in Michigan. In response to this new industry and interest in the region, the Wayne County Film Initiative was launched to assist and attract incoming film production companies, leverage resources and highlight all that the County has to offer the film industry. The initiative is a "one-stop shop" for any and all filming needs with the goal to diversify the economy, promote growth and create jobs in this region.

In October of 2011 the new state budget capped the film incentives to \$25 million, a sharp drop from 2010 when there was no cap and the state approved \$115 million in rebates.

For more information on the Wayne County Film initiative, visit the Wayne County sponsored website at <http://www.reelwc.com>.

These initiatives are just a few of the developments created by the County to assist its citizens in this extremely difficult economic environment. For more information on these and other Wayne County initiatives please go to www.waynecounty.com. Additional information regarding the Wayne County community is highlighted in section 28.1.



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ASSUMPTIONS USED IN DEVELOPMENT OF THE FY 2011-12 ADOPTED BUDGET

REVENUE ESTIMATES

In late 2010 and early 2011, as required by Charter, the County developed the initial revenue estimates for which the 2011-12 and 2012-13 Budgets would be based. The State's Uniform Budget and Accounting Act and the County's Charter mandates that the County annually produce a balanced budget. Budgets are defined and driven by the amount of income that is available. Revenue estimates were based on current economic and fiscal forecasts, historical trends and expert input and analysis from the county departments. The revenue forecast reflected the current prospects and policies that help set the parameters for the budget requests so that the statutory requirement of a balanced budget can be met. The revenue estimates were distributed to all elected officials and department heads as an attachment to the Chief Executive Officer's Policy Statement and were meant to be the starting point for which the County would build the 2011-12 Budget and 2012-13 Projected Budget. The projected fund revenue estimates were refined and finalized during the budget process and eventually formed the basis for the budget adopted by the Commission on August 25, 2011.

The initial revenue forecast for the County showed anticipated available revenues of \$2.09 billion, a reduction in revenues of \$24.8 million for appropriated funds from the prior year. Non General Fund support funds which include certain Special Revenue funds, Enterprise, Judiciary, Internal Service, Special Assessment funds and certain Component units which have non discretionary or restricted funding sources were forecasted to have revenues of \$494.1 million, a slight increase in available revenue of \$1.3 million or 0.3% from the prior year. As a result of the non discretionary or restricted nature of these funding sources, expenditures and services have to be aligned to the revenues generated. General Fund supported funds, those funds which require some level of general fund contribution to the operations, represented \$1.59 billion in forecasted revenues. General Fund supported funds account for \$26.10 million of the total decline in forecasted revenues. Of this amount, the County's General Fund is projected to experience a reduction of \$50.4 million or approximately 8.6% from prior year. The General Fund is primarily responsible for funding all law enforcement and justice administration functions, including the courts, juvenile justice, sheriff, prosecutor and jail medical services. The County is also responsible for funding the operations of most of the County's other elected officials, including the County Clerk, Treasurer, Commission and the County Executive. As a result, it is the focal point in the forecast.

In the spring of FY 2010-11, the County's General Fund

amended budget totaled \$582.9 million. Taxes and state revenue sharing, which accounts for the majority of general purpose revenue was projected at \$401.5 million or 68.95% of total revenue in the General Fund. Based on property assessment information provided by the Assessments and Equalization division of Management and Budget, it was projected that tax collections would continue the decline realized in prior years as a result of the housing and credit markets decline. Taxable values of homes and business property values were projected to decline by 6.8% from 2010-11 and 17.7% from before the economic downturn in 2007-08. This decline in taxable values translates to a reduction of \$15.9 million in collectable taxes from the prior year. A more detailed discussion of the development of property tax projection is presented later in this narrative.

In the FY 2010-11 budget, the County included \$48.5 million of State Revenue Sharing payments to be received from the State based on information provided by the State. Of this amount, \$21.5 million was set aside for deficit elimination instead of being budgeted to fund County operations. With the continued economic troubles at the State level, the forecast assumes only \$32.0 million in State revenue sharing distributions and of that amount a similar \$21.5 million would be used to reduce County deficits and would not be available to fund County operations.

In total, the forecast includes an anticipated reduction in general purpose revenues of \$348.5 million, a reduction of \$53.0 million from the prior year.

Non-general fund general purpose revenues including state and federal grants, charges, fees, and other miscellaneous revenues were forecasted to be \$184.1 million, up slightly by \$2.6 million from FY 2010-11. These revenues are specific to individual departments and as such, the department is responsible for adjusting their operations as a result of any changes in these sources of revenues.

General Fund expenditures were projected to increase by \$50.1 million due to increases in health and pension costs, and other inflationary expenditure increases, such as fuel, utilities and prisoner maintenance. The projected expenditure increase of \$50.1 million, along with the projected revenue shortfall of \$53.0 million, equals an overall FY 2010-11 General Fund budget gap of \$103.1 million.

Partially offsetting the projected revenue shortfalls in the General Fund, projected revenues in special revenue, enterprise, internal service and component unit funds are increasing by a net \$25.6 million. The mental Health Fund included in Special revenue funds is forecasted to



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increase \$27.3 million. Grants as the fund continues to receive additional funding from the State and Federal sources. Expenditures and services previously funded by these revenue sources will be aligned to the revenues generated.

Legal actions impacting the Budget - In addition to the anticipated revenue short falls mentioned above, there are certain legal actions that the County is currently involved in and would have to be considered in the development of the 2010-11 Budget.

The long standing Consent Order against the County regarding Jail capacity and staffing in the County Jails has been successfully negotiated. As a result, a reduction in effective prisoner capacity reduced the number of officers and civilians required to man the jails.

The Third Circuit Court (Courts) and the County is in litigation regarding funding and staffing levels of the Courts and court support functions. While the case is currently before the Appellate Court, settlement negotiations are near completion which will establish funding levels and responsibilities for the County and the Circuit Court through FY 2016. The proposed agreement would also provide for a new court facility in the future.

ACTIONS INCLUDED IN THE FY 2011-12 ADOPTED BUDGET

In response to the initial revenue projections and with the primary focus being on the General Fund, the CEO, in his Budget Policy Statement, requested a reduction in all General Fund and General Fund supported department's dependency on general fund funding. Non-general fund operations would have to reduce their spending to the level of revenues anticipated. Difficult choices and decisions were included in the adopted budget. Below is a summary of those items:

- Continued the 10% reduction in total personnel costs through salary reductions, benefit cost sharing increases, furloughs and other concessions for all employees.
- Fully funded the Courts, County Clerk and Sheriff Court security units at an agreed service. This required substantial reductions in funding and service levels in other areas of the County.

- Projected state revenue sharing distribution of \$38 million. Of this amount, \$24.5 million would be earmarked for deficit elimination.
- Increases in contributions to health care expense for active and retiree participants to at least 20% as required by State legislation.
- Redirecting non mandated payments to the state to County programs.



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SUMMARY OF CHANGES BY TYPE OF FUND

The County budget for FY 2011-12 totals \$2.08 billion, including a General Fund appropriation of \$542.05 million. Comparing budgets on an annualized basis, the FY 2011-12 Budget reflects a net decrease in the County's total operating budget of \$(31.01) million or (1.49)%.

FUND	In Millions		CHANGE
	FY 2010-2011 ADOPTED	FY 2011-2012 ADOPTED	
General	\$581.62	\$542.05	\$(39.57)
Special Revenue	1,090.73	1085.93	(4.80)
Capital Projects	5.00	2.87	(2.13)
Debt Service	37.52	24.76	(12.76)
Special Assessments	2.88	3.69	0.81
Enterprise	126.18	146.32	20.14
Internal Service	152.73	158.60	5.87
Fiduciary	7.50	7.50	0.00
Component units	109.45	110.88	1.43
TOTAL	\$2,113.61	\$2,082.60	\$(31.01)
% CHANGE			(1.49)%

The summary above reflects the changes between the major specific fund types. Major changes include a decrease in the General Fund of \$39.57 million from FY 2010-11. Refer to the General Fund section of this document for further discussion.

Special Revenue Funds – Decreases occurred in the Special Revenue Funds totaling \$4.80 million, with the largest decrease in Juvenile Justice and Abuse/Neglect Fund. Due to limited availability of General Fund matching funds required to support State funded programs, the result is less funding for juvenile justice and abuse/neglect activities.

The Community and Economic Development Fund was negatively impacted due to the reduction of federally funded Housing and Urban Development projects.

Revenue reductions have impacted the following funds:

- Parks Fund - upkeep and renovation of the County Parks System will be reduced. Maintenance on park equipment will be re-prioritized.
- County Health Fund - fewer clients will receive services related to maternal and infant health program, WIC and Family planning programs and possible clinic closures.
- Nutrition Fund - the program has been smart sourced with an outside vendor and fewer meals will be offered

to citizens who previously received a hot and cold per day.

- Stadium and Land Development Fund - reduced revenue collection from hotel and vehicle rental fees .
- Law Enforcement Fund - reduced carry over funds for the JAG Grants (Justice Assistance Grant) due to communities expending their allocations.
- Library Fund – four community libraries have opted out of the County's library system which results in less reimbursement revenues to be collected.
- Community Block Development Grant (CDBG) – reductions to this fund are as a result of reduced funding for various HUD funded grants. .
- Community Corrections – reductions in this fund relate to the loss of revenue generating contracts and funding available from the Prosecuting Attorney which serviced adult offenders as those funds have been diverted to other programs.
- Juvenile Justice Fund – serviceable levels with the Care Maintenance Organizations (CMO's) were reduced for juvenile offenders as well as services for the abused and neglected.
- Soldiers Relief Fund- reduced dedicated property tax millage revenue collections, which are impacted by the



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poor housing market in the region. This translates to a reduced level of service for military and veterans.

- Youth Services – reduced dedicated property tax millage revenue collections, which are impacted by the poor housing market in the region.

Debt Service Funds - The net decrease is related to the elimination of debt issuance for OPEB and the increase debt service for Installment Purchase Agreement-2011. .

Enterprise Funds– Increases in the Enterprise Funds are primarily the result of increased delinquent tax collections and changes in the sewage disposal system funds.

Internal Service Funds - Internal Service Funds increased as a result of rising health care costs.

- Central Services Fund – This fund experienced contractual services reductions which will impact the delivery of technology services countywide.
- Health Fund – Due to State Legislation the County is obligated to require an increased the level of cost sharing by its employees which will aid in offsetting the increases in health care expenses.

Component Unit Funds - Component Unit Funds include funding for the operations of the Third Circuit Court, Friend of the Court and Probate Court. In total, the Component Unit Funds increased due to the Court Order explained earlier in this section. Probate Court is making personnel reductions.

BUDGET FORMAT CHANGES

2011-2012 ACCOUNT CHANGES

The FY 2011-2012 budgetary account structure was organized in the same format as the prior year.

2010-2011 ACCOUNT CHANGES

Several changes were made to the 2010-2011 budgetary account structure. The Departments of Corporation Counsel, Management and Budget and Personnel/Human Resources have been transferred from Fund 635- Internal Services Fund to the General Fund. Economic Development Growth Engine was moved from Fund 280 -E&ND 21st Century Fund to Fund 250-Community and Economic Development to re-align the operation with the mission of the department. Also, Delinquent Tax Revolving Funds 519-526, representing tax years 1999-

2006, were closed and balances transferred to more current accounts.

2009-2010 ACCOUNT CHANGES

Several changes were made to the 2009-2010 budgetary account structure. First, the Department of Environment (DOE) has been consolidated with the Department of Public Services. The fund structure for those functions formerly under DOE will remain the same (101-540, 228-606, 228-607, 229-606, 365-400, 590-440, 596-440, 598-440, 599-440, 641-210, 641-540, 801-441). This restructuring includes 128 full -time equivalent employees (FTE's). An additional change to the accounting structure was the transfer of the greater part of the functions under the Department of Senior Citizens/Veterans Affairs (101-684, 223-672, 223-673, 293-684, 294-684). These functions have been moved to the Department of Health and Human Services. In addition, portions of function 101-672 have also moved. These changes included the reallocation of 38 FTE's.

2008-2009 ACCOUNT CHANGES

The FY 2008-2009 budgetary account structure was organized essentially in the same format as the prior year. Changes to the budgetary reporting structure include the addition of the Guardian Building Fund (632) created to maintain control over the activities of the new building which was purchased by the County during FY 2007-2008. Also, the Victim of Crimes Act business unit in the Prosecutor's Office moved from the General Fund (101-229) to the Victim Witness Program Fund (282-229) which better reflects the activities of the business unit. This move includes the reallocation of 9 full-time employee positions (FTE's).



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WAYNE COUNTY

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SPECIAL CAPITAL PROJECTS FUNDS

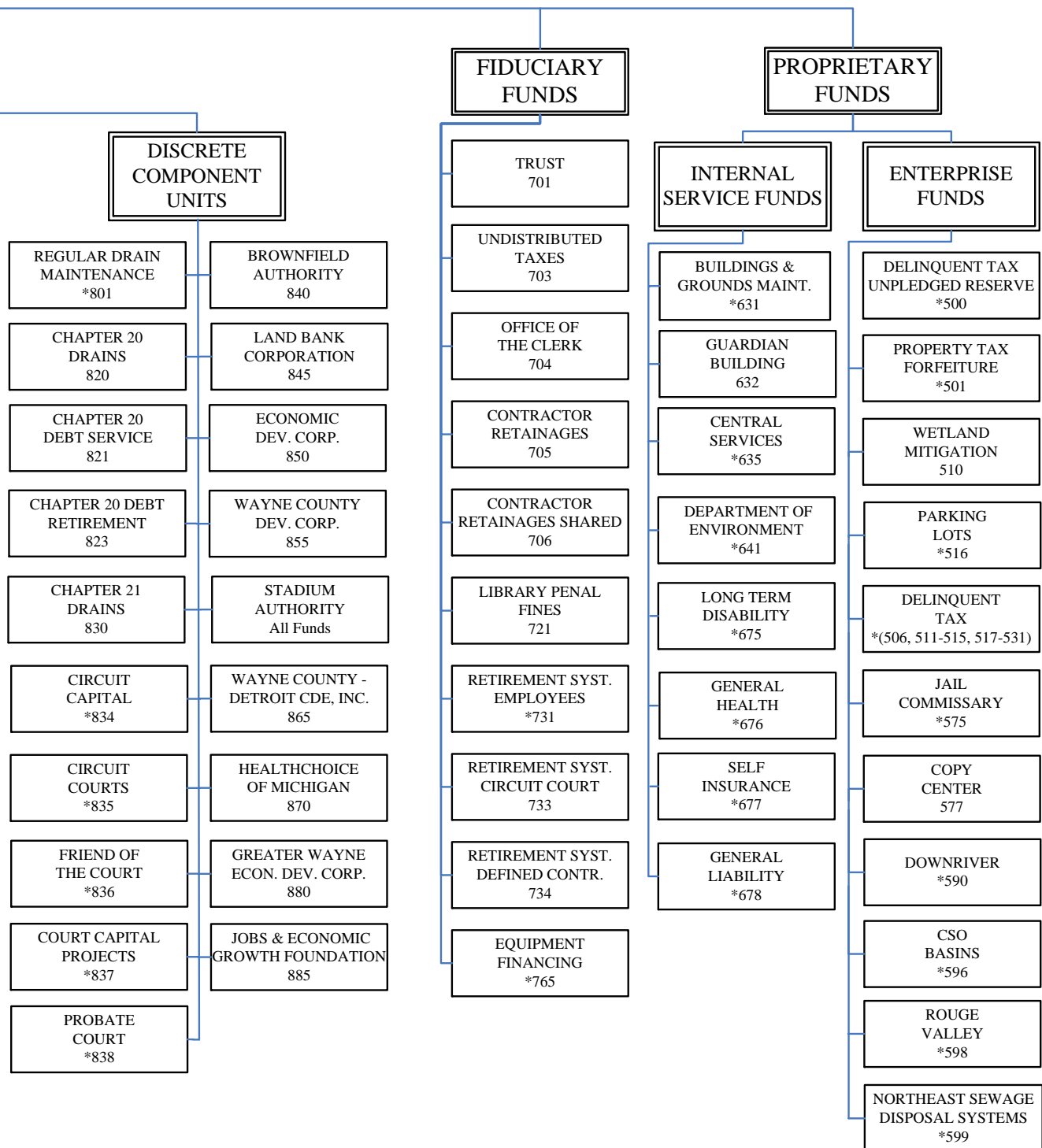
CAPITAL
PROGRAMS
*401

STADIUM
AUTHORITY
430

CONSTRUCTION
FUND – 2003 BONDS
435

CAPITAL PROJECTS
ROADS
450

BUILDING
AUTHORITY
All Funds





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FUND DESCRIPTION

In 1984, Wayne County changed its account structure to reflect the State of Michigan's Uniform Chart of Accounts, which is widely used by most of Michigan's local municipalities. The County budgets and accounts for revenues and expenditures based on the concept of fund accounting. A fund is a self-balancing set of accounts recording cash, liabilities, residual equities or balances, revenue and expenditures together with all of the changes thereto. These transactions are segregated for the purpose of monitoring specific activities or in accordance with laws, regulations or restrictions on the use of these funds.

There are three major categories of funds: Governmental, Proprietary, and Fiduciary with each category consisting of one or more types of funds. Governmental Funds are used to account for functions that finance most of governmental operations and activities. These include the General Fund, special revenue funds, capital project funds and debt service funds. Proprietary funds account for services provided by the County to other funds and governmental units and to account for resources that are financed and operated in a manner similar to private business enterprises. Fiduciary Funds account for assets held in trust or as an agent for others.

The types of funds contained in each specific major fund are described below, followed by the fund name utilized by the County. Although all funds are disclosed, it should be noted that not all of these funds are appropriated.

I. GOVERNMENTAL FUNDS

1. **GENERAL FUND** - accounts for all financial resources except those to be accounted for in other funds, and represents the County's general operating fund.

101 GENERAL FUND

The General Fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

2. **SPECIAL REVENUE FUNDS** – are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

201 COUNTY ROADS

This fund is used to account for resources associated with the maintenance and construction of certain roads, streets, and bridges located within the County, which are funded principally by the federal government, State of Michigan, and local governmental units within the County.

208 COUNTY PARKS

This fund is used to account for resources related to the preservation, protection, maintenance, and management of County park grounds and facilities including the Warren Valley and the Inkster Valley golf courses.

221 COUNTY HEALTH

This fund is used to account for resources reserved for the purpose of providing health protection, maintenance, and improvement for the residents of Wayne County.

222 MENTAL HEALTH

This fund is used to account for resources reserved for providing mental health services.

223 HEALTH AND HUMAN SERVICES– NUTRITION

This fund is used to account for resources reserved for providing various food and nutrition programs for the residents of Wayne County.

225 CHILDREN AND FAMILY SERVICES (HEAD START)

This fund is used to account for resources reserved for providing child development services to qualifying children and their families in Wayne County.

228 ROUGE DEMONSTRATION GRANT

This fund is used to account for resources reserved for the Rouge River National Wet Weather Demonstration project.

229 ENVIRONMENTAL PROGRAMS

This fund is used to account for resources reserved for the Land Resource Management Program.

230 STADIUM AND LAND DEVELOPMENT

This fund is used to account for the collection of excise taxes on hotel accommodations and car rentals, which are reserved for stadium and land development and the related expenses of collection.



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250 COMMUNITY AND ECONOMIC DEVELOPMENT

This fund is used to account for resources related to economic development within local communities in Wayne County.

257 BUDGET STABILIZATION FUND **

This fund was established by charter and is used to account for resources set aside from the General Fund under the provisions of Public Act 30 of 1978.

265 DRUG ENFORCEMENT PROGRAM

Through covert operations, the Drug Enforcement Unit enforces state drug laws throughout the County and acts in concert with federal law enforcement agencies. This fund accounts for resources for that activity.

266 LAW ENFORCEMENT

This fund is used to account for resources related to several specific purpose or targeted enforcement activities. In addition, this fund provides for technology and other law enforcement grant programs.

268 COUNTY LIBRARY

This fund is used to account for resources designated for library purposes.

275 COMMUNITY DEVELOPMENT BLOCK GRANTS

This fund is used to account for resources related to the County's community development activities using participating communities to create economic and community development projects funded by the federal block grant.

278 PINNACLE

This fund is used to account for resources for activities of the Pinnacle Aeropark.

280 ECONOMIC AND NEIGHBORHOOD DEVELOPMENT (E&ND) - 21ST CENTURY**

This fund is used to account for resources related to economic development within Wayne County communities.

281 COMMUNITY CORRECTIONS

This fund is used to account for resources related to alternative work force activity, the County expungement program, and other jail diversion programs.

282 VICTIM WITNESS PROGRAM

This fund is used to account for resources for counseling services, community referrals, public information and prevention, notification of court date, and court support offered to victims of crime.

283 NUISANCE ABATEMENT **

This fund accounts for resources to abate illegal nuisances that are at the root of many of the crime problems in Wayne County such as drugs, guns, prostitution and abandoned buildings.

285 REVENUE SHARING RESERVE FUND **

This fund is used to account for the proceeds of additional property tax revenues as a result of Public Act 357, which provides a funding mechanism for state revenue sharing payments to the County.

292 JUVENILE JUSTICE/ ABUSE AND NEGLECT

This fund is used to account for resources for youth detention and detention diversion programs which include the operation of the Juvenile Detention Facility, various other detention alternative programs and services for delinquents and early intervention services for abused, neglected or at risk youths.

293 SOLDIER'S RELIEF

This fund is used to account for resources reserved for emergency funding for indigent veterans and their families and burial relief provided for eligible veterans.

294 VETERAN'S TRUST

This fund is used to account for resources reserved for emergency funding for indigent veterans provided by the State of Michigan.

297 YOUTH SERVICES

The fund is used to account for resources reserved for youth deterrent and diversion programs and other youth services.

569 WAYNE COUNTY BUILDING AUTHORITY **

This fund is used to account for resources reserved for the operations and maintenance of the Wayne County Building Authority.

**These funds are not included in the County Appropriation



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3. **DEBT SERVICE FUNDS** - are used to account for the accumulation of resources and for repayment of general obligation bond principal and interest from governmental resources, and for special assessment bond principal and interest from special assessment levies when the County is obligated in some manner for the payment.

301 GENERAL DEBT SERVICE

This fund is used to account for resources reserved for the debt service associated with the General Obligation Debt of the County.

330 STADIUM AUTHORITY-DEBT SERVICE**

This fund is used to account for resources reserved for the debt service associated with the construction of professional football and baseball stadiums.

350 DEBT SERVICE - COUNTY ROADS

This fund is used to account for resources reserved for the debt service associated with the various County Road Bonds.

365 DEPARTMENT OF PUBLIC WORKS (DPW) SEWER MUNICIPAL PROJECTS **

This fund is used to account for resources reserved for the debt service associated with the various County Sewer System projects.

367 WATER MUNICIPAL PROJECTS **

This fund is used to account for resources reserved for the debt service associated with the various County Water Improvement projects.

369 DEBT SERVICE - BUILDING AUTHORITY**

This fund is used to account for resources reserved for the debt service associated with the new construction or major renovations of existing facilities.

4. **SPECIAL CAPITAL PROJECTS FUNDS** - are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

401 CAPITAL PROGRAMS

This fund is used to account for resources reserved for technology improvements, infrastructure repair and renovation of County buildings, and major equipment purchases.

430 STADIUM AUTHORITY CONSTRUCTION

This fund is used to account for resources used for construction associated with the professional football and baseball stadiums.

435 CONSTRUCTION FUND - 2003 BONDS **

This fund is used to account for resources used for various infrastructure repair and improvements of County facilities through the sale of bonds.

450 CAPITAL PROJECTS-ROADS **

This fund is used to account for resources used for construction associated with various County road projects.

466 JAIL CONSTRUCTION**

469 WAYNE COUNTY BUILDING AUTHORITY **

These funds are used to account for funding and costs of constructing new facilities or for major renovations of existing facilities.

5. **DISCRETE COMPONENT UNITS**

Discrete Component Units- are entities that are legally separate from the County but for which the County is financially accountable, or their relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete.

801 REGULAR DRAIN MAINTENANCE

820 CHAPTER 20 DRAINS **

821 CHAPTER 20 DEBT SERVICE **

823 CHAPTER 20 DEBT RETIREMENT **

830 CHAPTER 21 DRAINS **

840 BROWNFIELD REDEVELOPMENT AUTHORITY **

845 WAYNE COUNTY LAND BANK CORPORATION **

850 ECONOMIC DEVELOPMENT CORPORATION OF WAYNE COUNTY **

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- 855 DEVELOPMENT CORPORATION OF WAYNE COUNTY ****
- 860 DETROIT-WAYNE COUNTY STADIUM AUTHORITY ****
- 865 WAYNE COUNTY-DETROIT CDE, INC. ****
- 870 HEALTHCHOICE OF MICHIGAN ****
- 880 GREATER WAYNE COUNTY ECONOMIC DEVELOPMENT CORPORATION ****
- 885 WAYNE REGIONAL JOBS & ECONOMIC GROWTH FOUNDATION ****

These funds are used to account for resources used for operations of the Third Circuit Court and Probate Court.

- 834 CIRCUIT COURTS CAPITAL PROJECTS**
- 835 CIRCUIT COURTS**
- 836 FRIEND OF THE COURT**
- 837 PROBATE COURT CAPITAL PROJECTS**
- 838 PROBATE COURT**

II. PROPRIETARY FUNDS

1. **INTERNAL SERVICE FUNDS** – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, and to other governmental units, on a cost-reimbursement basis.

- 631 DEPARTMENT OF PUBLIC SERVICES (DPS) - BUILDINGS & GROUNDS MAINTENANCE**

This fund is used to account for resources reserved for the maintenance of all County General Fund Buildings.

- 632 GUARDIAN BUILDING ****

This fund was used to account for resources for the purchase and maintenance of the Guardian Building in FY2008-09. It was discontinued beginning in FY2009-10.

- 635 CENTRAL SERVICES**

This fund is used to account for distribution of operating costs of the County's internal service departments including the Departments of Corporation Counsel, Management and Budget, Technology and Personnel/Human Resources.

- 641 INTERNAL SERVICE FOR ENVIRONMENT**

This fund is used to account for distribution of administrative costs to the various sewage districts, drains, and other Public Services - Environment activities.

- 675 LONG-TERM DISABILITY**

This fund is used for the accumulation and disbursement of resources related to long-term disability claims.

- 676 GENERAL HEALTH**

This fund is used to account for accumulate and disburse of resources related to employee health benefits.

- 677 SELF INSURANCE**

This fund is used to account for accumulate and disburse of resources related to worker's compensation claims.

- 678 GENERAL LIABILITY**

This fund is used to account for accumulate and disburse of resources related to general liability claims.

2.

ENTERPRISE FUNDS – are used to account for resources that are financed and operated in a manner similar to private business enterprises - where the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges or where periodic determination of net income is appropriate for accountability purposes.

- 500 DELINQUENT TAX - UNPLEDGED RESERVE DELINQUENT TAX REVOLVING (506, 511-515, 517-531)**

These funds are separate funds used to account for resources advanced by the County to various taxing authorities for unpaid property taxes.

- 501 PROPERTY TAX FORFEITURE**

This fund is used to account for resources related to real property tax foreclosures.

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510 WETLANDS MITIGATION FUND **

This fund is used to account for resources for the supporting the operation of a wetland mitigation bank to serve the County of Wayne.

516 PARKING LOT FUND

This fund is used to account for activities related to county employee subsidized parking.

575 JAIL COMMISSARY FUND

This fund is used to account for resources related to the operation of the commissary at the County's jails.

577 COPY CENTER **

This fund is used to account for resources associated with the operation of the County Clerk's Copy Center.

590 DOWNRIVER, 598 ROUGE VALLEY & 599 NORTHEAST SEWAGE DISPOSAL SYSTEMS

The Downriver Sewage Disposal System, Rouge Valley Sewage Disposal System and Northeast Sewage Disposal System are collectively referred to as the Sewage Disposal Systems. These funds are used to account for resources with operation and maintenance of the sewage treatment facilities. Costs are recovered through development of usage rates, which are billed to the local communities served.

596 CSO BASINS

This fund is used to account for resources related to the construction of combined sewer overflow (CSO) basins in the cities of River Rouge, Inkster, Redford, and Dearborn Heights to reduce wet weather overflow to the rivers and increase the flow to the sewage treatment plants. This fund includes operations, maintenance, replacement, construction and repayment of debt related to the basins.

III. FIDUCIARY FUNDS

Fiduciary funds are comprised of Trust and Agency Funds. Trust funds are used to account for assets held by the County in a trustee capacity. Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Due to their custodial nature, with the exception of the operating expenditures related to operating the retirement system in the Retirement System—Employees Fund and debt service budgeted in the Equipment Financing Fund, these funds are not

budgeted or included in the appropriation.

701 TRUST **

This fund is used to account for assets held by the County in a trustee capacity.

704 OFFICE OF THE CLERK**

This fund is used to account for funds received by the County Clerk including bonds and various fees.

703 UNDISTRIBUTED TAXES **

This fund is used to account for current tax collections and their subsequent disbursement to other governmental units.

705 CONTRACTOR RETAINAGES **

This fund is used to account for funds retained from contractors involved with County projects.

706 CONTRACTOR RETAINAGES – SHARED **

These funds are used to account for monies retained from contractors involved with Wayne County projects. Disbursements are made to the contractor upon successful completion of the project.

721 LIBRARY PENAL FINES **

This fund is used to account for resources received by District Courts from court fines which are disbursed to fund public libraries.

731 RETIREMENT SYSTEM-EMPLOYEES

This fund accounts for the funds accumulated under the Employee Defined Benefit Pension.

733 RETIREMENT SYSTEM-CIRCUIT COURT **

This fund accounts for funds accumulated under the Circuit Court Commission Bailiffs' Retirement System.

734 RETIREMENT SYSTEM - DEFINED CONTRIBUTION **

This fund accounts for the funds accumulated under the Employee Defined Contribution Pension Plan.

765 EQUIPMENT FINANCING

This fund is used to account for resources reserved for the principal and interest payments associated with the Equipment Leasing Financing Program activities.

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DEPARTMENT AND ACTIVITY ACCOUNTS

The appropriations ordinance makes appropriations for certain county departments, agencies and programs for the purpose of providing services to the public. The County's budget is organized into functional categories that represent a grouping of related operations and programs aimed at accomplishing a broad goal or a major service called departments. These departments are further subdivided into activities, which serve as appropriation units, and each appropriation unit represents a limited set of work responsibilities, with organizational and budget accountability as its primary purpose.

CHART OF REVENUE AND EXPENDITURE ACCOUNTS

The Chart of Revenue and Expenditure Accounts represent the major account categories, which were adopted by the County Commission in its County-wide budget.

REVENUE ACCOUNTS

400 TAXES

Ad valorem property taxes, payments in lieu of taxes, industrial facilities taxes, trailer taxes, penalties and interest on taxes.

450 LICENSES & PERMITS

Marriage licenses, dog licenses, concealed weapon permits.

501 FEDERAL GRANTS AND CONTRACTS

Grants and contracts with the federal government. Not to be confused with reimbursements for services rendered to it by the County.

531 STATE GRANTS AND CONTRACTS

Grants and contracts with the State of Michigan. Not to be confused with reimbursements for services rendered to it by the County.

580 LOCAL CONTRIBUTIONS

Grants and contracts with local foundations and other governmental units. Not to be confused with reimbursements by local municipalities for services rendered to them by the County.

600 CHARGES FOR SERVICES

Revenue generated by departmental charges/fees, which are established by resolution, ordinance or state law. Reimbursements from various agencies and individuals for services.

655 FINES AND FORFEITS

Bail bond forfeitures and election filing fee forfeitures.

664 INTEREST, DIVIDENDS, RENTS

Interest on investments and rental of County property.

671 OTHER REVENUE

Unclaimed monies accrued revenue accounts.

695 OTHER FINANCING SOURCES

Audit adjustment to prior years, recoveries of insurance or bond premiums, appropriation transfers in.



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EXPENDITURE ACCOUNTS

700 PERSONNEL

Salaries and wages including per diem, overtime, shift differential, premium pay, cost of living adjustment, longevity, accumulated annual and sick leave, and worker's compensation supplement.

714 FRINGE BENEFITS

Payroll taxes, medical, dental and hospitalization insurances, and fringe benefits of retirees.

725 PENSION

Pension contributions including options for deferred compensation instead of the County's primary pension program.

726 MATERIALS AND SUPPLIES

Many types of routine consumable and low unit cost items including computer, office, vehicle, photo, photocopying, microfilming, forage, kitchen, clothing, laundry, food, medical and janitorial supplies.

800 SERVICES

Professional services and various kinds of contracts with the exceptions of those included in other accounts described below:

Professional services and fees including jury and witness fees, court filing and transcript fees; medical, dental, psychological, nursing, financial, engineering, legal and indigent attorney services, child care and veterans assistance.

Amounts paid for various services charged to other County departments including financial services, computer services, janitorial, police, construction, telephone and communications.

860 TRAVEL

Travel to conferences, conventions and local travel within the five-county area, extradition and transportation of patients and clients.

862 OPERATING EXPENSES

Freight, advertising, insurance benefits, premium payments, utilities, maintenance of buildings and equipment, some of which may be contracted.

941 RENTALS

Rental of buildings, machinery and equipment.

950 OTHER CHARGES

Contributions and grants to municipalities, agencies and organizations, inmate labor, employee improvement, refunds, miscellaneous interest, taxes, fees adjustments, allowances, and depreciation.

970 CAPITAL OUTLAY

Land, buildings, equipment, machinery, cars, office equipment, books.

990 DEBT SERVICE

Debt payments to the State of Michigan, principal and interest payments on bonded and other debt.

999 OTHER FINANCING USES

Operating transfers out involve the transfer of resources from the fund that possesses the resources to the fund that utilizes them.