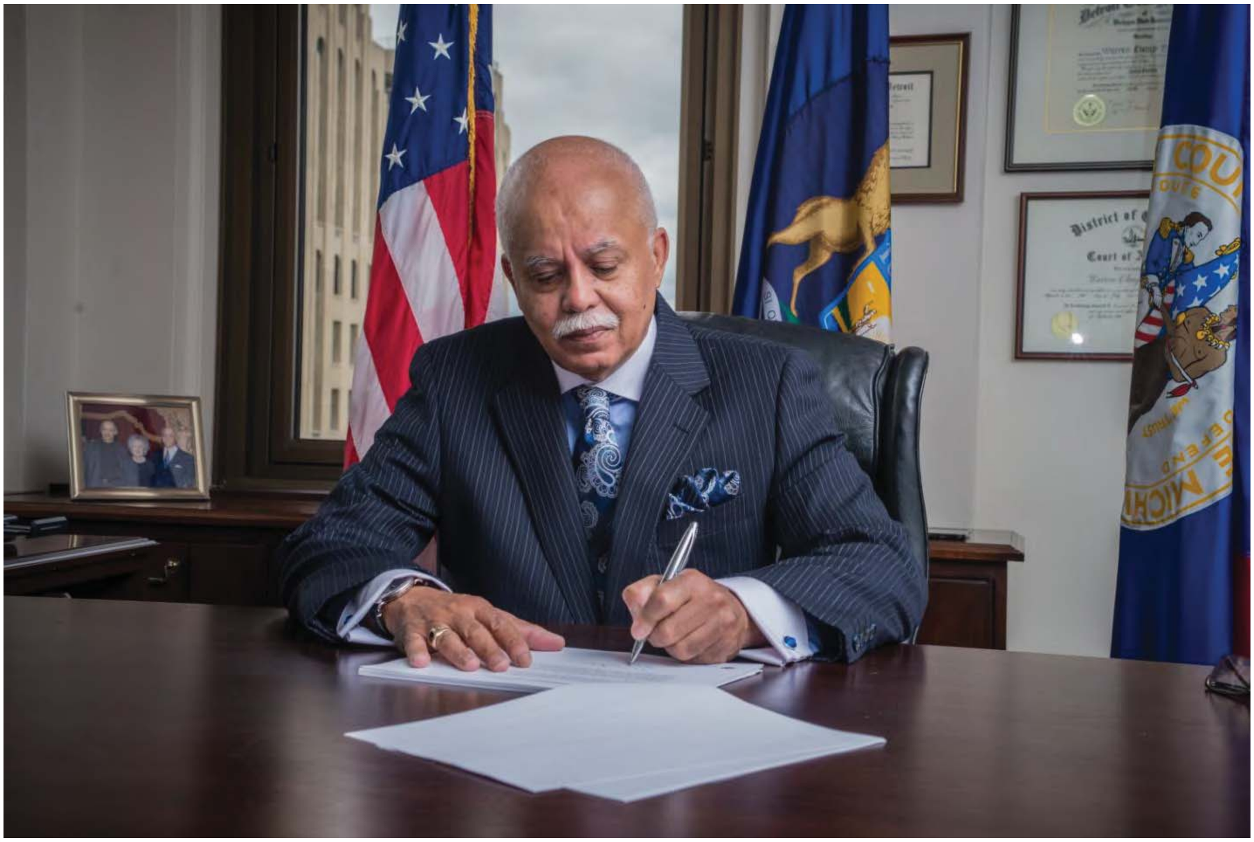
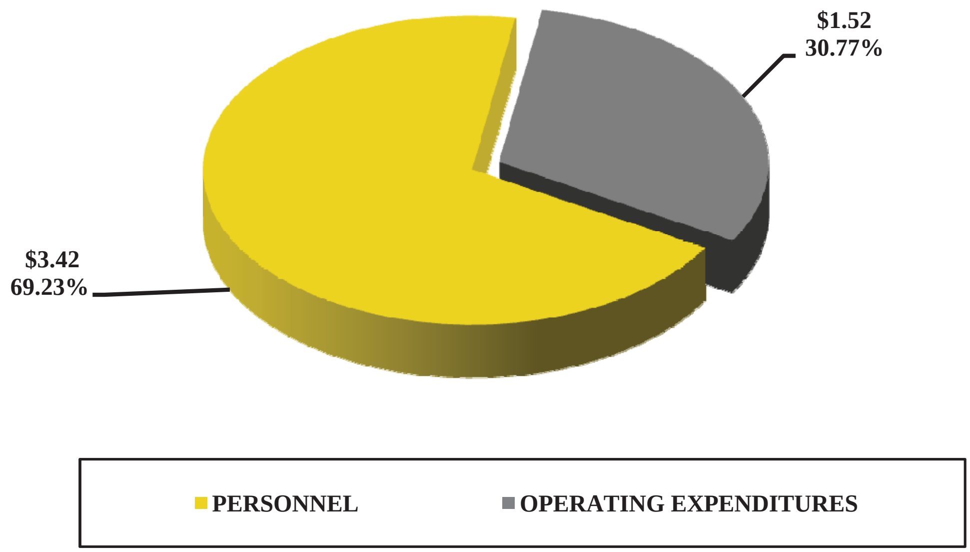


Warren C. Evans
Wayne County Executive

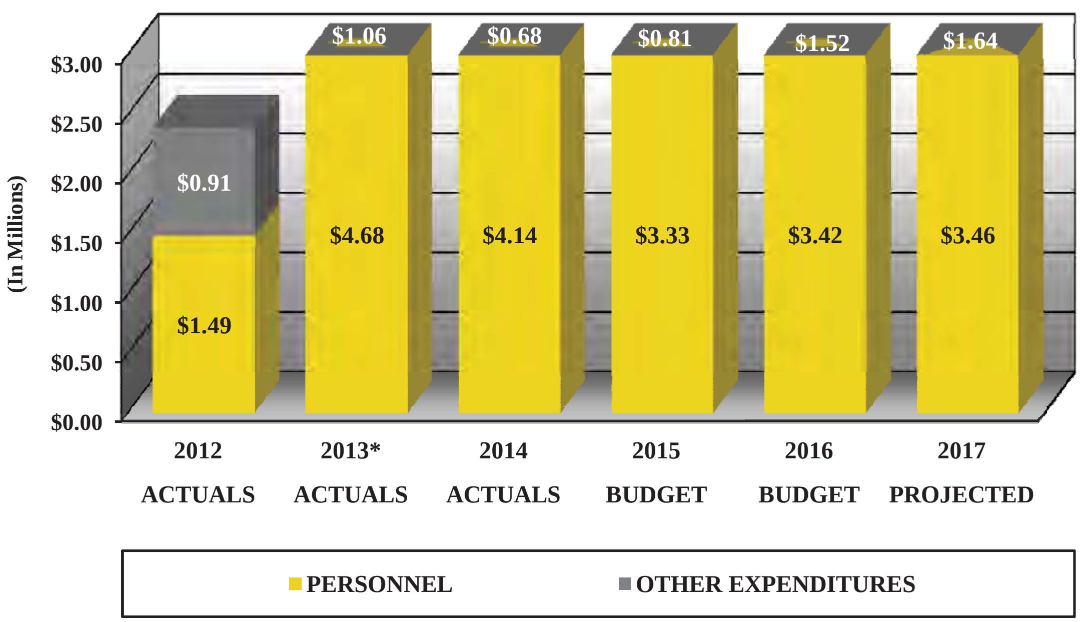
Warren C. Evans became Wayne County's 4th County Executive on January 1, 2015. Executive Evans is a long-time public servant of Wayne County who has established a reputation for achieving results through efficiency, innovation, and strategic collaboration.

WAYNE COUNTY EXECUTIVE

EXPENDITURE ANALYSIS
FISCAL YEAR 2015-2016
In Millions



EXPENDITURE TREND ANALYSIS
FISCAL YEARS 2011-2012 THROUGH 2016-2017



** The FY2013 increase reflects the restructure of special project personnel who directly report to the Office of the County Executive.*

OFFICE OF THE COUNTY EXECUTIVE OFFICER

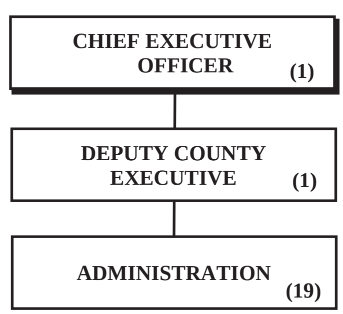
MISSION

The Mission of the Office of the County Executive is to directly, and as the coordinator of the Executive Branch of Wayne County government, provide innovative leadership, and management services to Wayne County residents, businesses and governmental stakeholders so they can enjoy a better quality of life.

BUDGET SUMMARY ALL FUNDS

	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projected Budget
Total Departmental Expenditures	**$4,098,527**	**$4,138,890**	**$4,937,926**	**$5,100,552**
Departmental Revenue				
Charges, Fees, and Fines	2,787,489	2,749,416	3,787,455	3,932,306
Total Revenues	**$2,787,489**	**$2,749,416**	**$3,787,455**	**$3,932,306**
General Fund General Purpose	**$1,311,038**	**$1,389,474**	**$1,150,471**	**$1,168,246**
Total Budgeted Positions	**21**	**26**	**21**	**21**

Contact: **Warren C. Evans**, Chief Executive Officer
500 Griswold St., 31st Floor • Detroit, MI 48226 • Phone: (313) 224-0291



OFFICE OF THE COUNTY EXECUTIVE OFFICER

MAJOR ACTIVITIES AND DESCRIPTIONS

The executive and administrative power of Wayne County is vested in the Chief Executive Officer (CEO). The CEO has the authority and responsibility under the Wayne County Charter to:

- Supervise, coordinate, direct and control all County facilities, operations and functions except as otherwise provided by law or Charter.
- Implement and enforce the State and local laws, Charter, ordinances, resolutions, orders and rules.
- Submit reports and recommendations to the Commission on matters affecting the County.
- Exercise unified executive authority over Homeland Security assets and programs to preserve and protect lives and property from major emergencies and disasters of all types.
- Exercise the option to veto, subject to Commission override, any ordinance or resolution having the effect of law, or line item in an appropriation ordinance.

GOALS: As Warren C. Evans begins his first term as Wayne County Executive, his Administration will formulate and execute strategies centered on the following goals:

- **Restore Integrity and Maintain Transparency in Governance** – Restore and maintain integrity, transparency and public confidence in government.
- **Eliminate Existing Debt** - Eliminate the existing structural and accumulated financial deficits, as well as create and implement balanced and realistic multi-year budgets. The County faces the daunting task of eliminating a FY 2015 structural operating deficit of $52 million ($74.9 million when pensions are included) and improving a defined benefit pension plan that is only 44% funded.
- **Reform Government Operations** – Ensure that all County operations provide quality services in an operationally sound and fiscally prudent manner. This will entail full reviews and, as needed, restructuring in all executive departments of the County and examining ways to collaborate internally and externally to eliminate redundancies and realize savings from economies of scale.
- **Improve Public Safety** – Make public safety a priority, and enhance quality of life for County residents and attract businesses to invest in the County.
- **Create Real Economic Development** – Promote economic development programs and activities for real job growth that supports small business and development in the County. Wayne County economic development activity is undergoing a complete overhaul and future plans and strategies will be centered on the growth of real sustainable jobs through support of and collaboration with our local communities and regional partners.
- **Maximize Partnerships With Stakeholders** - Collaborate with County stakeholders, including the County's workforce, County Commission, and external partners to achieve common goals that are in the best interest of the County.
- **Develop Regional Strategies** - Regionalism is the key to promoting harmonious relationships, cutting costs, providing better services at all levels of government and more effectively representing the County's varied constituencies. To this end, the Administration is fully engaged in and supports the implementation of the Great Lakes Water Authority and Regional Transit Authority.

FISCAL YEAR 2014-2015 ACCOMPLISHMENTS AND HIGHLIGHTS

In the CEO's first six months on the job, his Administration has made significant strides in reforming and restructuring County government and implementing policies to improve the County's overall fiscal health. The Administration first worked with credible third party auditors to conduct an audit of the County's financial condition to determine the real deficit number, true revenue numbers, and actual liabilities. This data helped the County to understand the extent of the accumulated and on-going structural deficits.

The Administration developed a Recovery Plan that provides a realistic roadmap to solvency and a financial state where the County can, again, engage in sensible long-term planning. The Plan addresses the County's current financial situation, the causes of the problem, and identifies fixes for the problem. While much work remains, the CEO has already successfully implemented several aspects of the Plan.

The Administration developed an Executive Reorganization Plan in accordance with the requirements of the Wayne County Charter. The Reorganization Plan, which the Wayne County Commission unanimously approved, paves the way for sweeping change in how the County provides services to residents. In particular, a merger between the Departments of Children and Family Services, Health and Human Services, the Veterans Division of the former Senior and Veteran's Services Departments as well as the Community Development Division of the former Economic Development Growth Engine, creates the structure necessary to eliminate

OFFICE OF THE COUNTY EXECUTIVE OFFICER

FISCAL YEAR 2014-2015 ACCOMPLISHMENTS AND HIGHLIGHTS continued

ineffective redundancies and silos in service delivery and provide a better continuum of care for County's residents. Utilizing a valuable report about the County's real estate holdings from O'Keefe and Associates, the Administration is underway to effectively manage the County's owned and leased real estate portfolio. The County is in the process of selling unneeded real estate and consolidating leased County offices to available owned County buildings—an effort that is projected to save the County millions of dollars.

With the settlement of a high exposure lawsuit (MacDonald v Wayne County) involving the County's largest stakeholder, the County is able to implement reform in the area of retiree health care and achieve savings of approximately $20 million per year going forward.

The Administration is engaged in negotiations with unions to address employee-related costs impacting the County's structural deficits and liquidity, including, wages, pensions and healthcare costs.

The CEO is a strong supporter of regionalism with respect to the formation of the Great Lakes Water Authority. The Administration spends countless hours negotiating terms for the leases of the regional water and sewer assets, as well as service agreements, which were finally approved by the Great Lakes Water Authority (GLWA) on June 12, 2015. While a lot of work remains to effectively transfer operations to the GLWA, executing these documents was a major milestone in changing the paradigm of how this important regional utility is managed.

NEW INITIATIVES FOR FISCAL YEAR 2015-2016

With the CEO's request to the State of Michigan for a preliminary financial review under PA 436, it is critical that the process be managed to successful completion to ensure long-term financial health for the County. If a financial emergency is declared, of the four options available to eliminate that financial emergency, the CEO is advocating for the Wayne County Commission to select the Consent Agreement. This option is undoubtedly the most effective tool to lead the County to financial stability.

In accordance with the Executive Reorganization Plan, the CEO will fully implement the merger of the new department of Health, Veterans and Community Wellness and establish the Wayne County Economic Development Corporation as the economic development arm of the County.

The Administration will reengineer the County's procurement processes and start to upgrade key IT systems that support our business processes. The entire purchasing process is currently being reviewed from "P2P" - Procurement to Payment. The CEO is taking a holistic approach to evaluate not just how much money the County is spending, but also why, where, and under what authority money is being spent. A completely new web-based system is being considered to replace several disparate systems that do not interconnect, along with antiquated, manual processes that are inefficient and oftentimes redundant. This technology will enable the County to expedite approvals, contracting, payment, and generate robust reporting, resulting in lower supplier costs, reduced risks, improved working capital, increased transparency and much more.

The County will also leverage technology to its fullest extent to enhance other internal operating efficiencies, while continuing to deliver quality mandated services to constituents. Specific technology initiatives include enhanced on-line and mobile access to County services, modernized financial and human resource management systems, improved health and wellness systems, along with automated document routing and other technological enhancements. In support of these initiatives, the County will remain diligent in cyber security efforts in order to protect all County and constituent information assets.

Other restructuring initiatives that are designed to increase revenues, decrease spending and/or enhance operational efficiencies will be pursued as outlined in the Recovery Plan. These other initiatives include billing for public health services, environmental health and other environmental fee increases, third party jail health and Juvenile Detention Facility health services and improvements for the Sheriff's Department.

Integrally related to the County's financial health and a critical component of public safety is the Consolidated Jail Project. While this is an inherited major capital problem and certainly not a new initiative, the CEO is taking a pragmatic approach to solve this problem by selecting the best and most financially prudent option that will not deleteriously affect public safety.

OFFICE OF THE COUNTY EXECUTIVE OFFICER
Financial Report

	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projected Budget
00101 General Fund				
171 County Executive				
Revenues				
Charges, Fees, and Fines	2,787,489	2,749,416	3,043,090	3,181,700
Total Revenues	**$2,787,489**	**$2,749,416**	**$3,043,090**	**$3,181,700**
Expenditures				
Personnel	1,728,251	1,706,581	1,819,220	1,819,220
Fringe Benefits	924,405	898,083	729,009	753,322
Pension	713,988	726,967	483,329	492,096
Materials and Supplies	79,491	85,477	67,407	55,250
Services and Contractual Serv	287,071	353,100	770,495	848,367
Travel	23,165	24,965	21,800	21,800
Operating Expenses	46,220	45,725	66,351	56,153
Rentals	295,936	297,992	229,350	297,139
Other Charges	0	0	6,600	6,600
Total Expenditures	**$4,098,527**	**$4,138,890**	**$4,193,561**	**$4,349,947**
00101 General Fund				
179 EDC & Land Bank Administration				
Revenues				
Charges, Fees, and Fines	0	0	744,365	750,606
Total Revenues	**$0**	**$0**	**$744,365**	**$750,606**
Expenditures				
Personnel	0	0	234,500	234,500
Fringe Benefits	0	0	94,966	98,303
Pension	0	0	62,302	65,230
Materials and Supplies	0	0	116,210	116,210
Services and Contractual Serv	0	0	212,500	212,500
Travel	0	0	10,000	10,000
Operating Expenses	0	0	6,387	6,362
Rentals	0	0	0	2,500
Other Charges	0	0	2,500	0
Non Capital Assets	0	0	5,000	5,000
Total Expenditures	**$0**	**$0**	**$744,365**	**$750,605**
TOTAL DEPARTMENTAL REVENUES	**$2,787,489**	**$2,749,416**	**$3,787,455**	**$3,932,306**
TOTAL DEPARTMENTAL EXPENDITURES	**$4,098,527**	**$4,138,890**	**$4,937,926**	**$5,100,552**

OFFICE OF THE COUNTY EXECUTIVE
Summary of Positions

	FY 2013-2014 Budget	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projected Budget
101 GENERAL FUND				
171 COUNTY EXECUTIVE				
ELECTED AND EXECUTIVE	13	17	12	12
SUPPORT STAFF	8	9	9	9
TOTAL POSITIONS	**21**	**26**	**21**	**21**
TOTAL DEPARTMENTAL POSITIONS	**21**	**26**	**21**	**21**

OFFICE OF THE COUNTY EXECUTIVE OFFICER

BUDGET CHANGE AND HIGHLIGHTS FY 2015-2016

	Increase / (Decrease) from 2014-2015 Adopted Budget	Description of Change
REVENUES		
Charges, Fees, and Fines	1,038,039	Increase in Charge for Service revenue due to new Economic Development Corporation (EDC) and Land Bank division being moved into CEO department. Increase also reflects actual charges provided.
TOTAL REVENUES	**$1,038,039**	
EXPENDITURES		
Personnel	347,139	Increase reflects actual costs for individuals housed in the CEO business units as well as EDC and Land Bank.
Fringe Benefits	(74,108)	Based on published fringe rates.
Pension	(181,336)	Based on published fringe rates.
Materials and Supplies	98,140	Increase reflects increase to Vantage Port membership dues as estimated by the Division.
Services and Contractual Services	629,895	Increase in various services provided as a result of the EDC and Land Bank administration. In addition, increase reflects additional contractual services provided.
Travel	6,835	Increase in travel expenses for conferences.
Operating Expenses	27,013	Increase in liability insurance based on published fringe rates. Increase for vehicle repair and maintenance.
Rentals	(68,642)	Decrease of building rent based on an annual allocation of square footage used.
Other Charges	9,100	Reflects various anticipated miscellaneous expenses.
Non Capital Assets	5,000	Computer and equipment for new EDC & Land Bank.
TOTAL EXPENDITURES	**$799,036**	