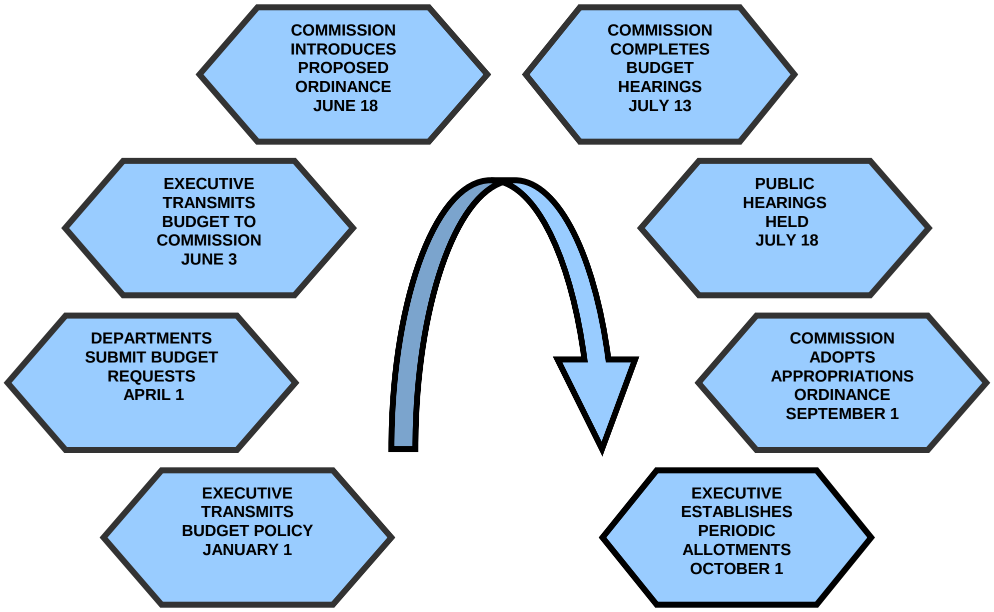
BUDGET OVERVIEW

The Wayne County Medical Examiner's Office located at 1300 E. Warren Avenue in Detroit is one of the busiest facilities of its kind in the nation. More than 2,500 forensic examinations are performed there annually.

CHARTER COUNTY OF WAYNE
BUDGET CYCLE



BUDGET CALENDAR

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

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

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. 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.

The conversion to performance based budgeting is a process that continues to evolve over time. While all eleven departments (including the Office of the County Executive) under the direct authority of the Wayne County Executive have gone through the 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.

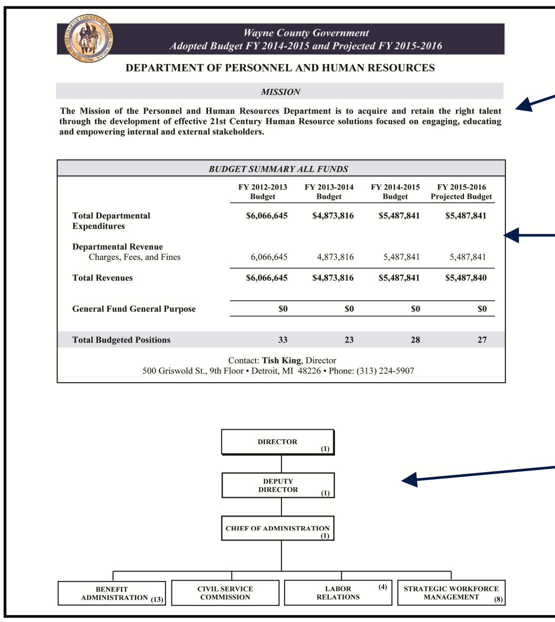
The final section of the Budget document contains tabs related to the County's Non-Departmental allocations, Debt Service and Capital and concludes with an Appendix that includes the Adopted Appropriations Ordinance for the fiscal year, detailed financial policies, demographics, glossary and list of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

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 Performance Budget will have additional schedules explaining the department's budget from the performance 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 diagramed below. It is meant to provide the reader with a snapshot of the operating budget for the department.



Wayne County Government
Adopted Budget FY 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES

MISSION

The Mission of the Personnel and Human Resources Department is to acquire and retain the right talent through the development of effective 21st Century Human Resource solutions focused on engaging, educating and empowering internal and external stakeholders.

BUDGET SUMMARY ALL FUNDS

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
Total Departmental Expenditures	$6,066,645	$4,873,816	$5,487,841	$5,487,841
Departmental Revenue				
Charges, Fees, and Fines	6,066,645	4,873,816	5,487,841	5,487,841
Total Revenues	$6,066,645	$4,873,816	$5,487,841	$5,487,840
General Fund General Purpose	$0	$0	$0	$0
Total Budgeted Positions	33	23	28	27

Contact: Tish King, Director
500 Griswold St., 9th Floor • Detroit, MI 48226 • Phone: (313) 224-5907

This section displays the Department Mission Statement

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

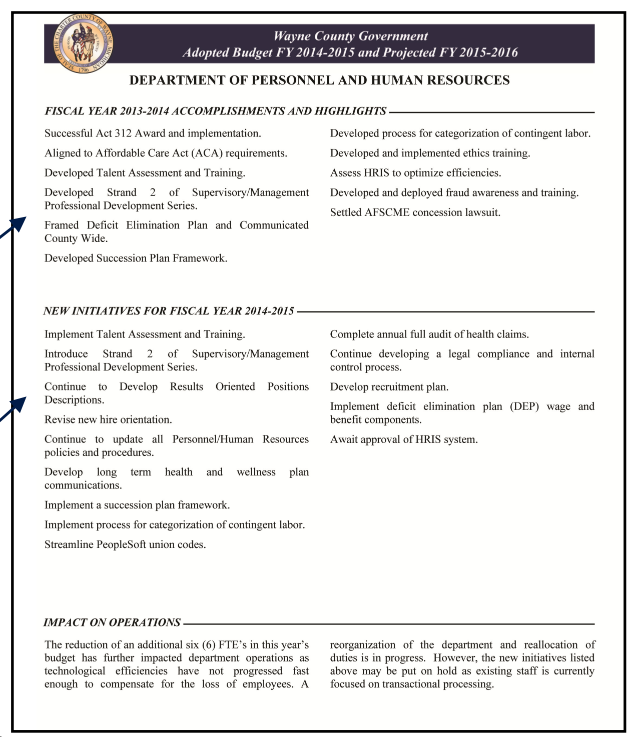
This section displays the Departmental Organizational Chart

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 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES

FISCAL YEAR 2013-2014 ACCOMPLISHMENTS AND HIGHLIGHTS

Successful Act 312 Award and implementation.
Aligned to Affordable Care Act (ACA) requirements.
Developed Talent Assessment and Training.
Developed Strand 2 of Supervisory/Management Professional Development Series.
Framed Deficit Elimination Plan and Communicated County Wide.
Developed Succession Plan Framework.
Developed process for categorization of contingent labor.
Developed and implemented ethics training.
Assess HRIS to optimize efficiencies.
Developed and deployed fraud awareness and training.
Settled AFSCME concession lawsuit.

NEW INITIATIVES FOR FISCAL YEAR 2014-2015

Implement Talent Assessment and Training.
Introduce Strand 2 of Supervisory/Management Professional Development Series.
Continue to Develop Results Oriented Positions Descriptions.
Revise new hire orientation.
Continue to update all Personnel/Human Resources policies and procedures.
Develop long term health and wellness plan communications.
Implement a succession plan framework.
Implement process for categorization of contingent labor.
Streamline PeopleSoft union codes.
Complete annual full audit of health claims.
Continue developing a legal compliance and internal control process.
Develop recruitment plan.
Implement deficit elimination plan (DEP) wage and benefit components.
Await approval of HRIS system.

IMPACT ON OPERATIONS

The reduction of an additional six (6) FTE's in this year's budget has further impacted department operations as technological efficiencies have not progressed fast enough to compensate for the loss of employees. A reorganization of the department and reallocation of duties is in progress. However, the new initiatives listed above may be put on hold as existing staff is currently focused on transactional processing.

FINANCIAL REPORT

Following the major activities, accomplishments and highlights is the departments Financial Report. This report displays the detailed revenue and expenditure budget information for the previous two 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.

Wayne County Government
Adopted Budget FY 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES
Financial Report

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
00101 General Fund				
226 Human Resources				
Revenues				
Charges, Fees, and Fines	6,066,645	4,873,816	5,487,841	5,487,841
Total Revenues	**$6,066,645**	**$4,873,816**	**$5,487,841**	**$5,487,841**
Expenditures				
Personnel	2,127,335	1,477,979	1,851,478	1,756,736
Fringe Benefits	934,678	786,880	939,200	994,042
Pension	612,392	615,042	693,703	692,275
Materials and Supplies	42,109	33,240	34,966	34,965
Services and Contractual Serv	1,470,148	1,045,426	1,097,959	1,141,675
Travel	15,300	11,701	12,697	13,225
Operating Expenses	428,019	585,513	585,639	584,761
Rentals	259,214	259,260	258,770	258,257
Other Charges	86,600	40,500	0	0
Non Capital Assets	9,100	4,000	0	0
Operating Transfers Out	81,750	14,275	13,429	11,905
Total Expenditures	**$6,066,645**	**$4,873,816**	**$5,487,841**	**$5,487,841**
TOTAL DEPARTMENTAL REVENUES	**$6,066,645**	**$4,873,816**	**$5,487,841**	**$5,487,841**
TOTAL DEPARTMENTAL EXPENDITURES	**$6,066,645**	**$4,873,816**	**$5,487,841**	**$5,487,841**

Summary of Positions

	FY 2012-2013 Budget	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Projected Budget
101 GENERAL FUND				
226 HUMAN RESOURCES/PERSONNEL				
ELECTED AND EXECUTIVE	6	7	7	7
SUPERVISORY AND PROFESSIONAL	15	9	11	10
SUPPORT STAFF	12	7	10	10
TOTAL POSITIONS	**33**	**23**	**28**	**27**
TOTAL DEPARTMENTAL POSITIONS	**33**	**23**	**28**	**27**

This is the Fund Number and Name

Summary of Budgeted Positions follows next on the report

BUDGET CHANGES AND HIGHLIGHTS

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.

Wayne County Government
Adopted Budget FY 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES
BUDGET CHANGE AND HIGHLIGHTS FY 2014-2015

	Increase / (Decrease) from 2013-2014 Adopted Budget	Description of Change
REVENUES		
Charges, Fees, and Fines	614,025	Increase in revenue for central services County departments.
TOTAL REVENUES	**$614,025**	
EXPENDITURES		
Personnel	373,499	Increase of 6 FTE's
Fringe Benefits	152,320	Fringe benefit cost associated with increased workforce.
Pension	78,661	Based on published fringe rates
Materials and Supplies	1,726	Increase in Dues and Memberships.
Services and Contractual Services	52,533	Increase in chargeback's from other County departments.
Travel	996	Increase in mileage
Operating Expenses	126	Increase in Equipment Maint. & Repair.
Rentals	(490)	Decrease of building rental expenses.
Other Charges	(40,500)	Decrease in Miscellaneous Operating expenses.
Non Capital Assets	(4,000)	Decrease in Computer equipment.
Operating Transfers Out	(846)	Decrease to debt service related to bonds.
TOTAL EXPENDITURES	**$614,025**	

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

DEPARTMENTAL GOALS

Following the Budget Changes and Highlights schedule are a list of the Departmental Goals (DG) which are linked to the CEO's Strategic Priorities (SP) that are associated with that Departmental goal. The Strategic Priorities are listed on page 1-12 of this document.

Wayne County Government
Adopted Budget FY 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES

LONG-TERM DEPARTMENTAL GOALS

Departmental Goal 1: Benefit Cost Stabilization	ALIGNED WITH STRATEGIC PRIORITY 2(SP2)
Wayne County will achieve health care benefit cost stabilization as evidenced by: • Cost of providing employee and retiree health care benefits will meet deficit elimination plan objectives. • Alignment of retirement plan benefits to State of Michigan Best Practices. • Management of requirements under the Affordable Care Act (ACA).	**Departmental Goal 1 (DG1)**
Departmental Goal 2: Ensure Legal Compliance	**ALIGNED WITH STRATEGIC PRIORITY 4 SP4)**
Wayne County will ensure legal compliance as evidenced by: • Alignment to audit and controls.	**Departmental Goal 2 (DG2)**
Departmental Goal 3: Customer Service Delivery	**ALIGNED WITH STRATEGIC PRIORITY 3 (SP3)**
Wayne County's internal & external customers will experience enhanced customer service as evidenced by: • Customer service standards will be reissued on an annual basis.	**Departmental Goal 3 (DG3)**
Departmental Goal 4: Operational Efficiency and Effectiveness	**ALIGNED WITH STRATEGIC PRIORITY 1 (SP1)**
Wayne County's operational efficiencies and effectiveness will improve as evidenced by: • Generation of standard operating procedures. • Migration to software as a service provider.	**Departmental Goal 4 (DG4)**

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

PERFORMANCE REPORT

The Department Performance Report describes performance results for one year of actual, 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 1-12 of this document) that this measure is aligned. 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.

Wayne County Government
Adopted Budget FY 2014-2015 and Projected FY 2015-2016

DEPARTMENT OF PERSONNEL AND HUMAN RESOURCES

PERFORMANCE MEASUREMENTS BY GROUP

BENEFIT AND DISABILITY ADMINISTRATION

Purpose Statement
The purpose of the Benefit and Disability Administration Group is to deliver high quality benefit services to stakeholders that will provide a safe, healthy and productive work environment while containing cost.

MEASURE	2012-2013 ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 PROJECTED BUDGET	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of workers compensation claimants returned to work within four months	75%	75%	75%	75%	DG1
OUTPUT: Number of workers compensation claimants returned to work	50	50	15	15	DG1
DEMAND: Number of employees anticipated to be referred to the return to work program	75	75	75	75	DG1
EFFICIENCY: Average expenditure per workers compensation claim in the return to work program	$415	$415	$415	$415	DG1
RESULT: Percentage of safety and health complaints that will be responded to within forty-eight (48) hours	100%	100%	100%	100%	DG1
OUTPUT: Number of employee safety and health evaluations conducted	180	180	180	180	DG1
DEMAND: Number of employee safety and health evaluations anticipated	180	180	180	180	DG1
EFFICIENCY: Average cost per employee safety and health evaluations conducted	$609	$450	$450	$450	DG1

LABOR RELATIONS AND DISPUTE RESOLUTION GROUP

Purpose Statement
The purpose of the Labor Relations and Dispute Resolution Group is to foster a safe and productive working environment through training, guidance, support and advocacy services whereby delivering effective, efficient and high quality services to the public.

MEASURE	2012-2013 ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 PROJECTED BUDGET	ALIGNED WITH DEPT. GOAL
RESULT: Percentage of grievances resolved without an arbitration hearing	90%	90%	90%	90%	DG3
OUTPUT: Number of grievances	400	200	200	200	DG3
DEMAND: Number of grievances anticipated	400	200	200	200	DG3
EFFICIENCY: Average cost of expenditure per dispute	$573	$516	$516	$516	DG3

OVERVIEW
The County is in a long-term commitment that changes the way resources are allocated and operations performance is evaluated. 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.

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 performance based management can be sustained throughout the County over time.

PLANNING FOR RESULTS
All eleven of the Executive Departments (including the Office of the County Executive) have developed and continue to update 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

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.

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.

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
Performance based management 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 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 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 same 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 2 of 1968 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 2014-15, all departments were advised through the CEO's policy statement, as a result of the anticipated continued decline in tax and other sources of general fund revenue, and the lack of any major new general fund revenue sources, all departments were required to submit budgets that stayed within their current level of GFGP appropriation as approved in the FY 2013-14 Adopted Budget. 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.

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 by Charter 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. More importantly, it constitutes a determination by the Commission that the appropriations to each department, agency and elected official are a serviceable level of funding.

LINE ITEM BUDGET

The CEO by Charter has historically determine the format of the Budget Ordinance that is adopted by the Commission. Previously the format of the current appropriation delineates revenue sources such as Federal Grants and Contracts, State Grants and Contracts, etc., but presents expenditures as a single “lump sum” amount. Lump sum budgeting is based on the premise that departments and elected officials should be allowed some discretion in their spending in order to provide the services that they are charged and once adopted by the Commission, the budgets for certain expenditures can be reallocated between accounts as the need arises through budget adjustments as requested by the department or elected official. As a result of a Charter amendment passed by vote of the citizens in November, 2012, the authority determining the format of the Appropriation Ordinance was transferred from the CEO to the County Commission. The County Commission has determined that for FY 2014-15, the County Budget Appropriation Ordinance will be presented and adopted in line item format. All revenues and expense are delineated at the account level as defined in the County’s chart of accounts for each fund, department and elected official. Each salary, fringe benefit, supply account etc. is specifically appropriated. This affords more transparency in budgeting, as well as more control and oversight by the Commission as changes to the appropriation such as moving funding from one account to another, now requires Commission review and approval.

The Appropriation Ordinance in its entirety is in the appendix of this document.

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 non-appropriated 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 form 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 of approval or denial 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 to the Commission for approval. Previously, the Wayne County Charter only allowed the submission of the budget for the upcoming year. Fiscal 2014-2015 marks the fourth consecutive year that a multi -year budget approach is being presented in the following pages. It will encompass not only the budget for the upcoming budget year, FY 2014-15 but also present a projected budget for the second year, FY 2015-16. 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 2016 budget cycle in the following year. As the County Charter requires the County Commission to appropriate funds for the operations of the County on an annual basis, the 2015-16 Projected Budget does not bind the County or have any legal effect on the appropriation ordinance for FY 2015-16. 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 said, please note that the narrative and analysis on the following pages of this document continue to primarily focus the discussion on the FY 2014-15 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 and amended as recently as November, 2012. The financial polices 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 of this document. 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.

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. The 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 for the County's Comprehensive Financial Report (CAFR). 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. Government-wide financial statements are not presented in this document.

The four 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**: Propriety 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 to be available if collection occurs within sixty (60) days of fiscal year-end, which is September 30. For other revenue, the timeframe is extended to ninety (90) days. 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.

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 and Accounting 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 The Rehmann Group LLC.

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.

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. services provided.

As provided in Wayne County's policy number 10013, certain non-recurring revenues that are not predictable 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.

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. In FY 2012-13, the format of the budget was revised and expanded. Previously, the appropriation for expenditures was a single amount or lump sum. For FY 2014-15, the appropriation was approved by detail account line item. This change increased the span of control for the County Commission as many budgetary changes between line items that previously only required Management and Budget's authorization will require these changes to go through the commission approval process.

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 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.

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 are summarized below.

GASB Statements effecting the Budget presentation:
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.

GASB 61: In 2012, the Government Accounting Standards Board issued GASB Statement No. 61, *The Financial Reporting Entity*, (GASB 61) was issued as an amendment to earlier pronouncements to provide guidance by more clearly define primary government, component units and equity interest transactions in order to make financial statements more relevant and improving focus of the financial reporting entity on the primary government entity.

After an extensive analysis of the operations of certain functions, a number of county operations previously classified as special revenue funds were transferred to the General Fund and as a result, the beginning fund balances of the funds affected were restated in County's CAFR .

It should be noted that in order to conform to GASB 54 and GASB 61, which clearly defines the financial reporting entity, for financial reporting purposes in the CAFR, the operations of the Probate Court and Third Circuit Court including the Friend of the Court are consolidated and are reported as part of the General Fund. Operationally and for budgeting purposes, these two operations continue to be budgeted and appropriated as separate funds.

Summary of Legislation, and Financial Policies impacting the Budget Process
Below is a comprehensive summary of legislation and financial policies which provide the backbone in guiding the County's long-range fiscal planning and the development of its adopted budget.

The State of Michigan Uniform Budgeting and Accounting Act (Act 2 of 1968).
The Uniform Budgeting and Accounting Act (the Act) was enacted by the State of Michigan to provide for the formulation and establishment of uniform charts of accounts and reports in local units of government, as well as for annual financial reports from local units of government and a uniform budgeting system required to be followed by local units of government in the state of Michigan as it pertains to the preparation of an annual budget and the creation of appropriations. Below represent excerpts from the Act as it pertains to the Budget Process.

141.434 Budget; preparation, presentation, and control of expenditures; information; transmitting recommended budget to legislative body; suggested general appropriations act; consideration of recommended budget; furnishing information to legislative body; public hearing.
Sec. 14. Unless otherwise provided by law, charter, resolution, or ordinance, the chief administrative officer shall have final responsibility for budget preparation, presentation of the budget to the legislative body, and the control of expenditures under the budget and the general appropriations act. The budgetary centers of the local unit shall provide to the chief administrative officer information which the chief administrative officer considers necessary and essential to the preparation of a budget for the ensuing fiscal period for presentation to the local unit's legislative body. The chief administrative officer shall transmit the recommended budget to the legislative body according to an appropriate time schedule developed by the local unit. The schedule shall allow adequate time for review and adoption by the legislative body before commencement of the budget year. The recommended budget, when transmitted by the chief administrative officer, shall be accompanied by a suggested general appropriations act to implement the budget.

141.435 Recommended budget; contents; limitation on total estimated expenditures.
Sec. 15. The recommended budget shall include at least the following:
(a) Expenditure data for the most recently completed fiscal year and estimated expenditures for the current fiscal year.
(b) An estimate of the expenditure amounts required to conduct, in the ensuing fiscal year, the government of the local unit, including its budgetary centers.
(c) Revenue data for the most recently completed fiscal year and estimated revenues for the current fiscal year. (d) An estimate of the revenues, by source of revenue, to be raised or received by the local unit in the ensuing fiscal year.
(d) The amount of surplus or deficit that has accumulated from prior fiscal years, together with an estimate of the amount of surplus or deficit expected in the current fiscal year.
(e) An estimate of the amounts needed for deficiency, contingent, or emergency purposes. (g) Other data relating to fiscal conditions that the chief administrative officer considers to be useful in considering the financial needs of the local unit.

141.436 (as amended November, 2013. Sections in below represent changes to the Act.) General appropriations act; requirements; line items not mandated; taxation; limitation on estimated total expenditure; presumption; suit against county legislative body; standing; mediation; severability.
Sec. 16. Unless another method for adopting a budget is provided by a charter provision in effect on April 1, 1980, the legislative body of each local unit shall pass a general appropriations act for all funds except trust or agency, internal service, enterprise, debt service or capital project funds for which the legislative body may pass a special appropriation act. The general appropriations act shall set forth the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied. The amendatory act that added this subsection shall be known and may be cited as "the truth in budgeting act". The general appropriations act shall set forth the amounts appropriated by the legislative body to defray the expenditures and meet the liabilities of the local unit for the ensuing fiscal year, and shall set forth a statement of estimated revenues, by source, in each fund for the ensuing fiscal year. The general appropriations act shall

be consistent with uniform charts of accounts prescribed by the state treasurer or, for local school districts and intermediate school districts, by the state board of education. This act shall not be interpreted to mandate the development or adoption by a local unit of a line-item budget or line-item general appropriations act. The legislative body shall determine the amount of money to be raised by taxation necessary to defray the expenditures and meet the liabilities of the local unit for the ensuing fiscal year, shall order that money to be raised by taxation, within statutory and charter limitations, and shall cause the money raised by taxation to be paid into the funds of the local unit. Except as otherwise permitted by section 102 of the state school aid act of 1979, 1979 PA 94, MCL 388.1702, or by other law, the legislative body shall not adopt a general appropriations act or an amendment to that act which causes estimated total expenditures, including an accrued deficit, to exceed total estimated revenues, including an available surplus and the proceeds from bonds or other obligations issued under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to 141.1011, or the balance of the principal of these bonds or other obligations. A general appropriations act, including any amendment to that general appropriations act, is presumed to fund those activities of a county mandated by law at a serviceable level. An elected official who heads a branch of county government or the chief judge of a court funded by a county has standing to bring a suit against the legislative body of that county concerning a general appropriations act, including any challenge as to serviceable levels of funding for that branch of county government or that court. If a court and the legislative body of a county are involved in mediation, before the chief judge of that court brings a suit on the court's own behalf against the legislative body of the county under this subsection, a mediator shall certify in writing that the parties are unable to resolve the issues by mediation. The court hearing a suit shall consider the financial ability of the county to pay when considering any challenge as to serviceable levels of funding.

141.437 General appropriations act; amendment; reports; recommendations.
Sec. 17. (1) Except as otherwise provided in section 19, a deviation from the original general appropriations act shall not be made without amending the general appropriations act. If, during a fiscal year, it appears to the chief administrative officer or to the legislative body that the actual and probable revenues from taxes and other sources in a fund are less than the estimated revenues, including an available surplus upon which appropriations from the fund were based and the proceeds from bonds or other obligations issued under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to 141.1011, or the balance of the principal of these bonds or other obligations, the chief administrative officer or fiscal officer shall present to the legislative body recommendations which, if adopted, would prevent expenditures from exceeding available revenues for that current fiscal year. The recommendations shall include proposals for reducing appropriations from the fund for budgetary centers in a manner that would cause the total of appropriations to not be greater than the total of revised estimated revenues of the fund, or proposals for measures necessary to provide revenues sufficient to meet expenditures of the fund, or both. The recommendations shall recognize the requirements of state law and the provisions of collective bargaining agreements.

141.438 (as amended November, 2013 below represent changes to the Act.)
Incurring debts or obligations; dividing appropriations into allotments; expenditures; application or diversion of money; restrictions on delegation of duties; enforcement power; suit against chief administrative officer of county; standing; mediation; 60-day period to bring suit in Michigan court of appeals; court jurisdiction; limitation; certain actions barred; expenditure of funds; severability.

Sec. 18. A member of the legislative body, chief administrative officer, administrative officer, or employee of the local unit shall not create a debt or incur a financial obligation on behalf of the local unit unless the debt or obligation is permitted by law. The chief administrative officer may cause the appropriations made by the legislative body for the local unit and its budgetary centers to be divided into allotments if the allotments are based upon the periodic requirements of the local unit and its budgetary centers. Except as otherwise provided in section 19, an administrative officer of the local unit shall not incur expenditures against an appropriation account in excess of the amount appropriated by the legislative body. The chief administrative officer, an administrative officer, or an employee of the local unit shall not apply or divert money of the local unit for purposes inconsistent with those specified in the appropriations of the legislative body. No duties shall be delegated to the chief administrative officer that diminish any charter or statutory responsibilities of an elected or appointed official, including, but not limited to, the charter responsibility of a legislative body to approve the making of contracts by the local unit. The enforcement of a general appropriations act approved by the legislative body of a county is a power vested in the chief administrative officer of that county. An elected official who heads a branch of county government or the chief judge of a court funded by a county has standing to bring suit against the chief administrative officer of that county concerning an action relating to the enforcement of a general appropriations act for that branch of county government or that court. If a court and the chief administrative officer of a county are involved in mediation, before the chief judge of that court brings a suit on the court's own behalf against the chief administrative officer of the county under this subsection, a mediator shall certify in writing that the parties are unable to resolve the issues by mediation. Except as otherwise provided and notwithstanding any provision of law to the contrary, any suit brought shall only be brought in the Michigan court of appeals within 60 days after one of the following:

a) The adoption of a general appropriations act.
b) An amendment to a general appropriations act or an action relating to the enforcement of that general appropriations act, if the amendment or action constitutes a basis for the suit.

If a court is involved in mediation during the 60-day period to bring a suit in the Michigan court of appeals, any suit brought on the court's behalf shall only be brought in the Michigan court of appeals **within 90 days** after one of the following:

a) The adoption of a general appropriations act.
b) An amendment to a general appropriations act or an action relating to the enforcement of that general appropriations act, if the amendment or action constitutes a basis for the suit.

The court's jurisdiction over and review of the issues raised in a suit brought is limited to that portion of the general appropriations act that is directly affected by the amendment or action. The jurisdiction of the court of appeals over a suit brought is exclusive and that jurisdiction or any judicial duties inherent in that jurisdiction shall not be transferred to any other court. However, the court of appeals may request the supreme court to assign a retired judge under section 226 of the revised judicature act of 1961, 1961 PA 236, MCL 600.226, to assist the court of appeals by resolving discovery issues, reviewing the evidence, making proposed findings of fact and conclusions of law, and performing any other necessary related judicial duties. Unless an action brought is timely preserved for review by the Michigan court of appeals, litigation of any issue as to a general appropriations act or any amendment to that general appropriations act, or an action relating to the enforcement of that general appropriations act, is barred. The pendency of a claim in a suit under this section shall not constitute a basis for expenditure of funds by any department or branch of, or court funded by, the county in excess of that authorized by a general appropriations act, including an amendment to that general appropriations act.

141.439 Expenditure of funds; transfers within appropriations.

Sec. 19. A member of the legislative body, the chief administrative officer, an administrative officer, or an employee of a local unit shall not authorize or participate in the expenditure of funds except as authorized by a general appropriations act. An expenditure shall not be incurred except in pursuance of the authority and appropriations of the legislative body of the local unit. The legislative body in a general appropriations act may permit the chief administrative officer to execute transfers within limits stated in the act between appropriations without the prior approval of the legislative body.

141.440 Violation; filing; report; review and action by attorney general; civil action for recovery of funds and public property.

Sec. 20. A violation of sections 17 to 19 by the chief administrative officer, an administrative officer, employee, or member of the legislative body of the local unit disclosed in an audit of the financial records and accounts of the local unit in the absence of reasonable procedures in use by the local unit to detect such violations shall be filed with the state treasurer and reported by the state treasurer to the attorney general. For local and intermediate school districts, the report of a violation shall be filed with the state superintendent of public instruction instead of the state treasurer. The attorney general shall review the report and initiate appropriate action against the chief administrative officer, fiscal officer, administrative officer, employee, or member of the legislative body. For the use and benefit of the local unit, the attorney general or prosecuting attorney may institute a civil action in a court of competent jurisdiction for the recovery of funds of a local unit, disclosed by an examination to have been illegally expended or collected as a result of malfeasance and not accounted for as provided in sections 17 to 19, and for the recovery of public property disclosed to have been converted or misappropriated.

POLICY NO. 10001 - Debt Management

The purpose of this policy is to provide a functional tool for debt management and capital planning. In following this policy, the County shall pursue the following goals:

- Attain the highest possible credit rating for each debt issue;
- Improve the reception for County debt obligations by the national credit markets in order to reduce the County's relative transaction costs and interest expense for its borrowings;
- Avoid any financial decision that will negatively impact credit ratings on existing or future debt issues or which could adversely affect the rights of holders of outstanding County debt;
- Consider all possible financial alternatives to issuing debt to take full advantage of innovative, new, and appropriate financial approaches;
- Avoid any action which would adversely affect the status of any tax-exempt debt; and
- Enhance the financial capability of the County to facilitate improvement of the overall well-being of the citizens, and to maintain or improve essential County services.

POLICY NO. - 10008 Fund Balance
Fund balance is an important measure that represents the difference between a fund's assets and liabilities. The purpose of fund balance reporting is to determine and isolate that portion of fund balance that is available to support future year's budgets. Many governments are experiencing revenue shortfalls and are facing difficult decisions in balancing their budgets. One option some governments previously had was to use a portion of fund balance to offset a decline in revenue or an increase in expenditures. However, not all amounts reported as part of fund balance are available for use. The purpose of this policy is to establish fund balance objectives for the treatment and reporting of fund balance as set forth in Governmental Accounting Standards Board (GASB) Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions. The Standard was written to enhance the usefulness of fund balance information by providing clearer definitions in an attempt for users to more consistently apply fund balance classifications. This GASB Statement is effective for fiscal year 2010-11 for the County.

To improve the reporting of fund balance, a hierarchy of fund balance classification has been created based primarily on the extent to which a government is bound by constraints on resources reported on the funds. The five possible components are the following:

- Nonspendable Fund Balance
- Restricted Fund Balance
- Committed Fund Balance
- Assigned Fund Balance
- Unassigned Fund Balance

By reporting particular amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, the County has assigned those amounts to the purposes of the respective funds.

An assignment within the general fund coveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself. However, it is not allowable to report an assignment for an amount that would result in a negative unassigned fund balance. Unassigned Fund Balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount.

This policy is useful in financial statement presentation, budget preparation, audit compliance, risk assessment, and long-term financial planning.

The objectives of the policy are to achieve and maintain an appropriate level of unreserved fund balance in the General Fund, Budget Stabilization Fund, and in other County funds. In addition, the policy will serve to define criteria for which financial resources are set aside and for replenishing fund balance as well as to define the approved methods of utilizing unreserved fund balance.

POLICY NO. 10011 - Required Review Approvals and Routing for Contacts
The purpose of this Policy/Procedure Statement (PPS) is to provide the normal routing sequence for all contracts requiring Wayne County Commission (Commission) approval. The Chief Financial Officer (CFO) has developed and instituted a document approval process which will reasonably assure that all departmental clearances and approvals, including the Commission, have been obtained prior to any delivery of goods or services. These approvals shall be incorporated into a computer automated contract management system. The Procurement Contract Compliance Certificate (PC3) is the County's current online system for obtaining such approvals. There is another manual system, the Document Approval Form (DAF) process that is appropriate for documents that need certain approvals but do not relate to the procurement of goods and services. See the full policy for a listing of those document types which may require Commission approval.

POLICY NO. 10013 - Non-Reoccurring Revenues
The purpose of this policy is to define non-recurring revenues and their appropriate use. These can also be described as "one-time revenues" which tend to be infrequent in nature such as sales of governmental assets, bond refund savings, revenues from development, certain special purpose grants and litigation settlements. These revenues may be available for more than one year, as in the example of a special grant, but are expected to be non -recurring. Non-recurring revenues typically do not include savings generated through efficient day-to-day operations.

POLICY NO. 10016 - Interest Rate Swap
The Interest Rate Swap Policy is intended to provide general guidelines regarding the use, procurement and execution of interest rate swaps. Barron's Financial Guidelines defines an interest rate swap as "an arraignment whereby two parties (called counterparties) enter into an agreement to exchange periodic interest payments."

Interest rate swaps can be appropriate interest rate management tools that can help meet the County's financial objectives. The County may execute an interest rate swap only if the transaction can be reasonably expected to achieve one or more of the following objectives:

- Result in a lower cost of borrowing with respect to the County's debt;

- Reduce exposure to changes in interest rates or improve asset-liability matching of assets with liabilities; or
- Manage credit exposure.

POLICY NO. 10017 - Deficit Elimination Plans (Enrolled Ordinance 2010-515, revised January, 2013)

Wayne County (the County) is responsible for complying with the provisions of federal, state, and local laws, rules, regulations and contracts. Such compliance is demonstrated through the annual audit and budgetary processes, disclosed in the County's annual audited financial statements, and opined upon by the County's external auditors. In addition, other regulatory bodies, such as grantors and bond rating agencies, monitor the County's continued compliance with all pertinent rules and regulations. State law requires that local units of government operate annually under a balanced budget.

When deficits occur, the local unit of government is required to prepare and submit a deficit elimination plan to the Michigan Department of Treasury (the Treasury), regulatory body, describing the local unit of government's strategies to eliminate the deficit(s).
The purpose of this policy/procedure statement is to establish (1) the criteria to be used in the preparation of an acceptable deficit elimination plan and; (2) the required approvals by the Department of Management and Budget (M&B), the Wayne County Commission (Commission) and the Treasury.

POLICY NO. 10018 - Tax Exempt Bond Record Retention

A bond issued by a government whose interest payments are not subject to federal income tax and sometimes state and local taxes are called tax exempt. The tax exempt status remains throughout the life of the bonds provided that all applicable federal tax laws are satisfied.

The Internal Revenue Service (IRS) regularly advises taxpayers to maintain adequate records to support their tax deductions, credits and exclusions. In the case of a tax exempt bond transaction, the primary taxpayers are the beneficial holders of the bonds. However, in most cases, the beneficial holders of tax exempt bonds will not have any records to support their exclusion of the interest paid on those bonds. Instead, these records will generally be found in the bond transcript and the books and records of the issuer, the conduit borrower and other participants to the transaction. Therefore, in order to ensure the continued exclusion of interest to the beneficial holders, it is important that the issuer, the conduit borrower and other participants retain sufficient records to support the continued exclusion being taken by the beneficial holders of the bonds.

POLICY NO. 10019 - Post Issuance Compliance for Debt Issues

The purpose of this Policy/Procedure Statement (PPS) is to identify matters requiring action after the completion of a financing and to provide a checklist to assist in complying with post-issuance requirements.

The U.S. Securities and Exchange Commission's (SEC) mission is to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. The Securities Exchange Act of 1934 sets forth certain obligations of (1) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities; (2) underwriters to obtain continuing disclosure agreements from issuers and other obligated persons to provide material event disclosures and annual financial information on a continuing basis and; (3) broker dealers to have access to such continuing disclosure in order to make recommendations of municipal securities in the secondary market. Although the SEC can not regulate municipalities, it effectively does so indirectly by SEC Rule15c2-12, the rules imposed on broker-dealers. With certain exceptions, described below, the rule requires bond issuers to prepare and disseminate to the Municipal Securities Rulemaking Board (MSRB) "Annual Financial Information" and notices of material events. Wayne County (the County) as an issuer of municipal securities is bound by this rule.

The County is required to provide to the MSRB a notice, in a timely manner, upon the occurrence of any of the following twelve material events with respect to its municipal securities. The twelve events are as follows:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the security;
7. Modifications to rights of security holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the securities;
11. Rating changes and;
12. Failure to provide Annual Financial Information as required.

POLICY NO. 10021 - Centralized Services Cost Allocations

A chargeback occurs when one Wayne County unit provides a good or service to another Wayne County (the

County) unit and seeks to recover the cost of the good or service. Examples of these services are information technology, building rent and maintenance, personnel, legal and financial services. In addition, 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 document describes the Department of Management and Budget's (M&B) policies and procedures for establishing chargeback billing rates at the County. Its primary objective is to provide a general policy for chargebacks and to establish an allocation and reporting process that ensures users pay only their appropriate share of actual chargeback costs and that proper records are available to support the chargeback rates.

POLICY NO. 10025 - Accounts Receivable Delinquency and Collection Procedures
The purpose of this Policy/Procedure Statement (PPS) is to specifically address the collection procedures for delinquent accounts. Such procedures will be in accordance with applicable federal and state laws concerning the collection of debts. This PPS complements PPS #14001, "Accounts Receivable Billings and Accounting Procedures" (revised September 12, 2011) and should be read in conjunction with it.

Accounts receivable will be considered delinquent ninety (90) days after the invoice date.

When the item becomes delinquent at 90 days, a registered demand letter will be promptly (within 30 days) mailed to the debtor with the following information included:

1. "The invoice or notification requiring payment for your debt occurred over 90 days ago and is now considered delinquent according to County policy."
2. "To avoid further collection procedures, please remit payment to the County of Wayne immediately."
3. Contact information for the County department that is owed.
4. A mailing address for payment (Payments and Collections).
5. Detail of the debt.

A second registered demand letter should be sent no sooner than 30 days, but no later than 60 days after the first demand letter. The procedures described above will be slightly different if the Chief Financial Officer intends to use a collection agency. If payment is not received within 30 days of the second demand letter, debtors may be referred to Corporation Counsel for further collection procedures, based on criteria determined by the Chief Financial Officer.

POLICY NO. 10027 - Biennial Budget Process (Enrolled Ordinance 2011-136)
The biennial budget process will be divided into four phases, Development of Budget Policy Statement and Revenue Forecast, Submission of Department Budget Requests, Development of the County's Executive Recommended Budget and County Commission Review and Adoption.

Phase I – Development of the Budget Policy Statement and Revenue Forecast (December – January). Phase I begins with development of the biennial revenue forecast by the Department of Management and Budget, Budgeting and Planning Division (Budget) working with the departments to develop the preliminary two-year revenue estimates for the County's General Fund and special revenue funds. In accordance with Article V of the Wayne County Charter, the Chief Executive Officer (CEO) will issue a Budget Policy Statement and publish the Revenue Forecast for the next biennial period

Phase II Submission of Budget Requests (February - March). During this phase, departments will develop their budget request including goals and objectives. Each department head, including those headed by elected officials will be required to develop a plan to balance their budget by either producing new revenue or making reductions in expenditures.

Phase III – Development of the County Executive's Recommended Budget (April –May). During the month of April, each department will be invited to a budget discussion with the Deputy County Executive (DCEO), Chief of Staff (COS), Chief Financial Officer (CFO), members from the Budgeting and Planning Division, and HR. The purpose of this meeting is to clarify any budget requests and to discuss any possible service impact based on budget reductions, if needed. Once this task has been completed, the Budget staff will begin developing the County Executive's Recommended Budget

Phase IV – County Commission Review and Adoption (June – September). Upon receipt of the County Executive's Recommended Budget, the Commission (Committee on Ways & Means) is required to introduce the proposed Appropriations Ordinance (June 18). Hearings on the budget are to be completed by July 13, eighty days prior to the beginning of the next biannual period, October 1.

POLICY NO. 12000 - Capital Assets
This policy/procedure statement establishes capital assets accounting concepts and provides policies and procedures to be used by the Charter County of Wayne ("the County") in maintaining its capital assets. This statement will address the acquisition, use, reporting and disposal of County owned assets.

A capital asset is defined as a financial resource that meets all the following criteria:

- It is tangible (or intangible in the case of purchased software)
- It has a useful life extending beyond a single reporting period
- Its unit cost, including freight and installation, meets or exceeds the capitalization threshold of the item having a purchase price greater than $5,000 and a life of over one-year.

A capital asset is also one that:

- Must be tracked for state or regulatory purposes regardless of its cost (e.g. Roads Fund equipment)
- Does not lose its identity through fabrication or incorporation into a different or more complex unit

Capital assets include the following major classes: Land and land improvements, buildings and building improvements, infrastructure, machinery and equipment, cars and trucks, furniture and office equipment, systems, construction work-in-progress, and work of art/historical treasures.

POLICY NO. 13004 - Accounts Payable Policy

The purpose of this policy is to describe the main responsibilities for the processing of County payments.

Accounts Payable (A/P) reviews all invoices from external vendors as well as internal payments to employees. It is the responsibility of A/P to ensure that every expenditure that is paid by the County is represented by a source document (traditionally an invoice), has a proper account number, represents a valid business expense and is paid in a timely manner upon receipt in the office.

POLICY NO. 13005 – Pooled Cash Policy

The Wayne County (County) operates a pooled cash and investment system. Pooled Cash is a financial management strategy that allows the County to maximize both the current credit and debit positions so that it receives the most benefit from those positions. In addition, pooled cash can help the County to avoid a number of costly bank fees, as well as help reduce the opportunity of damaging the reputation of the County because of negative balances on a bank account. In effect, cash pooling helps to make the most of the resources that are available. Cash reserves of the individual county funds, except as specifically stated by the Comprehensive Investment Policy Ordinance, are pooled and invested.

Pooled cash and investments consist of demand deposits, certificates of deposit, money market funds, commercial paper, and obligations of the US Treasury and agencies. Pursuant to Section IV of the Wayne County Charter, the Wayne County Treasurer (Treasurer) administers these pools, which include the assets of certain component units. Pooling of cash and investments accomplishes various goals, such as the ability to earn higher interest rates and better address cash flow needs.

Pooled cash can also help to streamline the financial operations of the County. By employing the pool cash concept, the County can avoid expenditures that are not essential to the operation of the government, and maybe even create a small additional revenue stream through interest income which can build sufficient cash. These assets can be drawn upon when a downturn in the economy impacts revenues, thus allowing the County a chance to weather the depressed market. Once the market begins to swing upward, the process of pool can be used to replenish resources that were depleted during the downturn.

The County has adopted an investment policy in accordance with Public Act 20 of 1943, as amended. The Pooled Cash Policy shall be used in conjunction with the County's investment policy and does not supersede such policy.

POLICY NO. 14000 - Cash Receipts

The purpose of this policy is to establish standard administrative guidelines for the cash receipts process to be followed by all County departments. Within the scope of this policy are general guidelines for receiving cash and properly recording cash receipt transactions in the general ledger.

Cash receipts as referenced in this policy refer to money received from outside sources i.e. federal, state and local agencies, general public, etc. This policy is not applicable to internal transfers between general ledger cash accounts. (e.g. fund transfers). The three types of cash receipts specifically addressed in this policy are cash and checks; credit cards; and inbound wire / State of Michigan (MI) lock box receipts.

POLICY NO. 14001 - Accounts Receivable Billings and Accounting Procedures

Accounts Receivable are amounts owed to the County by another organization or individuals. Generally, these are amounts for goods and services provided or contributions owing to the County. Accounts Receivable are recognized at the time goods and services are provided or the amount owing is assessed. This policy/procedure statement establishes guidelines relating to receivable management, in particular how and when to reserve a receivable, write-off a receivable, and recover a receivable. The objective of this policy is to ensure consistency in the County's accounting treatment of receivables. The Policy/Procedure Statement (PPS) does not address the collection procedures for delinquent accounts, which can be found in Policy/Procedure Statement #10025, "Accounts Receivable Delinquency and Collection Procedures" nor does it apply to the billing and collection of real and personal property taxes, which is administered by the Office of the Wayne County Treasurer. This PPS complements PPS #10025 and should be read in conjunction with it.

POLICY NO. 16000 - Grant Application, Acceptance and Approval Process
Wayne County (the County) recognizes that grant funding provides significant resources to enhance the County's ability to provide services and activities not otherwise available. The County encourages County officials to seek grant funding for activities that are determined to further core County functions or that provide for activities, which are in the best interests of its citizens. The County will examine the benefits of grant funding prior to application and decline funding determined not to meet the above criteria. The purpose of this policy is to outline the general guidelines to be followed during the (1) application process and (2) the acceptance and approval process of a grant award (Grant). This policy applies to all County departments/ elected offices and to all other County officials and their employees. All Grant applications and awards must go through the Document Approval Form (DAF) process.

Period of Availability - All governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. 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. Effective, October 1, 2012, the County considers grant revenue to be available if they are collected within ninety (90) days after the fiscal year.

Comprehensive Investment Policy (Office of the Treasurer). (Enrolled Ordinance 1999-153)
This policy applies to all money which belongs to or is under the control of the County, and is available for investment, not being required by law or an agreement with bondholders to be segregated and invested in a specified manner. These funds are accounted for in the annual financial report and include all of the following: Governmental funds, Proprietary funds, fiduciary funds, funds held to retire the general long-term obligations of the County. Any new fund created by the County Commission unless specifically exempted. This does not apply to the Wayne County Employees Retirement Fund, which is separately administered pursuant to article VI of the County Charter.

User Fee Policy
The purpose of this Policy and Procedure Statement (PPS) is to present a comprehensive User Fee Policy for Wayne County (the "County") which will include guidelines for establishing and maintaining a user fee schedule. This PPS establishes the method for setting up fees and the extent to which they cover the cost of the service provided as recommended by the Government Finance Officers Association (GFOA), the National Advisory Council on State and Local Budgeting (NACSLB) and the Federal Government Office of Management and Budget (Circular A-87).

Governments are increasingly financing their activities by charging user fees to individuals and businesses that directly benefit from government programs and services. The discretion to charge fees and the decision to impose fees is a matter of public policy. Charging fees not only helps to pay for services but can also make government more efficient. User fees can help reduce inappropriate use of products and services previously provided free of charge, such as certain literature taken by persons who are not likely to read it. A user fee in this case can result in greater appreciation for government services as the user can attribute a value to them based on the fees charged. In such cases, individuals and businesses may use services more wisely and communicate with government on issues relating to the necessity or efficiency of a government service or regulation.

The decisions made and the implementation of a new user fee must be documented and retained. A new user fee requires the following steps whereby:

An activity that meets the criteria for charging a user fee is identified. Consider the following:

- Is there a legitimate business case for instituting the fee?
- Is the fee readily administrable?
- Is the fee for something the County is already doing?
- Does implementation of the fee require major data processing changes?
- What are the public implementations of the new fee?
- The cost of the activity is calculated and a proposed fee is determined.
- The department submits a proposal for the new user fee to the Chief Financial Officer (CFO) and Chief Executive Officer (CEO) for review and approval by the Commission. The proposal should include the cost calculation, recommended fee level, justification for less than full cost, if applicable, and the time for implementation of the new fee.
- The CFO works with the department and Corporation Counsel to ensure that new or revised regulations related to new user fees have been implemented as required by State or Federal law.
- The Department of Management and Budget (M&B) Budget and Planning Division incorporates the approved fees into the budget.

Note: The Charter provisions and the various Enrolled Ordinances referred to above referencing the County Budget are included in the Appendix of this document following the Enrolled Budget Appropriation Ordinance.

Other Planning Processes

Long-Term Financial Planning

The County continues to be 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.

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.

The long term Financial Plan lost traction during fiscal year 2011-2012. Even though the County continues to undertake an internal financial planning process, it is not sufficient. The long term financial planning process needs to involve all elected officials, staff and the public. In FY 2014, the citizens voted into office an new Chief Executive Officer who is committed on developing long term strategies and pathways in order to bring the County back to financial health. The new administration will make the case to all stakeholder groups on the urgent need to complete the plan and then lead the team to a successful implementation.

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.

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.

2014-15 ADOPTED BUDGET OVERVIEW

PROFILE OF THE COUNTY

With a sparkling waterfront location, the Charter County of Wayne is the 17th largest county in the United States and is the most populous county in the state with a population of 1,775,273 according to the 2013 American Community Survey from the U.S Census Bureau. 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 33 public school districts, serving approximately 290,000 students. In addition, there are 114 Public School Academies (PSA's) in Wayne County serving 64,000 students, 22% 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 estimated 2013 median owner-occupied home value was $78,100, almost 45% below the national average of $173,900. 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 businesses 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.

POPULATION DIVERSITY INFORMATION	
Population by Age 2013 (Estimate)	
Under 18	24%
18-24	10%
25-34	12%
35-49	20%
50-64	20%
65 & over	14%
Gender Composition 2013	
Male	48%
Female	52%
Racial Composition 2013	
White	54.7%
Black	39.5%
Other Race	2.4%
Asian or Native American	3.4%

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.

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., Contrail, 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.
The Detroit/Wayne County Port Authority
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)

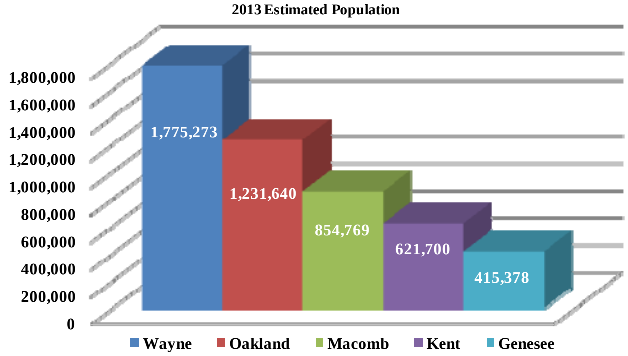
By ship, train, truck or automobile, the County is North America's #1 international border crossing. Over $300 million in trade goods pass through the County's bridges, tunnels and ports with Canada daily. The Detroit-Windsor border remains one of the friendliest in the world. The County currently has two crossings into Canada, the Ambassador Bridge and the Detroit-Windsor Tunnel and a third is in the preliminary stages and construction and anticipated to open in 2020.

The County seat is the City of Detroit, Michigan's largest city and the nation's 17th 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.

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.

Five Largest Michigan Counties

2013 Estimated Population



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 $1.68 billion annual budget and a workforce of over 3,900 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 2006 and has edged upward since then peaking in 2009 before slightly declining afterward. 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.

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.

Total Households	
2013 (Estimate)	664,415
2010 (Census)	702,749
2009	836,638
2008	837,844
2007	736,342
2006	736,495
Average Household (Persons)	
2013 (Estimate)	2.64
2010 (Census)	2.56
2009	2.78
2007	2.76
2006	2.67

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.) 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, secretary and acting governor of the Northwest Territory.

10 Largest Employers 2013 (excludes Detroit)	
Company	**# of Employees**
Ford Motor Company	39,053
Oakwood Healthcare Inc	6,172
Henry Ford Health System	2,825
Johnson Controls – Automotive Experience	2,800
U.S. Steel – Great Lakes Works	2,200
Dearborn Public Schools	2,038
U.S. Government	1,881
AAA Michigan	1,800
Severstal Dearborn LLC	1,800
Plymouth-Canton Community Schools	1,790

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.

Employment by Industry 2013	
Industry	**# of Employees**
Education and Health Services	163,197
Manufacturing	115,587
Professional, Scientific Management and Waste Management Services	78,914
Retail Trade	73,640
Auto, Entertainment, and Recreation and Accommodation and Food Services	64,443
Transportation, warehousing, and utilities	43,478
Financial Activities	39,082
Other Services	34,323
Construction	26,981
Public Administration	24,672

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 responsibility for hearing both domestic relations and juvenile cases. Probate Court has eight judges who have jurisdiction in all matters related to settlement of estates, trusts and appointment of trustees.

Local Economy

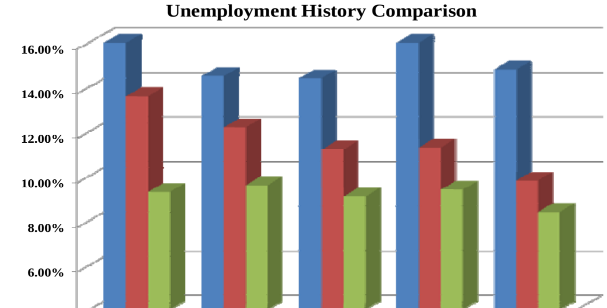
The Local Economy for Wayne County has a lot of room for optimism after years of challenging times. From the District to Quicken to the M-1 Rail and beyond there are a lot of projects on the horizon:

After a challenging 15 months of bankruptcy, the bankruptcy of Detroit is almost complete. After the City exits bankruptcy in late 2014, there is estimated to be a $1.4 million of reinvestment planned for the City heavily weighted in new financial management systems, public safety and blight-busting. The bankruptcy exit plan calls for more than $90 million to create new city jobs, new software to better track city planning efforts, and restructured payment plans for creditors. According to the city Emergency Manager, the city of Detroit is projected to have a surplus of about $100 million by the end of next fiscal year

Employment Outlook - According to a survey released from the University of Michigan economists, job growth in Michigan will continue for the next two years. The economists also believe within those two years, the state will recover about half of the jobs it lost between 2000 and 2009, and returning to the level of employment last seen at the end of 2006. For 2013, the unemployment rate was 8.8%. Currently, the state's unemployment rate has fallen to 7.1% as of October, 2014. According to U.S. Department of Labor for States—Monthly Rankings Seasonally Adjusted October 2014, Michigan ranks eighth behind Georgia's 7.7% unemployment rate, which is the highest in the country. Michigan was ranked eighth in the prior year behind Georgia who ranked first. The states with the next highest rates after Georgia were Mississippi, 7.6%, District of Columbia 7.6%, Rhode Island 7.4%, California 7.3%, Tennessee 7.1% and Nevada 7.1%.

Housing Industry - Michigan's unemployment rate has decreased to 7.1% as of October, 2014. 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. However, as stated earlier, with the job growth

Unemployment History Comparison



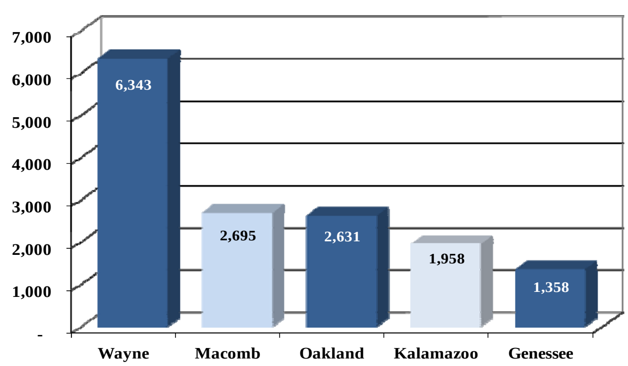
	2009	2010	2011 Avg Jan-Aug	2012	2013
Wayne	16.2%	14.5%	14.4%	16.6%	14.8%
Michigan	13.6%	12.2%	11.2%	11.3%	9.8%
USA	9.3%	9.6%	9.1%	9.4%	8.4%

outlook as given by the University of Michigan economists, it is estimated Michigan will add 36,000 jobs in 2014. The pace of job growth is expected to increase to 59,400 jobs in 2015 and 73,200 in 2016.

There is room for more optimism in the housing market according to the Detroit Free Press, who dived into the numbers and analyzed nearly six years of town-by-town property transactions from four counties in Michigan to reveal the townships, hamlets and communities with the strongest and most dramatic rebounds. In Wayne County, the hotspots were Inkster (106% increase over a six year period), Detroit (57.9%), Hamtramck (51%), Grosse Pointe Park (49.4%), and Grosse Pointe Farms (48.1%). The other counties were Oakland, Livingston, Macomb, and Washtenaw.

According to information obtained from CoreLogic, a property information, analytics and data-enabled services provider, there were 41,000 completed foreclosures nationally in October, 2014, down 14,000 from the same month a year ago.

Forclosures - Top Five Counties in Michigan



Locally, with a significant inventory of compiled foreclosures from previous years, Michigan was 2nd in the top 5 states with the highest number of completed foreclosures for the 12 months ending October , 2014. with 45,000 only behind Florida (118,000). Completed foreclosures are an indication of the total number of homes actually lost to foreclosure. Even with those statistics, the top five counties in Michigan managed to post decreases from the previous year.

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.

An exciting chapter in the city of Detroit started September 25 with the launching of District Detroit anchored by the new Detroit Red Wings arena and the larger development that will surround it. The District Detroit is a transformational development designed to renovate 50 blocks into a world-class, walkable community where people will live, shop and enjoy the finest in sports, entertainment and dining. The new district will connect downtown Detroit with Midtown. The project is the vision of longtime Detroit boosters and entrepreneurs Mike and Marian Illitch. According to the District Detroit website, the City of Detroit is expected to gain $210 million from the project which will have a total impact of $1.8 billion for the state of Michigan according to the Olympia Development release. With Detroit residents committed to fill at least 51 percent of the construction jobs related to the new events center and initial mixed-use development the project is also estimated to create:

- 8,300 construction and construction-related jobs
- 1,100 permanent jobs
- $100 million in jobs-related income for Detroit residents

Quicken loans, Inc. founded by entrepreneur Dan Gilbert, had the biggest increase in employees in the City of Detroit from July 2012 to July 2013 according to Crain's List, 2014. Quicken posted an increase of 53.6% increasing from 5,984 employees in July 2012 to 9,192 employees in July 2013. This increase also ranks Quicken Loans third behind the Detroit Medical Center and the City of Detroit as Detroit's Largest Employers according to Crain's list. Since 2009, Quicken has leased office space in the Compuware building facing Campus Martius Park in Detroit. The company also houses its employees in Downtown Detroit's First National Building, The Qube, Chrysler House, One Woodward Avenue, and 1001 Woodward – all owned by Quicken Loans' parent company, Rock Ventures. Rock Ventures, an umbrella company of Dan Gilbert and Bedrock properties together have over $1.5 Billion invested in Detroit, own over 9 million square feet of 60 properties, have created 6,500 jobs in Detroit and has over 12,500 team members working in Detroit. Over 120 tenants have been recruited.

According to a list of major employers in Detroit compiled by Crain's list, the 4,327 total Detroit employees makes General Motors Detroit's 10th largest employer behind the Detroit Medical Center (11,497), City of Detroit (9,591), Quicken Loans Inc. (9,192) Henry Ford Health System (8,807), Detroit Public Schools (6,586), the U.S. Government (6,308), Wayne State University (6,023), Chrysler Group, LLC (5,426). and Blue Cross Blue Shield of Michigan (5,415).

The Wayne County Aerotropolis, now called VantagePort, is expected to feature 60,000 acres of land between Detroit Metro Airport and Willow Run Airport in Willow Run. The site has been deemed development-ready by Wayne County Executive Robert Ficano with the completion of the re-routing and paving of Wahrman Road. One company, Load One, LLC is expected to locate its world headquarters on 40 acres of the site sometime in 2015. Load One is a leader in the logistics industry looking to invest more than $10 million into the regional economy.

After years of ongoing discussions Wayne County and the Chinese Municipal Government Xuancheng signed a non-binding Memorandum of Understanding to foster economic development and trade opportunities on October 28. While the agreement is still developing, highlights include:

- Wayne County and Xuancheng Municipal Government agree to promote the information exchange between the two sides on economic and trade cooperation;
- Wayne County and Xuancheng will encourage and promote each other's enterprises, with the goal of furthering trade cooperation on the basis of mutual benefit and reciprocity, with the aim of boosting strategic cooperation between the parties.

Michigan International Technology Center (MITC)- Five Mile Corridor - Wayne County Economic Development and Growth Engine, Northville and Plymouth Townships are working together to create a large scale comprehensively planned, multi jurisdictional real estate development containing private and public land holdings as a platform for investment in terms of facilities, employment, and market notoriety from and around the intersection of Beck and Five mile roads, west of the Wayne county line. The project is intended to be a recognized model for private/public cooperation, efficiency and speed to market as integral part of the Pure Michigan Brand. Total approximate acreage involved 800 acres; total probable net useable – approximately 545 acres; 28% coverage fully built our 6,650,000 square feet of facilities at a conservative value of $800,000,000 with a mid to high wage creation of 12,000. Other success stories as well as information on doing business in Wayne County can be found at **http://www.waynecounty.com/EDGE.**

A major catalyst and another major development coming to Detroit and Wayne County is the M-1 Rail Project. Construction of the $140 million 3.3 mile light rail project began construction in the Summer, 2014 and will initially stretch from downtown Detroit to Grand Boulevard in the New Center area. The M-1 rail project was formed by private sector and philanthropic leaders as a result of the National Football League Super Bowl

Detroit hosted in 2006. When tens of thousands of visitors converged on Detroit during that event, it became evident there was a need for reliable transit alternatives that connect to key Detroit destinations within the Downtown, Midtown, New Center, and North End communities. The M-1 rail is expected to be complete and operational toward the end of 2016, shortly before a massive Detroit Red Wings arena and entertainment district is expected to be completed by Summer 2017. There will be 20 different stations serving 12 stops along the M-1 rail line with most of the stations being on either side of Woodward, but some will be in the center of the street as well. The first phase of the project was started in July of 2014 and completed in November of 2014. The streetcar will be for people who live, work, and visit the Woodward Avenue corridor and beyond. There are currently 36,000 residents and 135,000 jobs along with plenty of attractions including Comerica Park, Ford Field, Hart Plaza, Campus Martius, the Fox Theatre, the Detroit Institute of Arts, Wayne State University and many more. Preliminary estimates for projected ridership are around 5,000 to 8,000 riders per day. The streetcar will improve public transit service and provide greater mobility options along the central Woodward communities.

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 Detroit. The new authority bonded 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. .

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.

ASSUMPTIONS USED IN DEVELOPMENT OF THE FY 2014-15 ADOPTED BUDGET

REVENUE ESTIMATES

Early in 2014, the initial revenue estimates were developed and subsequently, set the foundation for which the 2014-2015 and 2015-2016 budgets would be created. 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 estimated revenue available for the ensuing fiscal year. Revenue estimates were based on current economic and forecasted financial outlooks; historical trends; current policies; expert input and analysis from the County Departments and Offices. The revenue estimates were distributed to all elected officials and department heads and was the starting point for which the County would build the 2014-2015 Budget and 2015-2016 Projected Budget. The projected revenue estimates were refined and finalized during the budget process and eventually formed the basis for the budget adopted by the Commission on August 28, 2014.

The initial forecast for the County reflected revenue reductions in the amount of $77.90 million. The General Fund and General Fund supported revenues were forecasted to decline $45.80 million in FY 2014-2015. The General Fund's revenue sources were forecasted to decline $25.62 million from FY 2013-2014 including a reduction of $5.8 million in discretionary or unrestricted revenues used to support general government operations. Other County Funds which include certain Special Revenue funds, Enterprise, Judiciary, Internal Service, Special Assessment funds and certain Component units were forecasted to decline an additional $32.10 million in FY2014-2015. Most of these funds have specific purpose revenue sources and 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.

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 2013-14, the County's General Fund amended budget totaled $548.65 million. Taxes and state revenue sharing, which accounts for the majority of general purpose revenue was projected at $328.90 million or 59.95% 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 2.9% from 2013-2014. This decline in taxable values translates to a reduction of $6.7 million in General Fund 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 2013-14 budget, the County included $40.03 million of State Revenue Sharing payments to be received from the State. In FY 2014-15, this amount is budgeted to increase in FY 2014-15 to $50.01 million. Transfers of approximately $76 million from the Delinquent Tax Revolving Fund (DTRF)/Forfeiture Programs is included in the budget. All of the State Revenue Sharing revenue and $64.4 million of the transfer from the DTRF will be utilized to fund public safety, health and welfare programs and general government. The remaining $12.0 million from the DTRF will earmarked to reduce the accumulated deficit.

During FY 2013-14 as the result of the implantation of the State's Medicaid expansion program, Healthy Michigan, the State legislature reduced the State funding to the Detroit Wayne County Mental Healthy Authority (DWCMHA) by approximately $2.2 million. These reductions were passed through to the County which reduced funding for a number of County mental health programs. In FY2014-15, the funding was completely eliminated by the State and DWCMHA leaving a budget gap of $9.96 million that the County had to fund using DTRF and revenue sharing payments mentions above in order to maintain these vital programs.

In total, the FY 2014-15 Budget includes anticipated total revenues of $549.96 million, an increase of $4.09 million from the FY2013-14 Adopted Budget with unrestricted general purpose revenues of $406.76million, an increase of $31.38 million from the prior year.

General fund restricted or non general purpose revenues including state and federal grants, charges, fees, and other miscellaneous revenues were forecasted to be $143.19 million, down by $27.31 million from FY 2013-14. 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.

ACTIONS INCLUDED IN THE FY 2014-15 ADOPTED BUDGET

The Adopted Budget incorporates tough decision-making and priorities. Listed below are some of the actions taken:

Subsequent to the initial revenue projections, the CEO's Recommended Budget incorporated elements of a Deficit Elimination Plan (DEP) which was approved by the County Commission on May 15, 2014 which will reduce the County's accumulated and ongoing structural deficits. A component of the DEP included the use of $106.10 million from the release of DTRF/Forfeiture Program revenues. Another component incorporated was the result of an Act 312 award, which provides for compulsory arbitration of labor disputes. This award is projected to reduce overtime in the Wayne County Jails by $3.7 million. Certain initiatives of the DEP cannot be implemented without agreements with the unions and their members through the collective bargaining process.

- Continued the 10% reduction in total personnel costs through salary reductions, benefit cost sharing increases, furlough days and other concessions for employees based on collective bargaining agreements.
- General Fund supported programs were required to maintain FY2013-2014 levels of operating expenditures.
- All Departments and Offices were held harmless for increases or decreases from in Health, Pension or internal service department expenses.
- The Courts, County Clerk and Sheriff Court security units were fully funded per the final court settlement agreement.
- Continuation of employee and retiree health care cost sharing as mandated by the State.
- The elimination of the Adult Benefit Waiver program (ABW), $28.01 million. The program was eliminated by the State as part of the Medicaid expansion program under the assumption that this population will be covered by the new Healthy Michigan health program.
- Increased projected state revenue sharing distribution of $50.01 million was fully utilized for public safety, health and welfare programs and general government expenditures.
- Funding from the Detroit Wayne County Mental Healthy Authority (DWCMHA) of $9.96 million was eliminated as the result of State reductions to the Authority.

SUMMARY OF CHANGES BY TYPE OF FUND

The County Adopted Budget for FY 2014-15 totals $1.68 billion, including a General Fund appropriation of $549.95 million. Comparing budgets on an annualized basis, the FY 2014-15 Budget reflects a net increase in the County's total operating budget of $170.76 million or 11.30%.

In Millions

FUND	FY 2013-2014 ADOPTED	FY 2014-2015 ADOPTED	CHANGE
General	$545.87	$549.95	$4.08
Special Revenue	453.74	460.45	6.71
Capital Projects	1.27	2.77	1.50
Debt Service	19.12	14.65	(4.47)
Special Assessment	4.56	3.61	(0.95)
Enterprise	204.16	359.24	155.08
Internal Service	151.34	148.97	(2.37)
Fiduciary	8.00	8.00	0.00
Component units	123.53	134.71	11.18
TOTAL	**$1,511.59**	**$1,682.35**	**$170.76**
% CHANGE			**11.30%**

The summary above reflects the changes between the major fund types. Major changes include an increase in the General Fund totaling $4.08 million from FY 2013-14. Refer to the General Fund section of this document for further discussion.

Special Revenue Funds increased overall by $6.71 million, with the largest increase of $32.91 million in the County's Road Fund. This increase is the direct result of federally funded engineering road construction projects and reoccurring general road maintenance as well as major bridge repairs. Listed below are other funds with notable changes:

- The Parks Fund was decreased by $0.84 million. The decrease is primarily due to a reduction in Millage funding available for renovations of various parks within the County Park System.
- The Community & Economic Development Fund was decreased by $0.99 million relative to the HOME projects funded by the U.S. Department of Housing and Urban Development (HUD).
- The Fiscal Stabilization Reserve Fund (FSRF) is reduced by $16.0 million. In prior years, this appropriation was used to eliminate accumulated deficits in other funds. Funding from the Delinquent Tax Revolving Fund DTRF/Forfeiture programs have been included in the FY2014-2015 for this purpose.
- The Community Block Development Grant (CDBG) decreased by $8.71 million relative to the funding for various HUD grants for community projects.
- The County Health Fund was increased by $2.39 million. This is a result of increased Federal grant funds and general fund allocations which support the County's public health operations.
- The Rouge Demonstration Grant Fund decreased by $4.39 million due to reduced federal funding due to the completion of the Rouge River National Wet Weather Demonstration project as well as reduced local match funding.
- The Drug Enforcement Fund increased by $0.64 million. The Narcotics and Morality enforcement unit has been restored on a part-time basis. Forfeiture funds are intended to support this function.
- The Law Enforcement Fund decreased by $2.19 million due to the completion of several Justice Assistance Grants (JAG).
- Community Corrections remained unchanged.
- The Juvenile Justice and Abuse/Neglect Fund was increased by $8.90 million in order to fully fund the Care Maintenance Organizations (CMO's) in the justice program.
- The Soldiers Relief Fund was reduced by $0.59 million due to a decrease in the utilization of fund balance.
- The Health and Family Services Fund reflects a decrease of $4.79 million which is a result of reduced federal program funding.

- The Youth Services Fund was decreased by $1.43 million due to a one time use of fund balance.

Capital Projects Funds - The $1.50 million increase is largely related to anticipated expenditures relative to the 2009 Equipment Capital Improvements Bond projects for the Third Circuit Court.

Debt Service Funds - The net $4.47 million decrease is primarily related to the reduced debt service for County Roads projects and Technology Installment Purchase Agreement.

Special Assessments Fund– The net $0.95 million decrease variance results of fewer Petition projects scheduled for FY 2015 .

Enterprise Funds– The $155.08 million increase in the Enterprise Funds are primarily the result of increased delinquent tax collections as well as changes in the sewage disposal system funds.

Internal Service Funds - The funds decreased by a net $2.37 million and significant changes occurred in the following funds:

- Central Services Fund increased by $0.13 million which is primarily a result of increased building rental expense.
- Environment Fund reflects an increase of $0.65 million which is largely related to the need to fund Other Post Employee Benefits (OPEB).
- Health Fund decreased by $4.25 million. Savings are anticipated due to additional cost sharing by employees as well as savings in provider billings.
- Building and Ground Maintenance Fund increased $0.97 million due to the addition of skilled trades positions and the increased cost of utility expenses in County facilities.

Fiduciary Fund – There are no changes to this fund.

Component Unit Funds - The $11.18 million net increase in the Component Unit Funds is mainly due to the Probate Court functions being moved from the General fund back to the Probate Court Fund. In FY 2014 the financial reporting for these function was thought to belong in the General Fund due to GASB 61.

BUDGET FORMAT CHANGES

2014-2015 ACCOUNT CHANGES

For budget purposes only, the Probate Court operations have been moved from the General Fund (101) back to the Probate Court Fund (838) in order to account for this operation separately. Also, the budget relative to the Wayne County Land Bank has been transferred from Department of Corporation Counsel to the Office of the Wayne County Treasurer. Additionally, the Adult Benefit Waiver program was eliminated by the State as part of the Medicaid expansion program under the assumption that this population will be covered by the new Healthy Michigan health program.

2013-2014 ACCOUNT CHANGES

As a result of State Legislation in December, 2012, the County's Mental Health Agency was converted into an independent autonomous Authority effective October, 1, 2013. In addition for budgetary purposes, due to GASB 61 the Probate Court Fund operations (838) have been moved to the General Fund (101). Also, the budget relative to the Wayne County Land Bank have been moved from the Economic Development Growth Engine to the Department of Corporation Counsel.

2012-2013 ACCOUNT CHANGES

For the fiscal year ending September 30, 2013, several budgetary structural changes were incorporated. The County has created a Fiscal Stabilization Reserve Fund (Fund 256), this fund will be used in accordance with the County's Deficit Elimination Plan. Also, the following budgets, relative to the funds listed below, have been placed into the General Fund: County Libraries (Fund 268); Pinnacle (Fund 278); and Equipment Lease Financing (Fund 765). Lastly, for budgetary presentation purposes, the greater part of the Senior Citizens and Veteran Affairs functions were documented in the Health & Human Service Department. In the current fiscal year, the budgetary presentation is fully recognized in the Senior Citizens and Veteran Affairs Department.

2011-2012 ACCOUNT CHANGES

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

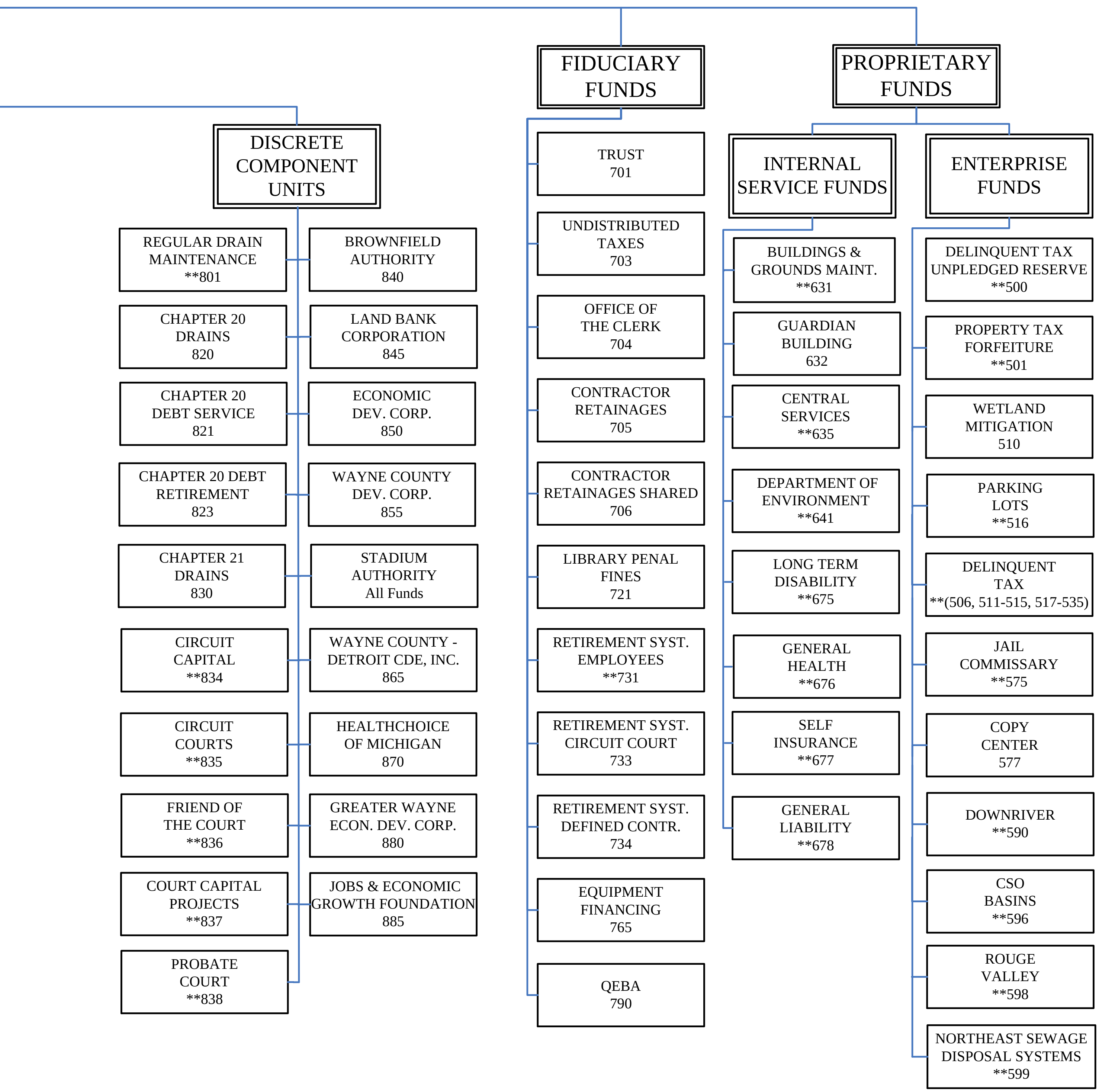
Wayne County, Michigan
Fund Structure Organization Chart

- WAYNE COUNTY
  - GOVERNMENTAL FUNDS
    - GENERAL FUND
      - GENERAL FUND **101
    - SPECIAL REVENUE FUNDS
      - COUNTY ROADS **201
      - COUNTY PARKS **208
      - COUNTY HEALTH **221
      - MENTAL HEALTH 222
      - HHS NUTRITION **223
      - CHILDREN AND FAMILY SERVICES **225
      - ROUGE DEMO GRANT **228
      - ENVIRONMENTAL PROGRAMS **229
      - STADIUM AND LAND DEVELOPMENT **230
      - COMMUNITY & ECONOMIC DEV. **250
      - FISCAL STABILIZATION RESERVE 256
      - DRUG ENFORCEMENT 265
      - BUDGET STABILIZATION *257
      - COUNTY LIBRARY *268
      - LAW ENFORCEMENT **266
      - PINNACLE *278
      - COMMUNITY DEV. BLOCK GRANT **275
      - COMMUNITY CORRECTIONS **281
      - E&ND – 21ST CENTURY 280
      - NUISANCE ABATEMENT *283
      - VICTIM WITNESS PROGRAM **282
      - JUVENILE JUSTICE ABUSE/NEGLECT **292
      - REVENUE SHARING 285
      - VETERAN'S TRUST **294
      - SOLDIER'S RELIEF **293
      - WAYNE COUNTY BUILDING AUTHORITY 569
      - YOUTH SERVICE **297
    - DEBT SERVICE FUNDS
      - GENERAL DEBT SERV. **301
      - STADIUM AUTHORITY 330
      - DEBT SERVICE COUNTY ROADS **350
      - SEWER MUNICIPAL 365
      - WATER MUNICIPAL PROJ. 367
      - BUILDING AUTHORITY 369
    - SPECIAL CAPITAL PROJECTS FUNDS
      - CAPITAL PROGRAMS **401
      - STADIUM AUTHORITY 430
      - CONSTRUCTION FUND – 2003 BONDS 435
      - CAPITAL PROJECTS ROADS 450
      - BUILDING AUTHORITY All Funds

***FY 2012-13 Assets, Liabilities and Fund Balances have been transferred to the General Fund as a result of GASB 54.**

****Appropriated Fund in Enrolled Ordinance 2014-499**

Wayne County, Michigan
Fund Structure Organization Chart



*FY 2012-13 Assets, Liabilities and Fund Balances have been transferred to the General Fund as a result of GASB 54.

**Appropriated Fund in Enrolled Ordinance 2014-499

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.

*These funds have been transferred to the General Fund to comply with GASB 54.
**These funds are not included in the County Appropriation.

250 COMMUNITY AND ECONOMIC DEVELOPMENT
This fund is used to account for resources related to economic development within local communities in Wayne County.

256 FISCAL STABILIZATION RESERVE FUND**
This fund was created to account for resources set aside to eliminate accumulated deficits in various funds.

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 have been transferred to the General Fund to comply with GASB 54.
**These funds are not included in the County Appropriation.

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 RETIRMENT **
830 CHAPTER 21 DRAINS **
840 BROWNFIELD REDEVELOPMENT AUTHORITY **
845 WAYNE COUNTY LAND BANK CORPORATION **
850 ECONOMIC DEVELOPMENT COPORATION OF WAYNE COUNTY **
855 DEVELOPMENT CORPORATION OF WAYNE COUNTY **
860 DETROIT-WAYNE COUNTY STADIUM AUTHORITY **

*These funds have been transferred to the General Fund to comply with GASB 54.
**These funds are not included in the County Appropriation.

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 (527-535)

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.

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.

*These funds have been transferred to the General Fund to comply with GASB 54.
**These funds are not included in the County Appropriation.

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.

790 QEBA**
This fund establishes a Qualified Excess Benefit Arrangements under Section 415 of the Internal Revenue Code.

*These funds have been transferred to the General Fund to comply with GASB 54.
**These funds are not included in the County Appropriation.

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.

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.