

CHARTER COUNTY OF
WAYNE
MICHIGAN

2016

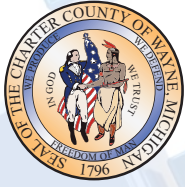
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2016

WARREN C. EVANS
County Executive



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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

Prepared By
**THE DEPARTMENT OF MANAGEMENT
AND BUDGET**

CHARTER COUNTY OF WAYNE, MICHIGAN

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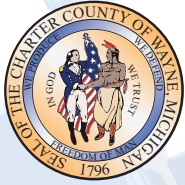
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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

INTRODUCTORY

The Introductory Section Contains

LETTER OF TRANSMITTAL

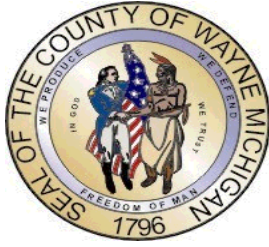
LIST OF PRINCIPAL COUNTY OFFICIALS

**WAYNE COUNTY COMMISSIONERS
& OTHER ELECTED OFFICIALS**

ORGANIZATIONAL CHART

**CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING**

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Warren C. Evans Wayne County Executive

March 22, 2017

To the Citizens of the Charter County of Wayne, Michigan:

State law requires that every general-purpose government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended September 30, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson has issued an unmodified (“clean”) opinion on the Charter County of Wayne, Michigan’s (the County) financial statements for the year ended September 30, 2016. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this transmittal letter and it should be read in conjunction with it.

Profile of the Government

The County is located in southeastern Michigan, encompassing approximately 620 square miles. It is made up of 34 cities, including the City of Detroit, 9 townships, and 33 public school districts. The County’s approximately 1.8 million residents make it the most populous county in the State of Michigan and the 19th most populous county in the nation.

The County was incorporated under Michigan Public Act 293 of 1967, as amended. It is governed by a Chief Executive Officer (County Executive), who is elected on an at-large basis for a four-year term and a County Commission (the Commission) comprised of 15 members elected by district on a partisan basis for two-year terms. The County Executive has administrative and executive powers to supervise, coordinate, direct and control County functions, operations and facilities. The Commission serves as the legislative branch of the County. It is responsible for establishing policy and approving the County budget. The citizens also elect the following officials on an at-large basis for four-year terms: County Clerk, Register of Deeds, Prosecuting Attorney, Sheriff, and Treasurer. The County Clerk and Register of Deeds are responsible for the recording of official records. The Prosecuting Attorney and Sheriff are responsible for providing quality law enforcement and criminal justice services to all people of the County. The Treasurer has responsibility for the receipt, custody, and investment of all County funds and the collection of taxes.

DEPARTMENT OF MANAGEMENT AND BUDGET

500 GRISWOLD ♦ 14th FLOOR, DETROIT MICHIGAN 48226-2831 ♦ (313) 224-0420 ♦ www.waynecounty.com

In 1996, the State of Michigan passed along the primary funding responsibility of the Third Circuit and Probate Courts to Wayne County. The Courts are responsible for judicial proceedings within the County. There are three separate divisions of the Third Circuit Court: civil, criminal and family court. The civil division is assigned 18 judges for the resolution of general civil cases. The criminal division is assigned 23 judges and has sole jurisdiction over felonies and high misdemeanors. The family court division, with 17 judges, has responsibility for hearing domestic relations and juvenile cases. The Probate Court has eight judges who have jurisdiction in all matters related to settlement of estates, trusts and appointment of trustees.

The annual budget serves as the foundation for the County's financial planning and control. All agencies of the County are required to submit requests for appropriation to the Budget and Planning Division of Management and Budget on or before April 1st of each year. The Budget and Planning Division uses these requests as 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. After public hearings to obtain citizen input, the Commission legally enacts the budget through the passage of an appropriation ordinance. The appropriated budget for the General Fund is adopted by activity (e.g. general government, public safety, public works, etc.). Amendments to appropriations that change the County's appropriation ordinance require the approval of the Commission. Certain transfers within the line items that do not affect appropriations may be made without the

Local Economy

The State of Michigan's unemployment rate has continued to decline. For December 2014, 2015, and 2016 the unemployment rate has declined from 5.6% to 5.1% to 5.0%, respectively. From the end of the great recession to December 2016 the state unemployment rate decreased by 9.7%, from 14.7% to 5.0%. The state's economy is anticipated to continue to grow over the next few years.

The County's economic status has continued to improve but has remained behind the State average. For December 2014, 2015, and 2016 the County unemployment rate has declined from 7.6% to 6.4% to 5.7%, respectively. The County anticipates flat to slight increases in property tax revenues over the next few years coupled with an anticipated decline in the Wayne County Treasurer's Delinquent Tax Revolving Fund (DTRF) surplus transfers that will continue to put pressure on maintaining a balanced budget. The County has made great strides to address its unfunded other postemployment benefits (OPEB) by reducing the liability by almost \$1 billion, reducing future pension liability by \$126 million, and eliminating the structural deficit. The implementation of a state of the art procurement system centered on strategic sourcing that is measured by key performance indicators designed to save the County millions will further help to close the structural deficit gap.

The North American International Auto Show (NAIAS) continues to provide a huge annual economic boost to the region, benefiting hotels, restaurants, exhibit companies, and retail throughout the metro area. Significant improvements have been made to Cobo Hall which contributes to the expansion and retention of this important event. The Auto Show kicked off with the annual black tie Charity Preview on January 13, 2017 raising \$5.2 million for children's charities. The NAIAS, originally known as the Detroit Auto Show (1907), has now become one of the largest global shows in the United States with ticket sales exceeding 806,000 for this year's show. The economic impact to the city, state and region is approximately \$450 million, more than two Super Bowls in one year.

The County is home to 43 communities. The County recognizes that these diverse communities form parts of the greater Wayne County community. An emphasis on identifying the needs within the individual communities and prioritizing County resources will benefit the individual community and the County as a whole. This includes:

- A revitalized approach to the distribution of Community Development Block Grant (CDBG) funds with a focus on community wellness and strategic coordination;
- Initiatives by the Department of Health, Veterans and Community Wellness (DHVCW) to make it easier for constituents to find services through its No Wrong Door approach to service delivery;
- Initiatives by the Department of Public Services to open a call center for local communities to contact the Department for any of its divisions and to track inquiries; and
- An emphasis on public safety by collaborating with the Wayne County Sheriff and the Wayne County Prosecutor including the testing of stored rape kits.

Economic development efforts within the County have been refocused on helping local units of government achieve their development goals including:

- In Livonia, Amazon is investing \$90 million on a 1 million square foot fulfillment center in part by the County investing in road infrastructure improvements.
- The Detroit-Wayne County Stadium Authority is investing \$91 million for downtown sport stadiums. Comerica Park will benefit from a new cellular tower and a new parking garage. Ford Field will utilize \$50 million for renovations and upgrades to seating, suites, club areas and audio visual system.
- \$650,000 in grants were secured to help enhance economic development efforts. DTE Energy grant for \$150,000 to provide a community asset map helping potential development find sites based on selected criteria. A \$200,000 grant was received for the planning for the closing of the River Rouge DTE power plant. The EPA awarded \$300,000 for the clean up of hazardous materials at a Brownfield site.

The County is funded by seven types of revenues; taxes, licenses and permits, federal grants, state grants and contracts, local grants and contracts, charges for services rendered by the County, and interest and rents.

Property taxes are the largest source of funding and accounts for 50% of total General Fund revenues. Many local units of government within the County have seen increases in property tax revenues compared to the prior year while others continue to struggle with declining or flat taxable values of property. Changes to personal property tax laws are adding an additional challenge to forecasting future revenues because this was the first year of the replacement of revenue. The Wayne County Treasurer has placed a dual emphasis on collection of delinquent taxes while providing a program to help residents remain in their homes.

Under the State Revenue Sharing Act, counties receive revenue generated by sales tax. Of the total amount of sales tax available for distribution to local governments, counties receive 25.06% of the 21.3% of the State sales tax. Payments are apportioned among the 83 counties on a per capita basis, and are distributed each February, April, June, August, October, and December. Wayne County received \$50.0 million in revenue sharing for fiscal year 2016, which is consistent with the amount budgeted by the State of Michigan.

State revenue sharing, federal funding, and other resources are generally based on population. Population trends play a vital role in the funding of local units and to the County itself. The 2010 Census was conducted on April 1, 2010. The actual population count was released by the Michigan census on March 21, 2011. From 2000 to 2010 the State's population declined by about 54,800 and the County's population decreased by about 240,600 (during the same period the City of Detroit's population declined by about 237,500).

Long-term Financial Planning

The County has placed an emphasis on financial planning as part of its efforts to restructure its finances and operations. Each year the development of the County's budget includes the budgeting of the next two fiscal years. The County also forecasts its cash flows to ensure that adequate balances of cash are available to meet its monthly needs for payroll, regular expenditures, and debt payments. The County has four primary financial objectives:

- To ensure financial stability by maintaining adequate reserves of resources;
- To improve the fiscal planning process;
- To generate savings by implementing operational efficiencies;
- To implement budget controls during the construction of the new jail facility to ensure a minimum of resources are utilized.

The County has for a second year in a row achieved an annual surplus and has grown its fund balance. The continued efforts of and sacrifice of County employees has been instrumental in the County achieving annual surpluses.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report (CAFR) for the year ended September 30, 2015. This was the 17th award in the last 20 years and the tenth consecutive. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized CAFR, containing the elements required by generally accepted accounting principles. The Certificate of Achievement is a prestigious national award recognizing conformation with the highest standards for preparation of state and local government financial reports.

A Certificate of Achievement is valid for a period of one year only. The County received the Certificate of Achievement for its fiscal year 2015 CAFR. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, for the twenty-second year in a row, the County received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget for the fiscal year beginning October 1, 2015. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization. Every year the County submits its budget document to the GFOA to determine its continued eligibility for the Distinguished Budget Presentation Award.

The preparation of the CAFR is only possible by the dedicated service of the entire staff of the Department of Management and Budget. Each member of the Department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to express our appreciation to the County Executive, and his staff, for their leadership and continued support of the policies of this Department.

Respectfully submitted,

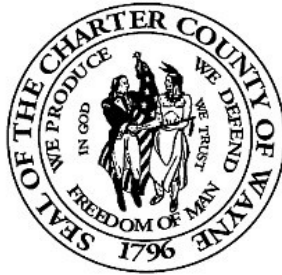


Tony Saunders
*Chief Restructuring Officer
& Chief Financial Officer*



Mathieu J. Dubé
Deputy Chief Financial Officer

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OFFICE OF THE COUNTY EXECUTIVE

Warren C. Evans
County Executive Officer

Richard C. Kaufman
Deputy County Executive

Rudy Hobbs
Chief of Staff

Genelle Allen
Assistant County Executive

June S. Lee
Assistant County Executive

Tony Saunders
Chief Restructuring Officer &
Chief Financial Officer

COUNTY EXECUTIVE DEPARTMENT HEADS

Corporation Counsel
Zenna Faraj Elhasan

Health, Veterans and
Community Wellness
Dr. Mouhanad Hammami

Homeland Security/Emergency
Management
Tadarial Sturdivant

Management and Budget
Tony Saunders

Personnel/Human Resources
Shonta Langford

Public Services
Beverly Watts

Senior Services
Kevin F. Kelley

Technology
Carlos Perez

WAYNE COUNTY COMMISSION

Gary Woronchak
Chairman, 13th District

Alisha R. Bell, Vice Chair 7th District
Jewel C. Ware, Vice Chair Pro Tempore 2nd District

Timothy P. Killeen
1st District

Terry A. Marecki
9th District

Martha G. Scott
3rd District

Joseph Barone
10th District

Ilona Varga
4th District

Abdul Haidous
11th District

Irma Clark-Coleman
5th District

Glenn S Anderson
12th District

Burton Leland
6th District

Raymond Basham
14th District

Diane Webb
8th District

Joseph Palamara
15th District

OTHER WAYNE COUNTY ELECTED OFFICIALS

Circuit Court
Robert J. Colombo, Jr.
Chief Judge

Probate Court
Freddi G. Burton
Chief Judge

Timothy M. Kenny
Chief Judge Pro Tempore

David Braxton
Chief Judge Pro Tempore

County Clerk
Cathy M. Garrett

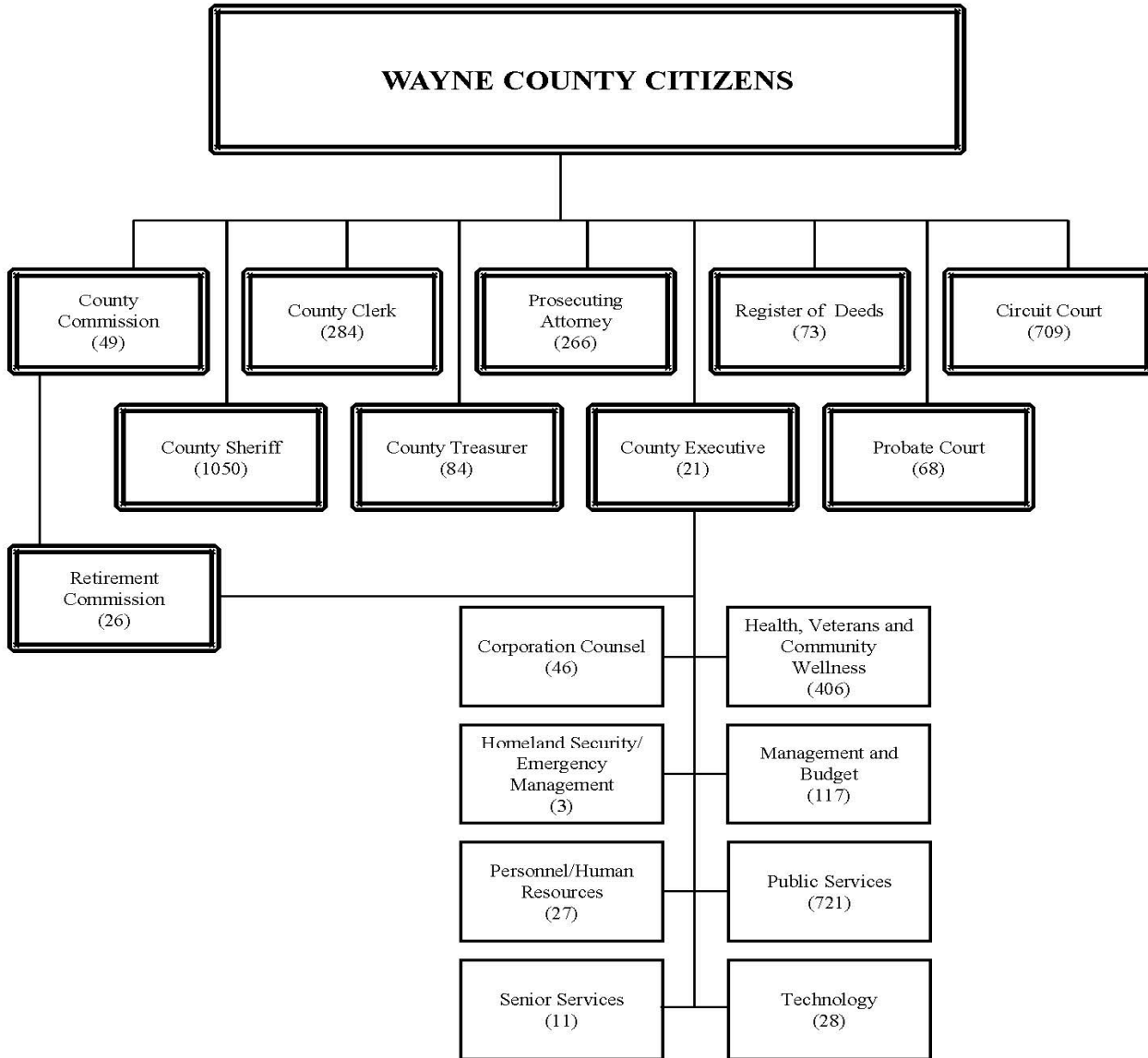
Register of Deeds
Bernard J. Youngblood

Prosecuting Attorney
Kym L. Worthy

Sheriff
Benny N. Napoleon

Treasurer
Eric R. Sabree

WAYNE COUNTY, MICHIGAN ORGANIZATION CHART



TOTAL NUMBER OF POSITIONS: 3,989



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

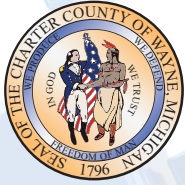
Presented to

**Charter County of Wayne
Michigan**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

The Financial Section Contains

INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

BASIC FINANCIAL STATEMENTS

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)**

**OTHER SUPPLEMENTARY INFORMATION - COMBINING
AND INDIVIDUAL FUND STATEMENTS/SCHEDULES**

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INDEPENDENT AUDITORS' REPORT

March 22, 2017

To the Wayne County Commission
and the County Executive
Charter County of Wayne
Detroit, Michigan 48226

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the *Charter County of Wayne, Michigan* (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following entities, which represent the indicated percentages of total aggregate discretely presented component unit assets and revenues:

	Percent of Assets	Percent of Revenues
HealthChoice of Michigan	10.5%	61.9%
Wayne County-Detroit Community Development Entity, Inc.	4.1%	1.7%
Greater Wayne County Economic Development Corporation	0.6%	0.0%

Those financial statements were audited by other auditors whose reports thereon were furnished to us, and our opinions, insofar as it relates to the amounts included for the above entities, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Wayne County-Detroit Community Development Entity, Inc. were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter County of Wayne, Michigan, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Restatement of Beginning Net Position

As discussed in Note 16 to the financial statements, beginning net position of the governmental activities, the business-type activities, certain enterprise funds, certain internal service funds, the employees' retirement system pension trust fund and the Drains component unit were restated in order to present the net pension liability and related deferred outflows and inflows as of the current fiscal year end date as opposed to one year prior as allowed by applicable standards but reconsidered as part of implementing the sweeping new reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedules of pension and other postemployment benefits information, and major fund budgetary comparison schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

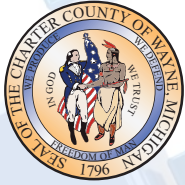
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rehmann Johnson LLC". The signature is written in a cursive, flowing style.



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)**

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CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

As management of the Charter County of Wayne, Michigan (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information including budgetary schedules and combining financial statements in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements provide a broad view of the County's operations in a manner similar to a private-sector business.

The statement of net position presents all of the County's assets, liabilities, deferred inflows and deferred outflows of resources with the difference among the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include the general government, legislative, judicial, public safety, public works, highways, streets and bridges, health and welfare, recreation and cultural, community and economic development. The business-type activities of the County include the operations of the sewage disposal systems, jail commissary, parking lots and the wetlands mitigation project.

The government-wide financial statements include not only the County itself (known as the primary government), but also 11 legally separate organizations (including three blended component units) for which the County has financial accountability or other financial interest. These entities operate as governmental entities similar to the governmental activities described above. The County's discretely presented component units are presented in two categories, major and nonmajor. This separation is determined by the relative size of the entities' assets, liabilities, revenues and expenses in relation to the total of all component units.

The government-wide financial statements can be found in the financial section of this report. The following represent the highlights discussed in more detail later in the report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

Government-wide Highlights:

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at September 30, 2016, by \$547.1 million (net position). Net position is either restricted for specific purposes, related to the County's investment in capital assets and is not available for spending, or unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$257.7 million (89.0 percent) for the fiscal year ended September 30, 2016. Net position of governmental activities increased by \$258.9 million (3,545 percent), while net position of the business-type activities decreased by \$1.2 million (0.4 percent).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain accounting control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental, proprietary and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains various individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Roads, Health, and Juvenile Justice and Abuse/Neglect funds, all of which are considered to be major funds.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found in the financial section this report.

Proprietary Funds. The County maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, with the exception of the Delinquent Tax Revolving Fund, which is reported as a governmental activity in the government-wide financial statements. The County uses enterprise funds to account for the operations of the Delinquent Tax Revolving, Downriver Sewage Disposal System, Rouge Valley Sewage Disposal System, Combined Sewer Overflow (CSO) Basins, and Northeast Sewage Disposal System funds, as well as the operations for several other self-sustaining activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Department of Technology costs, Department of Environment administrative costs, risk management services self-insurance, health insurance, long-term disability, and building and grounds maintenance. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included as governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the operations of the County's eight enterprise funds, three of which are considered to be major funds of the County. Major funds include the operations of the Delinquent Tax Revolving, Downriver Sewage Disposal System and Rouge Valley Sewage Disposal System funds. Data from the five nonmajor enterprise funds are combined into a single aggregated presentation.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government and not considered part of the primary government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees and budgetary comparison schedules.

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$547.1 million at September 30, 2016.

	Net Position (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 909,722	\$ 924,261	\$ 148,688	\$ 160,879	\$ 1,058,410	\$ 1,085,140
Capital assets, net	1,008,246	1,025,418	302,467	308,738	1,310,713	1,334,156
Total assets	1,917,968	1,949,679	451,155	469,617	2,369,123	2,419,296
Deferred outflow of resources	3,069	16,796	19	277	3,088	17,073
Long-term liabilities	668,303	701,821	133,010	144,849	801,313	846,670
Other long-term liabilities	814,080	1,024,838	8,167	11,715	822,247	1,036,553
Other liabilities	159,519	215,016	29,010	31,021	188,529	246,037
Total liabilities	1,641,902	1,941,675	170,187	187,585	1,812,089	2,129,260
Deferred inflow of resources	12,920	17,496	125	206	13,045	17,702
Net position:						
Net investment in capital assets	708,607	690,899	222,798	170,342	931,405	861,241
Restricted	123,069	108,583	40,619	103,318	163,688	211,901
Unrestricted	(565,461)	(792,178)	17,445	8,443	(548,016)	(783,735)
Total net position	\$ 266,215	\$ 7,304	\$ 280,862	\$ 282,103	\$ 547,077	\$ 289,407

By far the largest portion of the County's net position for governmental activities and business-type activities combined (\$931.4 million) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. There was a net increase of \$70.2 million, which was primarily due to a change in classification of the restricted receivables which were offsetting to net capital asset (\$47.2M) and capital asset related debt declining faster than the net capital assets. There was an increase in unspent bond proceeds of \$3.7 million from interest revenues (\$330 thousand) and recoveries from vendors (\$3.4 million). Depreciation expense for the current year is \$2.6 million less than the prior year.

A portion of the County's net position, \$163.7 million, represents resources that are subject to external restrictions on how they may be used. Governmental activities restricted net position of \$123.1 million increased by \$14.5 million from the prior year. This is primarily due to \$8.5 million in roads which is restricted for roads construction and maintenance and \$5.4 million in capital project funds which is restricted for capital improvements or construction. Business-type activities has \$40.6 million in restricted net position due to restrictions on assets imposed by bonded debt instruments.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

The County's unrestricted net position has a deficit balance of \$548.0 million and is not available to meet ongoing obligations to citizens or creditors. The unrestricted net position deficit decreased by \$235.7 million primarily from the decrease in net pension liability of \$207.1 million and \$59.7 million in net position restatement, and a reclassification of restricted receivables of \$47.2 million.

Change in Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program revenues:						
Charges for services	\$ 215,847	\$ 202,211	\$ 112,344	\$ 106,115	\$ 328,191	\$ 308,326
Operating grants	301,970	296,803	2,294	3,413	304,264	300,216
Capital grants	17,251	22,011	-	-	17,251	22,011
General revenues:						
Property taxes	296,556	337,224	-	-	296,556	337,224
Sales taxes	54,854	54,712	-	-	54,854	54,712
Excise taxes	9,968	8,832	-	-	9,968	8,832
Airport parking taxes	19,822	17,310	-	-	19,822	17,310
Investment earnings	39,077	38,882	497	481	39,574	39,363
Gain on sale of assets	158	108	-	-	158	108
Other revenue	32,388	24,312	7	1	32,395	24,313
Total revenues	987,891	1,002,405	115,142	110,010	1,103,033	1,112,415
Expenses:						
General government	137,638	227,637	-	-	137,638	227,637
Legislative	5,089	7,011	-	-	5,089	7,011
Judicial	130,288	136,610	-	-	130,288	136,610
Public safety	70,331	133,013	-	-	70,331	133,013
Public works	379	557	-	-	379	557
Highways, streets and bridges	108,750	109,789	-	-	108,750	109,789
Health and welfare	205,290	223,048	-	-	205,290	223,048
Recreation and cultural	25,172	23,597	-	-	25,172	23,597
Community and economic development	7,795	11,281	-	-	7,795	11,281
Interest on long-term debt	39,350	38,136	-	-	39,350	38,136
Sewage disposal systems	-	-	112,470	117,335	112,470	117,335
Jail commissary	-	-	2,811	2,233	2,811	2,233
Parking lots	-	-	-	2	-	2
Total expenses	730,082	910,679	115,281	119,570	845,363	1,030,249

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

	Change in Net Position (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Change in net position before transfers	\$ 257,809	\$ 91,726	\$ (139)	\$ (9,560)	\$ 257,670	\$ 82,166
Transfers	1,102	-	(1,102)	-	-	-
Change in net position	258,911	91,726	(1,241)	(9,560)	257,670	82,166
Net position:						
Beginning of year	7,304	703,614	282,103	300,921	289,407	1,004,535
Restatement for GASB 68 implementation	-	(788,036)	-	(9,258)	-	(797,294)
End of year	<u>\$ 266,215</u>	<u>\$ 7,304</u>	<u>\$ 280,862</u>	<u>\$ 282,103</u>	<u>\$ 547,077</u>	<u>\$ 289,407</u>

concluded.

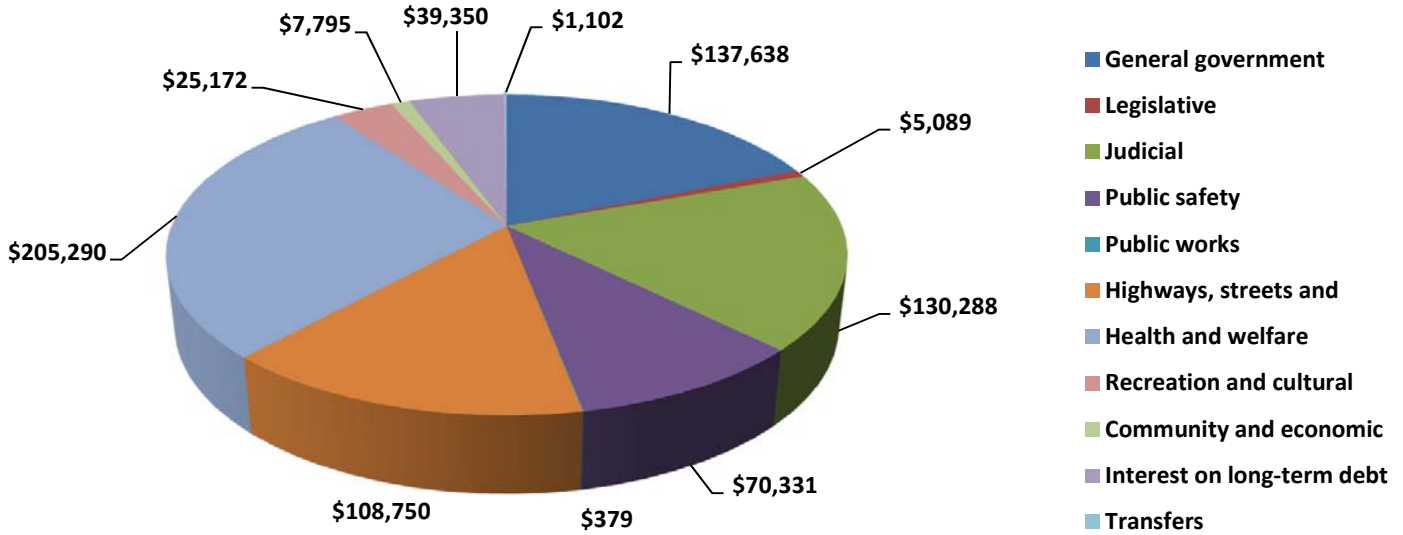
Governmental Activities. Governmental activities increased the County's net position by \$258.9 million. Key fluctuations from the prior year are as follows:

- Charges for services revenue increased \$13.6 million. The increase is primarily due to airport parking revenues being collected solely for governmental activities instead of being allocated; this accounts for \$12.1 million. Excess tourist taxes (considered a fee) was recognized in current year but not the prior year of \$4.3 million while a few activities had decreases.
- Operating grants increased by \$5.2 million due to an increase of \$9.8 in general government and \$9.9 million in highways, streets and bridges which was offset by a decrease of \$14.1 million in health and welfare.
- Property taxes decreased by \$40.7 million due to the prior year judgment levy of \$30.8 million and the phase-out of the personal property tax by an estimated \$11.8 million.
- Other revenue increased by \$8.1 million compared to the prior year. The increase was mainly due to the collection of excess tourist taxes of \$4.3 million and prior year cost recoveries from vendors of \$3.4 million.
- General government expenses decreased by \$90.0 million. The decreases were primarily due to the prior year judgment levy \$42.2 million, pension expense \$32.8 million, and reduction in health care costs of \$25.2 million which were offset by an increase in contractual expenses of \$10.1 million related to the delinquent tax revolving fund.
- Judicial expenses decreased by \$6.3 million mainly due to a reduction in pension expense of \$5.6 million.
- Public safety expenses decreased by \$62.7 million. Pension expense was \$49.2 million less than in the prior year, health care costs were less by \$3.3 million, fewer sheriff grants expense of \$2.6 million, and overtime expenses were less by \$2.3 million.
- Health and welfare expense decreased by \$17.8 million. The decrease was primarily due to a decrease in pension expense of \$13.1 million and a decrease in Head Start of \$3.7 million.

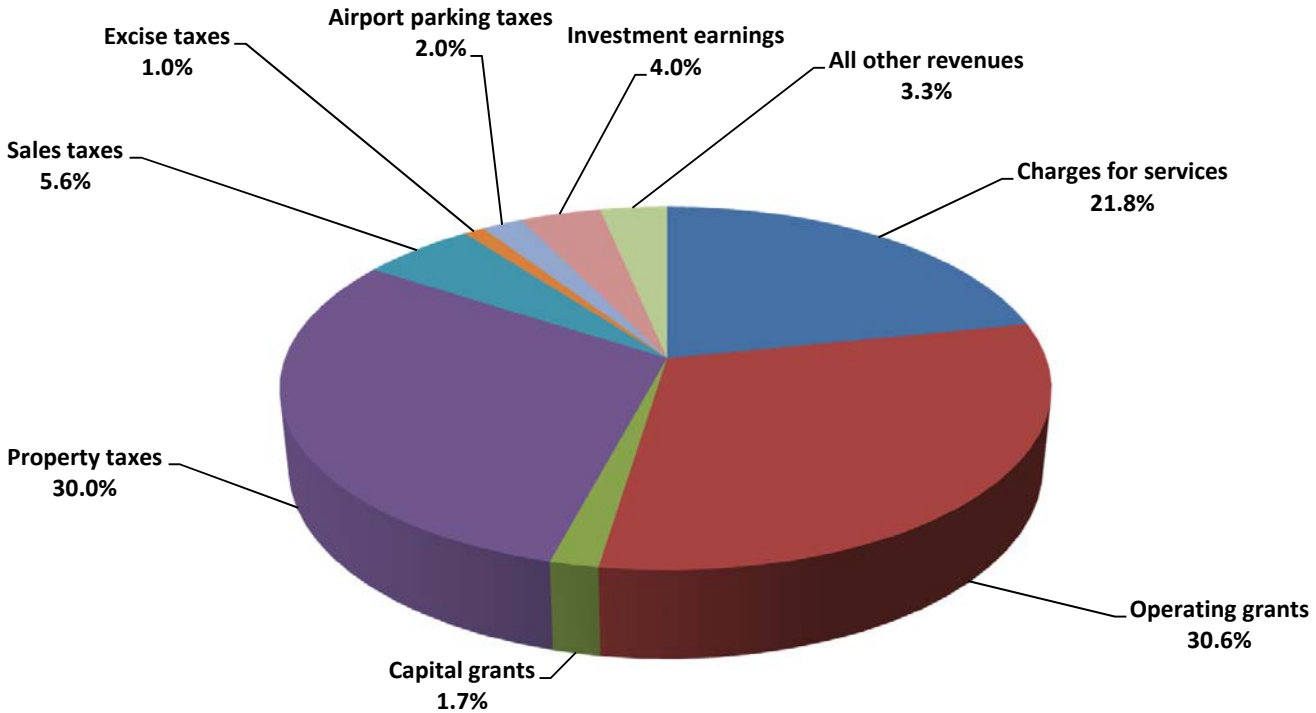
CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis
(Unaudited)

Summary of Expenses - Governmental Activities



Revenue by Source - Governmental Activities

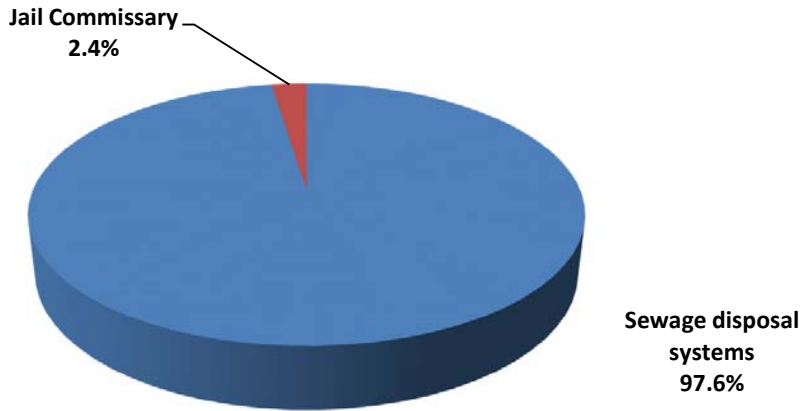


CHARTER COUNTY OF WAYNE, MICHIGAN

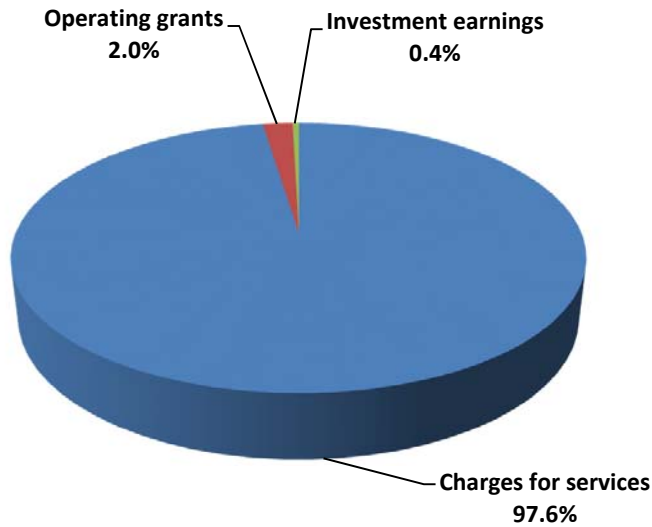
Management's Discussion and Analysis (Unaudited)

Business-type Activities. The business-type activities decreased the County's net position by \$1.2 million for the year. This decrease resulted primarily due to a transfer out of Commissary to support prisoner programs.

Summary of Expenses - Business-type Activities



Summary of Revenues - Business-type Activities



CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$290.6 million, an increase of \$73.8 million over the prior year. Nonspendable fund balances totaled \$11.8 million, assigned fund balances totaled \$75.8 million, and unassigned fund balance totaled \$72.9 million. The remainder of fund balance is restricted (1) to pay debt service (\$17.6 million); (2) to pay for capital projects and improvements (\$69.9 million); (3) for inpatient hospitalization and health and welfare services (\$10.0 million); and (4) for roads and other special revenue fund purposes (\$32.7 million).

In general, amounts reported as assigned fund balance originate from an unrestricted revenue source and can be available for discretionary use in accordance with the County's fund balance policy.

The General Fund is the chief operating fund of the County. At the end of the fiscal year total fund balance was \$108.0 million, of which \$81.9 million was unassigned.

The fund balance of the General Fund increased by \$53.4 million over the prior year. Significant fluctuations from the prior year are discussed below.

- Property taxes decreased by \$30.1 million. The decrease was due to the ending of a one year judgment levy placed on the July 2015 tax rolls which generated \$30.8 million of property tax revenue in the prior year. The County benefited from an increased collection of \$1.8 offset by an tax tribunal repayment of taxes of \$1.6 million.
- State grants and contracts revenues increased by \$13.0 million due mainly to the State's personal property tax reimbursement of \$11.8 million.
- Charges for services revenue increased \$18.1 million primarily due to airport parking revenues being collected solely by the General Fund instead of being allocated, this accounts for \$12.1 million. Excess tourist taxes (considered a fee) was recognized in current year but not the prior year of \$4.3 million.
- General government decreased \$37.7 million from the prior year. The main causes are of decrease was the end of the judgment levy payments to the Wayne County Employee Retirement System a \$30.0 decrease from the prior year and a decrease in mental health and substance abuse of \$7.2 million.
- Public safety expenditures decreased by \$9.6 million due primarily to decreases in County Jail operations of \$8.5 million. The most significant decreases occurred in personnel costs of \$3.5 million, pension expense of \$2.7 million and fringe benefits of \$3.2 million.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

- Health and welfare expenditures increased \$7.2 million. This was mainly due to a \$7.5 million payment to the Mental Health Authority.
- Transfers in decreased by \$116.2 million compared to the prior year. The decrease is primarily due to a decrease in the Delinquent Tax Revolving Fund transfer. During the 2015 fiscal year two transfers were done (two years of surpluses) while in 2016 only one transfer was done for a difference of \$117.8 million.

The fund balance for the other major governmental funds of the County at September 30, 2016 amounted to the following:

- The Roads Fund reported a total fund balance of \$73.1 million of which \$9.2 million is nonspendable, \$22.9 million is restricted as to purpose, while the balance of \$41.0 million is assigned as to purpose. The Roads Fund total fund balance increased \$17.4 million.
- The Health Fund has an accumulated fund balance of \$0.7 million, an increase of \$3.8 million from the prior year. The Health Fund has \$0.2 million of nonspendable fund balance and \$0.5 million of restricted fund balance.
- The Juvenile Justice and Abuse / Neglect (JJAN) Fund has a total fund balance of \$2.9 million, a decrease of \$2.1 million from the prior year. There is \$0.1 million which is nonspendable and \$2.8 million of assigned accumulated fund balance.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail.

Unrestricted net position for the two major sewage disposal systems at the end of the year amounted to the following:

- *Downriver System.* \$51.8 million unrestricted net position. The system has \$93.8 million of net position for capital assets net of related debt and \$31.5 million restricted for bond program activities.
- *Rouge Valley System.* \$8.7 million unrestricted net position. The system has \$79.1 million of net position for capital assets net of related debt and \$4.4 million restricted for bond programs.

The unrestricted net position for the Delinquent Tax Revolving Fund amounted to \$19.0 million an increase of \$2.5 million due primarily to the reduction in borrowings.

General Fund Budgetary Highlights

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget. During the year, there were several significant changes from the original to the final amended budget. The changes are as follows:

- Property tax revenue budget increased by \$7.7 million due to higher than anticipated tax collections.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

- Charges for services revenue budget was increased by \$7.6 million. Contractual police services \$2.6 million and Clerk's charges of \$1.8 million were the most significant increases.
- Circuit Court expenditure budget was increased by \$5.7 million due to pension costs exceeding the original budget.
- Prosecuting Attorney expenditures budget was increased by \$6.1 primarily for pension and personnel costs.
- County jail operations expenditure budget was increased by \$5.1 million mainly for pension costs.
- Transfer in budget was increased by \$18.2 primarily for the transfer of forfeiture funds from the County Treasurer.
- Transfer out budget was increased by \$8.5 million principally for transfer from the General Fund to other funds for pension and health care costs.

In addition, there were several significant differences between the final amended budget and actual results, including:

- Property taxes had a favorable variance of \$9.6 million as a result of an increase in property tax collections and collection of the judgment levy. The collection of property taxes exceeded the budget by \$7.2 million while reductions to property tax revenues from tax tribunal refunds were \$2.4 million lower than budgeted.
- State grants and contracts revenues exceed budget by \$4.0 million. This was the first year for the State's reimbursement of lost personal property tax revenues and the actual reimbursement exceeded the budgeted amount.
- Circuit Court had a favorable variance of \$5.6 million compared to its final amended budget. The most significant areas of favorable variance were contractual services \$4.0 million and personnel \$2.4 million.
- Indigent health care's budget exceeded expenditures by \$5.6 million, this was mainly due to \$4.8 million in contractual services.

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2016 amounted to \$1.3 billion, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. The net capital assets for the fiscal year ending September 30, 2016 reflects a decline of \$23.4 million. This decline represents \$17.1 million decrease from government activities and \$6.3 million decrease from business-type activities.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

The County's capital assets net of accumulated depreciation for governmental activities decreased by \$17.1 million in fiscal year 2016. The decrease is mainly due to depreciation of \$55.7 million which is offset by \$33.6 million in capital asset purchases. Construction in progress decreased by \$9.1 million as \$4.9 million of project costs were captured and \$14.0 million was placed into service and began to be depreciated.

	Capital Assets (Net of Depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land and improvements	\$ 539,840	\$ 540,063	\$ 4,558	\$ 4,620	\$ 544,398	\$ 544,683
Buildings and improvements	86,972	97,093	3,795	4,525	90,767	101,618
Machinery, equipment and vehicles	33,830	38,479	575	698	34,405	39,177
Infrastructure	301,451	294,524	257,417	272,993	558,868	567,517
Construction in progress	46,153	55,259	36,122	25,902	82,275	81,161
Total capital assets, net	\$ 1,008,246	\$ 1,025,418	\$ 302,467	\$ 308,738	\$ 1,310,713	\$ 1,334,156

The County's business type activities' capital assets net of accumulated depreciation decreased by \$6.3 million. The total decline is primarily due a \$15.6 million decline in infrastructure from an increase in accumulated depreciation of \$16.5 million offset by \$10.2 million in construction in progress.

Additional information on the County's capital assets can be found in Note 8.

Long-term Debt. At the end of the current fiscal year, the County's total bonded debt and notes outstanding was \$777.4 million. Of the total bonded debt, \$624.0 million is comprised of debt back by the full faith and credit of the County (general obligation bonds). The balance of \$153.4 million of debt is back by specified revenue sources of the County (revenue bonds).

During the current fiscal year, the County's total bonded debt decreased \$39.5 million. Debt for governmental activities decreased by \$27.7 million. The decrease is primarily related to \$20.8 million in principal payments on general obligation and revenue bonds. The County also reduced its delinquent tax notes borrowing by \$5.0 million. Business-type activities debt decreased by \$11.8 million as the result of principal payments of \$20.8 million and offset by the issuance of \$9.1 million in new debt.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

Outstanding Bonded Debt as of September 30 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds (backed by the County)	\$ 292,575	\$ 309,300	\$ 44,901	\$ 59,904	\$ 337,476	\$ 369,204
Capital leases & notes payable	285,045	291,393	-	-	285,045	291,393
Bond discount	(185)	(205)	-	-	(185)	(205)
Bond premium	1,393	1,537	232	253	1,625	1,790
Total general obligation bonds, net of bond discount and premium	578,828	602,025	45,133	60,157	623,961	662,182
Revenue bonds (backed by specific fee revenues)	61,800	65,875	87,281	84,012	149,081	149,887
Bond premium	3,898	4,302	414	452	4,312	4,754
Total revenue bonds, net of premium	65,698	70,177	87,695	84,464	153,393	154,641
Total bonds and notes payable, net of bond discounts and premiums	\$ 644,526	\$ 672,202	\$ 132,828	\$ 144,621	\$ 777,354	\$ 816,823

The County currently has a "BB+" with a positive outlook from Standard & Poor's, a "Ba1" with a stable outlook from Moody's Investor Services and a "BB+" with a stable outlook from Fitch Ratings for uninsured debt issuances.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The County's current debt obligation (debt carrying the County's limited tax general obligation) is approximately \$642 million, which is significantly less than the County's \$4.5 billion legal debt limit. Included in this number are tax notes and certain component unit obligations.

Additional information on the County's long-term debt can be found in Note 9.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis (Unaudited)

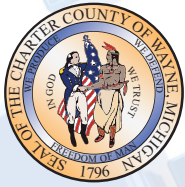
Economic Factors, Next Year's Budget, and Unemployment Rates

- The County's 2016 Equalization Report indicates that the total State Equalized Value increased to \$44.9 billion, an increase of 1.0%. The total taxable value of the County serves as the basis for current and future tax levies. The total taxable value decreased \$1.1 billion or 2.8% due to the reduction in taxability of personal property.
- The County projects balanced operations for the General Fund and governmental activities. The budget totals \$1.49 billion which represents a decrease from fiscal year 2015-2016. The adopted budget includes decreases to the Special Revenue funds, Enterprise funds, and Internal Service funds totaling \$77.83 million in cost savings. Capital Projects funds and Component Unit funds increased by \$5.56 million.
 - Benefited from a full year of the health care savings from the new collective bargaining agreements between the County and the various bargaining units.
 - Reduction in OPEB pay-as-you-go costs from the implementation of stipends for retiree health care.
 - The General Fund general purpose allocations to all departments after adjusting for changes to healthcare, pension and internal service department allocations were done as a status quo.
- The unemployment rate for Wayne County, according to the U. S. Department of Labor, at December 2016, decreased to 5.7 percent, compared to the December 2015 rate of 6.4 percent.

The consumer price index for all urban customers (CPI-U) not seasonally adjusted, according to the U. S. Department of Labor, for the Detroit/Ann Arbor/Flint areas increased by about 2.2% from 218.1 in December 2015 to 223.0 in December 2016.

Requests for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Charter County of Wayne, Michigan, Department of Management and Budget, Financial Reporting Division, 500 Griswold, 14th Floor, Detroit, Michigan 48226.



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

**BASIC FINANCIAL
STATEMENTS**

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CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position September 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Equity in pooled cash and investments	\$ 217,936,285	\$ 32,979,331	\$ 250,915,616	\$ 17,187,628
Other cash and investments	5,339,116	49,279	5,388,395	10,132,440
Receivables:				
Due within one year	212,160,148	19,096,418	231,256,566	3,355,296
Due in more than one year	670,282	-	670,282	10,017,477
Due from other governments	244,128	-	244,128	700,507
Other assets	13,924,648	86,913	14,011,561	17,101
Restricted assets:				
Equity in pooled cash and investments	108,069,770	33,271,426	141,341,196	-
Other cash and investments	133,639,612	2,812,561	136,452,173	-
Accounts receivables	197,491,002	60,392,125	257,883,127	-
Due from other governments	247,042	-	247,042	-
Asset held for sale (converted from capital asset)	20,000,000	-	20,000,000	-
Capital assets not being depreciated	585,562,953	40,008,553	625,571,506	3,307,596
Capital assets being depreciated, net	422,683,069	262,458,417	685,141,486	26,701,291
Total assets	1,917,968,055	451,155,023	2,369,123,078	71,419,336
Deferred outflows of resources				
Deferred charge on refunding	3,069,110	19,438	3,088,548	-
Liabilities				
Accounts payable and accrued expenses	129,658,488	24,931,406	154,589,894	4,556,009
Accrued interest payable	13,482,087	4,077,968	17,560,055	82,539
Unearned revenue	740,441	-	740,441	2,178,401
Due to other governments	15,638,627	-	15,638,627	-
Bonds, notes and other liabilities:				
Due within one year	170,853,248	19,989,365	190,842,613	1,064,458
Due in more than one year	497,449,422	113,021,067	610,470,489	10,017,476
Net other postemployment benefit obligation	256,529,151	2,757,326	259,286,477	155,177
Net pension liability	557,550,659	5,409,898	562,960,557	563,531
Total liabilities	1,641,902,123	170,187,030	1,812,089,153	18,617,591
Deferred inflows of resources				
Deferred pension amounts	12,919,914	125,360	13,045,274	13,058
Net position				
Net investment in capital assets	708,606,721	222,797,668	931,404,389	18,942,220
Restricted	123,068,992	40,619,317	163,688,309	339,075
Unrestricted (deficit)	(565,460,585)	17,445,086	(548,015,499)	33,507,392
Total net position	\$ 266,215,128	\$ 280,862,071	\$ 547,077,199	\$ 52,788,687

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities
For the Year Ended September 30, 2016

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
General government	\$ 137,638,059	\$ 120,595,353	\$ 13,457,006	\$ -	\$ (3,585,700)
Legislative	5,088,961	2,019,753	-	-	(3,069,208)
Judicial	130,287,512	8,023,364	48,595,659	-	(73,668,489)
Public safety	70,331,202	34,319,699	6,485,004	-	(29,526,499)
Public works	378,702	-	-	-	(378,702)
Highways, streets and bridges	108,749,875	22,157,857	107,305,752	17,251,365	37,965,099
Health and welfare	205,290,466	16,751,783	117,120,051	-	(71,418,632)
Recreation and cultural	25,172,488	11,260,630	450,000	-	(13,461,858)
Community and economic development	7,794,752	718,503	8,556,949	-	1,480,700
Interest on long-term debt	39,349,816	-	-	-	(39,349,816)
Total governmental activities	730,081,833	215,846,942	301,970,421	17,251,365	(195,013,105)
Business-type activities:					
Sewage disposal systems	112,469,480	108,810,539	2,294,365	-	(1,364,576)
Jail commissary	2,810,718	3,532,991	-	-	722,273
Total business-type activities	115,280,198	112,343,530	2,294,365	-	(642,303)
Total primary government	\$ 845,362,031	\$ 328,190,472	\$ 304,264,786	\$ 17,251,365	\$ (195,655,408)
Component units:					
Drainage Districts	\$ 10,269,508	\$ 1,130,455	\$ 896,600	\$ -	\$ (8,242,453)
HealthChoice of Michigan	16,543,236	18,126,422	-	-	1,583,186
Wayne County Land Bank Corporation	358,655	484,283	-	-	125,628
Wayne County - Detroit CDE, Inc.	424,252	-	-	-	(424,252)
Greater Wayne County Economic Development Corp.	180,721	-	-	-	(180,721)
Brownfield Redevelopment Authority	493,571	9,026	573,968	-	89,423
Total component units	\$ 28,269,943	\$ 19,750,186	\$ 1,470,568	\$ -	\$ (7,049,189)

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities For the Year Ended September 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Change in net position				
Net expense from previous page	\$ (195,013,105)	\$ (642,303)	\$ (195,655,408)	\$ (7,049,189)
General revenues:				
Taxes:				
Property	296,556,417	-	296,556,417	7,287,034
Sales	54,853,528	-	54,853,528	-
Excise	9,967,676	-	9,967,676	-
Airport parking	19,821,972	-	19,821,972	-
Investment earnings	39,076,526	497,545	39,574,071	153,360
Other revenue	32,387,983	6,660	32,394,643	624,295
Gain on sale of assets	157,500	-	157,500	700
Transfers in (out)	1,102,445	(1,102,445)	-	-
Total general revenues	453,924,047	(598,240)	453,325,807	8,065,389
Change in net position	258,910,942	(1,240,543)	257,670,399	1,016,200
Net position, beginning of year, as restated	7,304,186	282,102,614	289,406,800	51,772,487
Net position, end of year	\$ 266,215,128	\$ 280,862,071	\$ 547,077,199	\$ 52,788,687

concluded.

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Balance Sheet Governmental Funds September 30, 2016

	General	Roads	Health	Juvenile Justice and Abuse / Neglect
Assets				
Equity in pooled cash and investments	\$ 50,709,560	\$ 75,145,791	\$ 2,175,992	\$ -
Other cash and investments	171,992	2,475	1,050	300
Due from other funds	5,503,459	-	-	-
Interfund receivable	34,712,525	-	-	-
Receivables:				
Current property taxes	62,553,989	-	-	-
Delinquent property taxes	12,038,540	-	-	-
Accounts	1,400,040	14,140,534	1,262,358	3,392,623
Due from other governments	47,715,038	16,205,586	1,311,191	41,973,089
Less allowance for uncollectible accounts	(1,402,047)	(709,442)	-	-
Supplies inventory, at cost	507,776	7,442,777	161,414	113,497
Prepayments and deposits	1,259,390	1,765,890	-	-
Long-term receivables	-	-	-	-
Less allowance for uncollectible accounts	-	-	-	-
Restricted assets -				
Equity in pooled cash and investments	-	-	-	-
Total assets	\$ 215,170,262	\$ 113,993,611	\$ 4,912,005	\$ 45,479,509
Liabilities				
Accounts and contracts payable	\$ 10,665,595	\$ 7,410,576	\$ 2,279,092	\$ 12,552,166
Due to other funds	-	-	-	-
Interfund payable	-	-	-	24,661,480
Due to other governments	4,770,368	7,006,649	634,951	-
Accrued wages and benefits	2,997,800	440,272	172,161	183,487
Deposits	-	23,411,208	-	-
Other liabilities	30,124,430	267,909	592,365	4,187,369
Unearned revenue	231,029	-	161,414	-
Total liabilities	48,789,222	38,536,614	3,839,983	41,584,502
Deferred inflows of resources				
Unavailable property taxes	38,154,486	-	-	-
Unavailable grants	20,177,247	2,343,074	380,256	953,055
Total deferred inflows of resources	58,331,733	2,343,074	380,256	953,055
Fund balances				
Nonspendable	1,767,166	9,208,667	161,414	113,497
Restricted	9,969,231	22,919,040	530,352	-
Assigned	14,383,534	40,986,216	-	2,828,455
Unassigned (deficit)	81,929,376	-	-	-
Total fund balances	108,049,307	73,113,923	691,766	2,941,952
Total liabilities, deferred inflows of resources and fund balances	\$ 215,170,262	\$ 113,993,611	\$ 4,912,005	\$ 45,479,509

continued...

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Balance Sheet
Governmental Funds
September 30, 2016

	Nonmajor Governmental Funds	Total
Assets		
Equity in pooled cash and investments	\$ 44,474,937	\$ 172,506,280
Other cash and investments	5,159,374	5,335,191
Due from other funds	883,338	6,386,797
Interfund receivable	-	34,712,525
Receivables:		
Current property taxes	-	62,553,989
Delinquent property taxes	-	12,038,540
Accounts	2,421,013	22,616,568
Due from other governments	10,522,817	117,727,721
Less allowance for uncollectible accounts	(1,320)	(2,112,809)
Supplies inventory, at cost	445,988	8,671,452
Prepayments and deposits	93,771	3,119,051
Long-term receivables	670,282	670,282
Less allowance for uncollectible accounts	(642,141)	(642,141)
Restricted assets -		
Equity in pooled cash and investments	72,021,220	72,021,220
Total assets	\$ 136,049,279	\$ 515,604,666
Liabilities		
Accounts and contracts payable	\$ 3,059,655	\$ 35,967,084
Due to other funds	6,386,797	6,386,797
Interfund payable	9,714,389	34,375,869
Due to other governments	656,321	13,068,289
Accrued wages and benefits	156,531	3,950,251
Deposits	-	23,411,208
Other liabilities	6,313,484	41,485,557
Unearned revenue	347,998	740,441
Total liabilities	26,635,175	159,385,496
Deferred inflows of resources		
Unavailable property taxes	-	38,154,486
Unavailable grants	3,587,737	27,441,369
Total deferred inflows of resources	3,587,737	65,595,855
Fund balances		
Nonspendable	539,759	11,790,503
Restricted	96,709,753	130,128,376
Assigned	17,635,709	75,833,914
Unassigned (deficit)	(9,058,854)	72,870,522
Total fund balances	105,826,367	290,623,315
Total liabilities, deferred inflows of resources and fund balances	\$ 136,049,279	\$ 515,604,666

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CHARTER COUNTY OF WAYNE, MICHIGAN

Reconciliation of the Balance Sheet of Governmental Funds To the Statement of Net Position September 30, 2016

Total fund balances - total governmental funds	\$ 290,623,315
Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Governmental capital assets	2,820,352,604
Less accumulated depreciation	(1,813,879,384)
Assets converted from capital assets to held for sale in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
	20,000,000
Internal service funds are used by management to charge the costs of certain activities, such as personnel, central services, information technology and insurance costs to individual funds. The assets and liabilities of certain internal service funds are recorded as governmental activities in the Statement of Net Position.	
	(2,639,441)
The assets and liabilities of the Delinquent Tax Revolving fund, an enterprise fund, are recorded as governmental activities in the Statement of Net Position.	
	78,624,668
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the governmental funds.	
Deferred inflows - unavailable property taxes	38,154,486
Deferred inflows - unavailable grants	27,441,369
Certain pension-related amounts, such as the net pension liability and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(538,052,485)
Deferred inflows related to the net pension asset and liability	(12,468,093)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds, capital leases, notes and other debt	(354,375,000)
Unamortized bond premium	(5,291,009)
Unamortized bond discount	184,642
Unamortized deferred charge on refunding	3,069,110
Accrued interest payable	(9,212,951)
Compensated absences	(19,328,291)
Claims, litigation and assessments	(3,578,000)
Other postemployment benefit obligation	(253,410,412)
Net position of governmental activities	\$ 266,215,128

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended September 30, 2016

	General	Roads	Health	Juvenile Justice and Abuse / Neglect
Revenues				
Taxes:				
Property	\$ 288,100,759	\$ -	\$ -	\$ -
Sales	54,853,528	-	-	-
Excise	-	-	-	-
Licenses and permits	950,816	-	-	-
Federal grants	23,768,507	1,626,769	10,585,448	-
State grants and contracts	37,015,129	104,523,424	3,688,822	65,928,677
Local grants and contracts	5,617,901	2,588,514	4,198,942	10,907,212
Charges for services	139,309,076	22,177,193	2,669,480	4,278,240
Interest revenue and rents	435,952	1,151,965	-	-
Other	22,329,713	12,881	-	-
Total revenues	572,381,381	132,080,746	21,142,692	81,114,129
Expenditures				
Current operations:				
Legislative	8,197,848	-	-	-
Judicial	142,532,643	-	-	-
General government	172,460,854	-	-	-
Public safety	144,389,813	-	-	-
Public works	408,052	-	-	-
Highways, streets and bridges	-	101,448,460	-	-
Health and welfare	22,620,731	-	35,347,051	145,061,439
Recreational and cultural	13,649	-	-	-
Community and economic development	-	-	-	-
Capital outlay	915,464	11,392,712	-	686
Debt service:				
Principal	-	1,328,544	-	-
Interest	100	54,221	-	-
Total expenditures	491,539,154	114,223,937	35,347,051	145,062,125
Revenues over (under) expenditures	80,842,227	17,856,809	(14,204,359)	(63,947,996)
Other financing sources (uses)				
Transfers in	63,961,898	-	18,016,883	61,824,527
Transfers out	(91,401,338)	(817,958)	-	-
Proceeds from sale of capital assets	20,826	317,190	990	-
Total other financing sources (uses)	(27,418,614)	(500,768)	18,017,873	61,824,527
Net change in fund balances	53,423,613	17,356,041	3,813,514	(2,123,469)
Fund balances (deficits), beginning of year	54,625,694	55,757,882	(3,121,748)	5,065,421
Fund balances, end of year	\$ 108,049,307	\$ 73,113,923	\$ 691,766	\$ 2,941,952

continued...

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended September 30, 2016

	Nonmajor Governmental Funds	Total
Revenues		
Taxes:		
Property	\$ 13,967,690	\$ 302,068,449
Sales	-	54,853,528
Excise	9,967,676	9,967,676
Licenses and permits	111,711	1,062,527
Federal grants	30,240,722	66,221,446
State grants and contracts	5,650,785	216,806,837
Local grants and contracts	321,801	23,634,370
Charges for services	20,278,444	188,712,433
Interest revenue and rents	36,981,811	38,569,728
Other	3,746,413	26,089,007
	<u>121,267,053</u>	<u>927,986,001</u>
Total revenues		
Expenditures		
Current operations:		
Legislative	-	8,197,848
Judicial	2,260,050	144,792,693
General government	6,623,021	179,083,875
Public safety	6,710,739	151,100,552
Public works	-	408,052
Highways, streets and bridges	-	101,448,460
Health and welfare	30,321,329	233,350,550
Recreational and cultural	23,185,884	23,199,533
Community and economic development	8,738,035	8,738,035
Capital outlay	6,137,491	18,446,353
Debt service:		
Principal	20,800,000	22,128,544
Interest	28,018,257	28,072,578
	<u>132,794,806</u>	<u>918,967,073</u>
Total expenditures		
Revenues over (under) expenditures	<u>(11,527,753)</u>	<u>9,018,928</u>
Other financing sources (uses)		
Transfers in	18,461,297	162,264,605
Transfers out	(5,625,336)	(97,844,632)
Proceeds from sale of capital assets	4,230	343,236
	<u>12,840,191</u>	<u>64,763,209</u>
Total other financing sources (uses)		
Net change in fund balances	1,312,438	73,782,137
Fund balances (deficits), beginning of year	<u>104,513,929</u>	<u>216,841,178</u>
Fund balances, end of year	<u>\$ 105,826,367</u>	<u>\$ 290,623,315</u>

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CHARTER COUNTY OF WAYNE, MICHIGAN

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended September 30, 2016

Net change in fund balances - total governmental funds	\$ 73,782,137
Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:	
The change in net position of the internal service funds is reported with governmental activities in the Statement of Activities.	9,637,228
The change in net position of the Delinquent Tax Revolving Fund, an enterprise fund, is reported with governmental activities in the Statement of Activities.	(12,737,451)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Expenditures for capital assets	22,878,150
Less current year depreciation	(55,192,005)
Non-cash capital contributions in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	15,624,596
Repayment of bond principal and other debt is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Position.	22,128,544
Revenues in the Statement of Activities that do not provide current financial resources are deferred and not reported as revenues in the governmental funds.	(7,166,734)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in accrued interest payable	451,699
Change in other postemployment benefits liability	2,397,842
Change in net pension liability and related deferred amounts	181,558,774
Change in accrued compensated absences	384,829
Change in accrued claims, litigation and assessments	5,267,500
Amortization of bond premium, discount and deferred charge on refunding	(104,167)
Change in net position of governmental activities	\$ 258,910,942

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position
Proprietary Funds
September 30, 2016

	Enterprise Funds					
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Downriver	Rouge Valley				
Assets						
Current assets:						
Equity in pooled cash and investments	\$ 18,633,733	\$ 8,225,776	\$ 18,988,308	\$ 6,456,481	\$ 52,304,298	\$ 26,105,041
Other cash and investments	1,000	-	-	48,279	49,279	3,925
Receivables:						
Accounts	115,183	-	-	299,149	414,332	126,953
Due from other governments	5,567,056	10,593,444	-	2,523,053	18,683,553	95,455
Less allowance for uncollectible accounts	(1,467)	-	-	-	(1,467)	-
Prepayments and deposits	86,913	-	-	-	86,913	2,134,145
Restricted assets:						
Equity in pooled cash and investments	22,483,264	4,389,777	36,048,550	6,398,385	69,319,976	-
Other cash and investments	2,812,561	-	133,639,612	-	136,452,173	-
Delinquent property taxes receivable	-	-	196,473,555	-	196,473,555	-
Accounts receivable	6,202,042	-	1,017,447	4,840,350	12,059,839	-
Due from other governments	-	-	247,042	-	247,042	-
Bond principal due from municipalities	47,171,034	75,000	-	2,103,699	49,349,733	-
Total current assets	103,071,319	23,283,997	386,414,514	22,669,396	535,439,226	28,465,519
Noncurrent assets:						
Capital assets not being depreciated	21,531,050	4,971,757	-	13,505,746	40,008,553	23,678
Capital assets being depreciated, net	175,155,732	85,406,488	179,460	1,896,197	262,637,877	1,569,664
Total noncurrent assets	196,686,782	90,378,245	179,460	15,401,943	302,646,430	1,593,342
Total assets	299,758,101	113,662,242	386,593,974	38,071,339	838,085,656	30,058,861
Deferred outflows of resources						
Deferred charge on refunding	-	-	-	19,438	19,438	-

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position
Proprietary Funds
September 30, 2016

	Enterprise Funds					
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Downriver	Rouge Valley				
Liabilities						
Current liabilities:						
Accounts and contracts payable	\$ 3,150,860	\$ 878,260	\$ 1,615,532	\$ 318,625	\$ 5,963,277	\$ 1,066,658
Accrued wages and benefits	43,930	-	17,074	3,248	64,252	138,315
Accrued interest payable	1,380,836	-	4,269,136	2,697,132	8,347,104	-
Due to other governments	-	-	15,638,627	-	15,638,627	-
Interfund payable	-	-	-	336,656	336,656	-
Long-term obligations, current	16,906,815	665,000	133,920,000	2,236,083	153,727,898	-
Compensated absences, current	154,207	-	116,918	27,260	298,385	753,094
Claims payable, current	-	-	-	-	-	1,318,181
Other liabilities	6,785,315	9,255,830	170,400	4,495,341	20,706,886	3,495,396
Total current liabilities	28,421,963	10,799,090	155,747,687	10,114,345	205,083,085	6,771,644
Noncurrent liabilities:						
Net other postemployment benefit obligation	2,757,326	-	347,052	-	3,104,378	2,771,687
Net pension liability	5,409,898	-	732,590	-	6,142,488	18,765,584
Bonds and notes payable	85,957,929	10,627,769	151,125,000	16,435,369	264,146,067	-
Claims payable, net of current portion	-	-	-	-	-	3,954,543
Total noncurrent liabilities	94,125,153	10,627,769	152,204,642	16,435,369	273,392,933	25,491,814
Total liabilities	122,547,116	21,426,859	307,952,329	26,549,714	478,476,018	32,263,458
Deferred inflows of resources						
Deferred pension amounts	125,360	-	16,977	-	142,337	434,844
Net position						
Net investment in capital assets	140,993,072	79,160,476	179,460	2,644,120	222,977,128	1,593,342
Restricted for:						
Delinquent taxes and property foreclosures	-	-	59,456,900	-	59,456,900	-
Bond programs	31,497,867	4,389,777	-	4,731,673	40,619,317	-
Unrestricted (deficit)	4,594,686	8,685,130	18,988,308	4,165,270	36,433,394	(4,232,783)
Total net position	\$ 177,085,625	\$ 92,235,383	\$ 78,624,668	\$ 11,541,063	\$ 359,486,739	\$ (2,639,441)
Reconciliation of statement of net position of enterprise funds to business-type activities:						
Total enterprise fund net position					\$ 359,486,739	
The Delinquent Tax Revolving Fund primarily serves a governmental purpose and therefore is reported as governmental activities in the statement of net position					(78,624,668)	
Net position of business-type activities					\$ 280,862,071	
Reconciliation of restricted net position						
Total restricted assets	\$ 78,668,901	\$ 4,464,777	\$ 367,426,206	\$ 13,342,434	\$ 463,902,318	\$ -
Less liabilities payable from restricted assets (excluding capital-related borrowings):						
Non-capital related borrowings	(47,171,034)	(75,000)	(285,045,000)	(8,610,761)	(340,901,795)	-
Accounts and contracts payable	-	-	(1,615,532)	-	(1,615,532)	-
Interest payable	-	-	(4,269,136)	-	(4,269,136)	-
Due to other governments	-	-	(15,638,627)	-	(15,638,627)	-
Net other postemployment benefit obligation	-	-	(347,052)	-	(347,052)	-
Net pension liability and related deferrals	-	-	(749,567)	-	(749,567)	-
Other liabilities	-	-	(304,392)	-	(304,392)	-
Restricted net position	\$ 31,497,867	\$ 4,389,777	\$ 59,456,900	\$ 4,731,673	\$ 100,076,217	\$ -

concluded.

See accompanying notes to the basic financial statements.

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CHARTER COUNTY OF WAYNE, MICHIGAN

Statements of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2016

	Enterprise Funds					
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Downriver	Rouge Valley				
Operating revenues						
Sewage disposal charges	\$ 18,018,458	\$ 57,553,314	\$ -	\$ 25,888,175	\$ 101,459,947	\$ -
Industrial surcharges	1,241,049	-	-	-	1,241,049	-
Other charges for services	4,785,187	380	-	4,856,967	9,642,534	117,556,542
Fines and forfeitures	-	-	82,337,129	-	82,337,129	-
Rentals and expense recoveries	-	-	-	-	-	592,796
Other revenue	6,660	-	1,137,490	-	1,144,150	38,610
Total operating revenues	24,051,354	57,553,694	83,474,619	30,745,142	195,824,809	118,187,948
Operating expenses						
Personnel	2,304,059	-	1,125,608	207,196	3,636,863	7,435,891
Fringe benefits	1,200,427	-	401,804	102,302	1,704,533	2,810,024
Pension	(2,576,883)	-	(1,578,359)	56,051	(4,099,191)	(4,980,241)
Materials and supplies	2,067,491	32,890	2,111,234	693,325	4,904,940	826,409
Contractual services	5,097,256	54,021,437	17,461,230	25,207,895	101,787,818	9,925,244
Insurance benefits	-	-	-	-	-	83,990,046
Travel	6,049	-	2,509	875	9,433	53,592
Miscellaneous operating	3,826,995	79,389	1,849,532	1,355,440	7,111,356	4,760,120
Rentals	57,640	2,141	206,475	355,209	621,465	1,481,353
Other charges	-	-	1,364,322	691,692	2,056,014	558,936
Depreciation and amortization	13,338,942	2,840,506	45,373	358,665	16,583,486	476,088
Total operating expenses	25,321,976	56,976,363	22,989,728	29,028,650	134,316,717	107,337,462
Operating income (loss)	(1,270,622)	577,331	60,484,891	1,716,492	61,508,092	10,850,486
Nonoperating revenues (expenses)						
Investment earnings (loss)	232,835	77,734	541,993	186,976	1,039,538	(35,195)
State grant revenue	5,124	-	-	-	5,124	-
Collections from participating units	2,023,391	1,969	-	263,881	2,289,241	-
Interest expense	(3,089,849)	(274,846)	(11,624,870)	(588,514)	(15,578,079)	-
Total nonoperating revenues (expenses)	(828,499)	(195,143)	(11,082,877)	(137,657)	(12,244,176)	(35,195)
Income (loss) before transfers	(2,099,121)	382,188	49,402,014	1,578,835	49,263,916	10,815,291
Transfers in	-	-	-	-	-	426,000
Transfers out	-	-	(62,139,465)	(1,102,445)	(63,241,910)	(1,604,063)
Change in net position	(2,099,121)	382,188	(12,737,451)	476,390	(13,977,994)	9,637,228
Net position (deficit), beginning of year, as restated	179,184,746	91,853,195	91,362,119	11,064,673	373,464,733	(12,276,669)
Net position (deficit), end of year	\$ 177,085,625	\$ 92,235,383	\$ 78,624,668	\$ 11,541,063	\$ 359,486,739	\$ (2,639,441)

Reconciliation of statement of revenues, expenses and changes in fund net position to the business-type activities in the statement of activities

Change in net position - enterprise funds \$ (13,977,994)

The Delinquent Tax Revolving Fund primarily serves a governmental purpose and therefore is reported as governmental activities in the statement of activities (Note 1) 12,737,451

Change in net position of business-type activities \$ (1,240,543)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2016

	Enterprise Funds					Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Cash flows from operating activities						
Receipts from customers	\$ 23,337,317	\$ 59,210,187	\$ 130,513,124	\$ 28,543,596	\$ 241,604,224	\$ -
Receipts from interfund services	-	-	-	-	-	117,595,152
Receipts from other governments	-	-	-	-	-	465,843
Payments to employees	(2,469,790)	-	(1,158,863)	(210,209)	(3,838,862)	(8,000,299)
Payments for benefits	(2,097,534)	-	(715,256)	(158,353)	(2,971,143)	(5,414,579)
Payments to suppliers	(11,842,441)	(53,233,319)	(35,375,341)	(27,944,993)	(128,396,094)	(101,913,356)
Receipts from (payments to) other funds	-	-	-	334,498	334,498	-
Net cash provided by (used in) operating activities	6,927,552	5,976,868	93,263,664	564,539	106,732,623	2,732,761
Cash flows from non-capital financing activities						
Transfers in	-	-	-	-	-	426,000
Transfers out	-	-	(62,139,465)	(1,102,445)	(63,241,910)	(1,604,063)
Net cash used in non-capital financing activities	-	-	(62,139,465)	(1,102,445)	(63,241,910)	(1,178,063)
Cash flows from capital and related financing activities						
Repayment of long-term debt	(16,629,107)	(645,000)	(176,319,000)	(3,530,000)	(197,123,107)	-
Proceeds from issuance of long term debt	5,713,663	1,376,956	171,300,000	1,980,418	180,371,037	-
Bond principal received from municipalities	15,170,728	25,000	-	3,687,850	18,883,578	-
State grants	5,124	-	-	-	5,124	-
Interest received from participating local units	2,023,391	1,969	-	263,881	2,289,241	-
Acquisition of capital assets	(7,672,278)	(2,022,718)	-	(571,910)	(10,266,906)	(38,847)
Interest paid	(3,071,752)	(274,846)	(11,140,308)	(1,574,227)	(16,061,133)	-
Net cash provided by (used in) capital and related financing activities	(4,460,231)	(1,538,639)	(16,159,308)	256,012	(21,902,166)	(38,847)
Cash flows from investing activities						
Investment earnings (loss)	232,835	77,734	541,993	186,976	1,039,538	(35,195)
Change in cash and cash equivalents	2,700,156	4,515,963	15,506,884	(94,918)	22,628,085	1,480,656
Cash and cash equivalents, beginning of year	41,230,402	8,099,590	173,169,586	12,998,063	235,497,641	24,628,310
Cash and cash equivalents, end of year	\$ 43,930,558	\$ 12,615,553	\$ 188,676,470	\$ 12,903,145	\$ 258,125,726	\$ 26,108,966
Cash and cash equivalents at September 30, 2016 consist of the following:						
Equity in pooled cash and investments	\$ 18,633,733	\$ 8,225,776	\$ 18,988,308	\$ 6,456,481	\$ 52,304,298	\$ 26,105,041
Other cash and investments	1,000	-	-	48,279	49,279	3,925
Restricted assets:						
Equity in pooled cash and investments	22,483,264	4,389,777	36,048,550	6,398,385	69,319,976	-
Other cash and investments	2,812,561	-	133,639,612	-	136,452,173	-
Total cash and investments	\$ 43,930,558	\$ 12,615,553	\$ 188,676,470	\$ 12,903,145	\$ 258,125,726	\$ 26,108,966

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended September 30, 2016
 (in thousands)

	Enterprise Funds					Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ (1,270,622)	\$ 577,331	\$ 60,484,891	\$ 1,716,492	\$ 61,508,092	\$ 10,850,486
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	13,338,942	2,840,506	45,373	358,665	16,583,486	476,088
Amortization of bond discounts, bond premiums and deferred charge on refunding	(37,606)	-	-	81,388	43,782	-
Changes in current assets, current liabilities and deferrals:						
Delinquent property taxes receivable	-	-	45,713,444	-	45,713,444	-
Accounts receivable	2,315,439	1,125	374,916	(1,250,291)	1,441,189	1,420,323
Allowance for uncollectable accounts	(128,485)	-	-	-	(128,485)	-
Due from other governments	(2,919,917)	1,655,368	950,145	401,745	87,341	-
Prepayments and deposits	18,926	-	-	-	18,926	(960,567)
Deferred pension amounts (outflows)	153,836	-	45,090	-	198,926	457,529
Accounts and contracts payable	2,255,448	465,738	179,604	66,374	2,967,164	(999,434)
Accrued wages and benefits	(111,058)	-	(46,818)	(10,677)	(168,553)	(360,802)
Interfund payable	-	-	-	334,498	334,498	-
Due to other governments	-	-	(12,360,370)	-	(12,360,370)	-
Unearned revenue	-	-	-	(1,353,000)	(1,353,000)	(73,266)
Compensated absences	(54,673)	-	13,563	7,664	(33,446)	(203,606)
Other liabilities	(3,004,852)	436,800	(199,273)	211,681	(2,555,644)	168,335
Net other postemployment benefit obligations	(18,813)	-	(6,251)	-	(25,064)	(46,430)
Net pension liability	(3,528,834)	-	(1,887,383)	-	(5,416,217)	(7,819,438)
Deferred pension amounts (inflows)	(80,179)	-	(43,267)	-	(123,446)	(176,457)
Net cash provided by (used in) operating activities	\$ 6,927,552	\$ 5,976,868	\$ 93,263,664	\$ 564,539	\$ 106,732,623	\$ 2,732,761

concluded.

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Fiduciary Net Position Fiduciary Funds September 30, 2016

	Pension and Other Employee Benefits Trust Funds	Agency Funds
Assets		
Retirement investments:		
Equity securities	\$ 714,116,843	\$ -
Debt securities	228,062,721	-
Money market funds	27,219,766	-
Other investments	304,674,939	-
Total retirement investments	1,274,074,269	-
Equity in pooled cash and investments	11,104,441	176,881,013
Other cash and investments	-	2,720,811
Accounts receivable	19,386	-
Due from other governments	548,939	-
Accrued interest receivable	812,349	-
Prepayments and deposits	16,631	-
Other assets	-	46,790
	1,286,576,015	\$ 179,648,614
Total assets	1,286,576,015	\$ 179,648,614
Liabilities		
Accounts and contracts payable	615,087	\$ -
Due to other governments	-	138,568
Accrued wages and benefits	131,425	-
Due to broker for securities purchased	1,599,539	-
Undistributed receipts	-	50,932,483
Undistributed taxes	-	83,839,898
Other liabilities	2,826	44,737,665
Net other postemployment benefit obligation	476,609	-
	2,825,486	\$ 179,648,614
Total liabilities	2,825,486	\$ 179,648,614
Net position		
Restricted for pension and other employee benefits	\$ 1,283,750,529	

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Changes in Fiduciary Net Position Pension and Other Employee Benefits Trust Funds For the Year Ended September 30, 2016

Additions

Investment income:

Net appreciation in fair market value	\$ 89,144,261
Interest and dividends	23,659,816
Other investment income	1,065,885
Investment expenses	<u>(3,071,150)</u>

Net investment income 110,798,812

Inflation equity fund judgment investment earnings 741,650

Contributions:

Employer	117,704,818
Employee	<u>16,754,265</u>

Total contributions 134,459,083

Total additions 245,999,545

Deductions

Participant benefits	168,074,131
Administrative expenses	<u>2,900,991</u>

Total deductions 170,975,122

Change in net position 75,024,423

Net position, beginning of year, as restated 1,208,726,106

Net position, end of year \$ 1,283,750,529

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position
Component Units
September 30, 2016

	Drains	Health Choice	Land Bank	Nonmajor Component Units	Total
Assets					
Equity in pooled cash and investments	\$ 13,570,978	\$ -	\$ 3,007,135	\$ 609,515	\$ 17,187,628
Other cash and investments	100	7,518,063	500	2,613,777	10,132,440
Receivables:					
Due in one year	2,305,180	-	-	1,050,116	3,355,296
Due in more than one year	10,017,477	-	-	-	10,017,477
Due from other governments	604,167	-	-	96,340	700,507
Other assets	-	11,353	-	5,748	17,101
Capital assets not being depreciated	3,307,596	-	-	-	3,307,596
Capital assets being depreciated, net	26,697,226	4,065	-	-	26,701,291
Total assets	56,502,724	7,533,481	3,007,635	4,375,496	71,419,336
Liabilities					
Accounts payable and accrued expenses	647,577	1,686,507	2,148,956	72,969	4,556,009
Accrued interest payable	82,539	-	-	-	82,539
Unearned revenue	-	1,489,786	-	688,615	2,178,401
Bonds, notes and other liabilities:					
Due in one year	1,064,458	-	-	-	1,064,458
Due in more than one year	10,017,476	-	-	-	10,017,476
Net other postemployment benefit obligation	104,423	-	50,754	-	155,177
Net pension liability	563,531	-	-	-	563,531
Total liabilities	12,480,004	3,176,293	2,199,710	761,584	18,617,591
Deferred inflows of resources					
Deferred pension amounts	13,058	-	-	-	13,058
Net position					
Net investment in capital assets	18,942,220	-	-	-	18,942,220
Restricted for economic development	-	-	-	339,075	339,075
Unrestricted	25,067,442	4,357,188	807,925	3,274,837	33,507,392
Total net position	\$ 44,009,662	\$ 4,357,188	\$ 807,925	\$ 3,613,912	\$ 52,788,687

See accompanying notes to the basic financial statements.

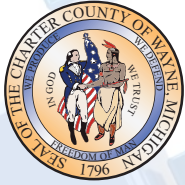
CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities
Component Units
For the Year Ended September 30, 2016

	Drains	Health Choice	Land Bank	Nonmajor Component Units	Total
Expenses	\$ 10,269,508	\$ 16,543,236	\$ 358,655	\$ 1,098,544	\$ 28,269,943
Program revenues					
Charges for services	1,130,455	18,126,422	484,283	9,026	19,750,186
Operating grants and contributions	896,600	-	-	573,968	1,470,568
Total program revenues	2,027,055	18,126,422	484,283	582,994	21,220,754
Net expense	(8,242,453)	1,583,186	125,628	(515,550)	(7,049,189)
General revenues					
Property taxes	7,287,034	-	-	-	7,287,034
Investment earnings	123,384	1,890	24,943	3,143	153,360
Other revenue	133,476	-	-	490,819	624,295
Gain on sale of capital assets	-	-	700	-	700
Total general revenues	7,543,894	1,890	25,643	493,962	8,065,389
Change in net position	(698,559)	1,585,076	151,271	(21,588)	1,016,200
Net position, beginning of year, as restated	44,708,221	2,772,112	656,654	3,635,500	51,772,487
Net position, end of year	\$ 44,009,662	\$ 4,357,188	\$ 807,925	\$ 3,613,912	\$ 52,788,687

See accompanying notes to the basic financial statements.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

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CHARTER COUNTY OF WAYNE, MICHIGAN

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CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Charter County of Wayne, Michigan (the County) was incorporated in 1796 and covers an area of approximately 620 square miles. The County provides law enforcement, administration of justice, community enrichment and development, and health and human services to approximately 1.8 million residents. The County operates under a Home Rule Charter that provides for government by a legislative branch, which is comprised of fifteen elected commissioners, and an executive branch, which is headed by an elected chief executive officer (County Executive). The County Executive is the County's chief administrator and manages the County's eight executive departments, including Corporation Counsel, Health, Veterans and Community Wellness, Homeland Security and Emergency Management, Management and Budget, Personnel/Human Resources, Public Services, Senior Services and Technology. In addition, the primary government includes other elected officials including the County Clerk, Prosecuting Attorney, Register of Deeds, Sheriff, and Treasurer. The component units and other entities discussed below have been included as part of the reporting entity because of the significance of their operational or financial relationship to the County.

The Wayne County Employees' Retirement System (Retirement System), which is governed by the Wayne County Retirement Ordinance, is included as part of the County's fiduciary operations. The Retirement Commission oversees the ongoing operations of the Retirement System in accordance with the Retirement Ordinance.

Component Units

The financial statements of component units have been included in the financial reporting entity either as blended component units or discretely presented component units.

Blended Component Units - Blended component units are legally separate entities from the County, but provide exclusive benefit to the primary government, so data from these units are combined with data of the primary government.

The Wayne County Building Authority (WCBA) was established in 1961 under provisions of Act No. 31, Public Acts of Michigan, Extra Session of 1948, as amended, to acquire, furnish, equip, own, improve, enlarge, operate and/or maintain buildings and building sites for lease to, and eventual ownership by, the County. It is managed by a five-member board appointed by the County Executive, subject to approval by the Wayne County Commissioners. The County has pledged certain revenues, including a specific portion of its general property tax revenues, to secure the payment of certain outstanding obligations of the County and the WCBA. In addition, the County has pledged its limited tax full faith and credit for repayment of these obligations. The WCBA has no taxing authority. The operations of the WCBA are reported in three nonmajor governmental funds.

The Detroit-Wayne County Stadium Authority (DWCSA) is a Michigan body corporate, incorporated on August 22, 1996 under the provisions of Act 31, Public Acts of Michigan of 1948. Its purpose is to construct, maintain, operate, and own stadia and their related structures, including Comerica Park and Ford Field, home of the Detroit Tigers Professional Baseball Team and the Detroit Lions Professional Football Team, respectively. The DWCSA is authorized to enter into contracts and indebtedness for this purpose. The DWCSA's Articles of Incorporation provide for a six-member board ("the Commission"). Each member of the Commission is appointed by the County Executive, with three members recommended by the Mayor of the City of Detroit. On April 1, 1997, the DWCSA issued revenue bonds totaling \$85,815,000. In 2013, DWCSA became a blended component unit as there is a financial benefit/burden relationship with Wayne County. Under a contract dated March 1, 1997, the County pledged its limited tax full faith and credit for repayment of these bonds. The County has also pledged certain motor vehicle rentals and hotel tax revenues levied by the County pursuant to Act No. 180, Public Acts of Michigan 1991 for the payment of the annual debt service. The DWCSA has no taxing authority. The operations of the DWCSA are reported in two nonmajor governmental funds.

The Economic Development Corporation of Wayne County (EDC) is a separate legal entity that was established pursuant to Michigan Public Act 338 of 1974. Its 11-member board is appointed by the County Executive. The EDC acts on behalf of and at the direction of the County. Services include financial packaging, site location services, and low-cost financing to businesses locating or expanding in the County. In addition, the EDC is responsible for managing operations of the Guardian Building, the County's administrative headquarters. Starting in 2013, the EDC is reported as a blended component unit, as the EDC is fiscally dependent on the County, has no taxing authority and provides services almost exclusively to Wayne County.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Discretely Presented Component Units - Discretely presented 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. These component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

Chapters 8, 20 and 21 Drainage Districts are established under the State of Michigan Drain Code (Public Act 40 of 1956, as amended; the "Drain Code") to provide for the construction, maintenance and funding of drains, sewers, and equipment used in water management and flood control. Each of the individual drainage districts is a separate legal entity, with the power to sue and be sued, and to hold, manage, and dispose of real and personal property. The full faith and credit of the County is generally given for the long-term debt of the drainage districts. There are approximately 132 drainage districts that are assessed by the County. The drainage districts are grouped and reported as follows:

Chapter 8 Drainage Districts are inter- and intra-county drainage districts that are operated, maintained, and extended pursuant to the provisions in the Drain Code, which allow for assessment of the related costs to the specific owners of the benefited parcels of property or to the benefited public corporations. The Wayne County Drain Commissioner (the County's Deputy Director of Public Services, Environmental Services Group) is responsible for determining the yearly assessments. Under the Drain Code, the County is responsible for Chapter 8 drainage district administrative costs for maintenance.

Chapter 20 Drainage Districts are intra-county drainage districts that are operated, maintained, and extended pursuant to the provisions in the Drain Code, which allow for at-large assessment of costs against either the benefited public entities or the specific owners of the benefited parcels of property. The Chapter 20 Districts have drainage boards that are responsible for determining the yearly assessments. Each district's board statutorily consists of three members: the Wayne County Drain Commissioner, the district's county commissioner, and an appointee of the Wayne County Executive. The full faith and credit of the County has been pledged for the long-term debt of the drainage districts.

Chapter 21 (Milk River) Drainage District is an inter-county drainage district that is operated, maintained, and extended pursuant to the provisions in the Drain Code, which allow for assessment of the related costs to either the benefited public entities or the specific owners of the benefited parcels of property. The District has a drainage board that is responsible for determining the yearly assessments and statutorily consists of three members: the Director of Agriculture of the State of Michigan (chairperson), the Wayne County Drain Commissioner, and the Drain Commissioners for each of the counties of the specific drainage district. The County has pledged its full faith and credit for the long-term debt of each district.

The Wayne County-Detroit Community Development Entity, Inc. (CDE, Inc.) is an IRS Section 501(c)(3) corporation. It is a qualified community development entity that has been granted new market tax credits (NMTC) allocation authority from the U.S. Treasury's Community Development Financial Institutions Fund (CDFI Fund). CDE, Inc. must comply with various rules and regulations of the CDFI Fund and Section 45D of the IRS Code, and must ensure that the NMTC's are used for investment in low-income communities in Wayne County. The County Executive appoints seven of the eleven Board members. The CDE's limited liability corporations administer the NMTC projects.

The Greater Wayne County Economic Development Corporation (GWEDC) was created as a separate legal entity in November 2004 through an inter-local agreement between the EDC of Wayne County, the EDC of the City of Taylor and the EDC of the City of Detroit. The purpose of the GWEDC is to administer economic development programs and functions in Michigan. The GWEDC is governed by an executive committee and a board of directors. The County Executive appoints the members of the executive committee and six of the ten board members. The entity is primarily funded by contributions from the County.

The Brownfield Redevelopment Authority (BRA) was established by State enabling legislation. The BRA assists the Wayne County Department of Public Services and the various Wayne County communities involved with the Urban Recovery Partnership to facilitate the redevelopment of unproductive, contaminated and/or blighted property by providing tax incentives. The BRA's 11-member board is appointed by the County Executive. The BRA acts on behalf of and at the direction of the County.

HealthChoice of Michigan (HealthChoice) was formed by the County under the Municipal Health Corporations Act of 1987. HealthChoice was incorporated January 30, 1992 to manage a health care program benefiting employees of County businesses that are unable to provide health benefits to these employees. The program is funded equally by monthly contributions by employers, employees, and Metro HealthCare Services, Inc. (MHCS), a philanthropic Michigan non-profit corporation. HealthChoice board members are county-elected or county-appointed officials.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

HealthChoice administers the program in conjunction with MHCS, which administers the transfer of monthly subsidies to HealthChoice; Patient Care Management System, a unit of the County, which provides the personnel to manage the program; and a third-party administrator, which collects subsidies from MHCS and premiums from employers, distributes health care provider payments, and remits any excess premiums to HealthChoice.

HealthChoice has faced uncertainty over the last couple of years due to the loss of subsidy dollars and the changes in health care brought about by the roll out of the Affordable Care Act. The latter surfacing last fiscal year. On March 2, 2015, HealthChoice received a letter from the Centers of Medicare and Medicaid Services recognizing HealthChoice as minimum essential coverage (MEC) for employees of participating employers and their dependents. Individuals participating in HealthChoice's program will avoid the shared responsibility payment (individual mandate) imposed on individuals that do not have MEC. This recognition will allow HealthChoice to increase enrollment as HealthChoice positions itself as an affordable health care coverage option for small businesses in Wayne County and the Metro Detroit area. It also allows HealthChoice to return to marketing and advertising of the program.

The Wayne County Land Bank Corporation (Land Bank) was incorporated by the County on October 19, 2006 through an intergovernmental agreement between the Michigan Land Bank Fast Track Authority ("Authority", which is a public body corporate and politic within the Michigan Department of Labor and Economic Growth) and the Wayne County Treasurer (WCT). This agreement was formed under Sec. 5 of Article 3, and Sec. 28 of Article 7, of the Michigan Constitution of 1963 and the Land Bank Fast Track Act, 2003 PA 258 MCL 124.751 to 124.774. The agreement established the Wayne County Land Bank Corporation (Land Bank), a separate legal entity and public body corporate, to administer and execute the objectives of the Land Bank, which is to acquire, assemble, manage and/or dispose of real property, or rights and interests in real (such as tax reverted) property to develop/rehabilitate that property and promote economic growth; to quiet title to property; to issue bonds; and provide for financing, acquisition, assembly, and disposition of property.

The Land Bank is managed by a five-member board consisting of the WCT or Chief Deputy Treasurer (Board Chairperson), three members appointed by the Wayne County Executive, and one member appointed by the Wayne County Commission. The Land Bank is primarily funded through contributions and grants from the County; the Executive Director of the Land Bank is an employee of the County.

The following component units issue audited financial statements that may be obtained at the entity's administrative offices:

Wayne County Building Authority
500 Griswold, 14th Floor
Detroit, Michigan 48226

HealthChoice of Michigan
500 Griswold, 15th Floor
Detroit, Michigan 48226

Wayne County Land Bank Corporation
c/o Office of the Wayne County Treasurer
400 Monroe, 5th Floor
Detroit, Michigan 48226

Greater Wayne County Economic
Development Corporation
500 Griswold, 28th Floor
Detroit, Michigan 48226

Wayne County-Detroit Community
Development Entity, Inc.
500 Griswold, 28th Floor
Detroit, Michigan 48226

The administrative offices of the other component units are listed below. Detailed financial information may be obtained from the Wayne County Department of Management and Budget, 500 Griswold, 14th Floor.

Chapters 8, 20 and 21 Drainage Districts
Wayne County Department of Public Services
400 Monroe, 4th Floor
Detroit, Michigan 48226

Economic Development Corporation of
Wayne County
500 Griswold, 28th Floor
Detroit, Michigan 48226

Detroit-Wayne County Stadium Authority
500 Griswold, 14th Floor
Detroit, Michigan 48226

Brownfield Redevelopment Authority
500 Griswold, 28th Floor
Detroit, Michigan 48226

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Related Organizations

County officials are also responsible for appointing members of boards of other organizations, but the County's accountability for these organizations do not extend beyond making the appointments. County officials appoint the board members of the Detroit-Wayne County Joint Building Authority; Wayne County Council for the Arts, History and Humanities; Wayne County Zoological Authority; Wayne County Transit Authority; and Wings Over Wayne.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for services. Likewise, the primary government is reported separately from its discretely presented component units for which the primary government is financially accountable. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

The primary function of the Delinquent Tax Revolving Fund is to support the collection of property tax revenue, a general government function. The activities of the Delinquent Tax Revolving Fund have been classified as governmental activities in the government-wide financial statements and the reconciliation from the proprietary fund financial statements to the business-type activities column in the government-wide financial statements has been prepared.

The County's net position is reported in the following three categories: net investment in capital assets, restricted net position and unrestricted net position.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.
- Restricted net position results when constraints are placed on the use of net position by either creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position consists of net position which does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources, which are imposed by management, but can be removed or modified.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are specifically associated with a service, program or department and are clearly identifiable to a specific function. In addition, indirect expenses for centralized services and administrative overhead are included as part of the direct expenses reported for the various activities. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. General government revenues also support the functions. Taxes, investment earnings, and other revenues that support the functions, but are not considered program revenues, are considered *general revenues*.

Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are activities between funds reported as governmental activities and funds reported as business-type activities. Elimination of these activities would distort the direct costs and program revenues for the functions concerned.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Fund Financial Statements

Separate fund financial statements are presented for governmental, proprietary, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. Nonmajor governmental, nonmajor enterprise, internal service, pension and other employee benefits trust, and trust and agency funds are presented in the aggregate, and in individual columns, in the fund financial statements.

Governmental fund financial statements include those funds used to account for the County's general government activities. 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. For this purpose, the County considers property tax revenues to be available if collection occurs within sixty days. The County considers all other revenues to be available if they are collected within sixty days of the end of the fiscal year, except grant and trade receivables. They shall be considered available if they are collected within ninety days of the end of the fiscal year.

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.

The County reports the following major governmental funds:

- *General Fund* - The General Fund accounts for all financial resources and expenditures except those accounted for and reported in other funds. The General Fund is the County's primary operating fund.
- *Roads Special Revenue Fund* - This fund is used to account for the operations associated with the maintenance and construction of certain roads, streets, and bridges located within the county. These operations are funded principally by the federal government, the State of Michigan, and local governmental units within the County.
- *Health Special Revenue Fund* - This fund is used to account for revenue restricted for the purpose of providing health protection, maintenance, and improvement for the residents of the County. These operations are principally funded by federal grants and the State of Michigan through Medicaid and State grants and contracts.
- *Juvenile Justice and Abuse/Neglect Special Revenue Fund* - This fund accounts for the cost of providing required foster care and/or residential care to abused, neglected, and delinquent children, including County residents who become wards of the State of Michigan. These operations are principally funded by grants and contracts from the State of Michigan.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses. All proprietary funds are reported on the accrual basis of accounting and the economic resources measurement focus.

The County reports the following major enterprise funds:

- *Downriver and Rouge Valley Sewage Disposal System Enterprise Funds* - These major enterprise funds are used to record the fiscal activities associated with operation and maintenance of the Downriver and Rouge Valley sewage treatment facilities. Costs are recovered through development of usage rates, which are billed to the local communities served.
- *Delinquent Tax Revolving Enterprise Fund* - This major enterprise fund is used to account for money advanced by the County to various taxing authorities for unpaid property taxes. It was established by law to buy any or all delinquent real property taxes and special assessments owed to the County and other taxing authorities in the county.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Additionally, the County reports the following fund types:

- *Special revenue funds* are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
- *Debt service funds* are used to account for the accumulation of resources and the payment 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.
- *Capital projects funds* are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.
- *Enterprise funds* are used to account for operations 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.
- *Internal service funds* are used to account for the costs of certain goods, services, and activities (such as information technology, employee health benefits, property insurance, buildings and grounds maintenance, etc.) provided by one department to another department or to component units of the County.
- *Pension and other employee benefits trust funds* are used to account for the assets of the County's employees' pension plan and other post employment benefit plans. These funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting.
- *Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the County holds for others in an agency capacity. Agency funds, which only report a Statement of Fiduciary Net Position, use the accrual basis of accounting. The specific nature of transactions recorded in these funds are: current tax collections and their subsequent disbursement to other governmental units; court fines received by the district courts and disbursed to public libraries; receipts from bonds and other fees that are disbursed for attorney fees, restitution payments, garnishments, and jury fees; contractor retainages that are disbursed to the contractors upon successful completion of various projects; employee payroll holdings and their subsequent disbursement; and monthly benefit payments to retirees.

The County reports the following major component units:

- *Drainage Districts (Chapter 8, 20 and 21)* - Each of the drainage districts is a separate legal entity, with the power to contract, to sue and to be sued, and to hold, manage, and dispose of real and personal property. Drainage districts are established to provide for the construction, maintenance and funding of drains, sewers and equipment used in water management and flood control. Drainage districts are governed by Act No. 40 of the Public Acts of 1956. The full faith and credit of the County is generally given for the long-term debt of the drainage districts.
- *Health Choice* - HealthChoice was established under the Municipal Health Corporations Act of 1987 to manage a health care program benefiting employees of County businesses that are unable to provide health benefits to their employees. HealthChoice administers the program in conjunction with a non-profit corporation; a third-party administrator; and Patient Care Management System, a unit of the County. HealthChoice Board members are County elected or County appointed officials.
- *Land Bank* - The Land Bank was established by State enabling legislation and was incorporated through an intergovernmental agreement between the Michigan Land Bank Fast Track Authority and the Wayne County Treasurer. Its purpose is to acquire, assemble, manage and/or dispose of real property, or rights and interests in real (such as tax reverted) property to develop/rehabilitate that property and promote economic growth; to quiet title to property; to issue bonds; and provide for financing acquisition, assembly, disposition and quieting of title to property.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

Cash resources of the individual funds, except as specifically stated by the Comprehensive Investment Policy Ordinance, are pooled and invested. Interest on pooled investments is allocated among the respective funds based on average investment balances. Securities traded on national or international exchanges are valued at last reported sales price at current exchange rates, which represents fair value. Mortgages are valued on the basis of future principal and interest payments and are discounted at the prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value. Gains or losses on investments sold or exchanged are recognized when the transactions are completed (settlement dates).

Inventories, Prepaid Items and Deposits

Inventories are valued at cost, primarily using the weighted average cost flow assumption. Expenditures are recognized as inventory items are used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items or deposits in both the government-wide and fund financial statements.

Fund balances in governmental funds have been reported as nonspendable for the balance in inventory, prepaid items and deposits at September 30, 2016, as that portion of fund balance is not in spendable form or is legally or contractually required to be maintained intact.

Interfund Balances

Outstanding balances between funds are reported as "due to/from other funds". The amounts shown as "interfund receivables/payables" represent short-term borrowings between funds due to certain funds having a negative equity in the County's pooled cash and investments. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Capital Assets

Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Infrastructure assets are defined as long-lived capital assets that are stationary in nature and can be preserved longer than most other capital assets. Infrastructure assets have an initial, individual cost of more than \$5,000.

Equipment, buildings and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in either the governmental or business-type activities column in the government-wide financial statements. All capital assets are recorded at historical cost or estimated historical cost, if actual cost information is not available. Donated capital assets are recorded at their estimated acquisition cost as of the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives (years), with the exception of certain Department of Public Services machinery and equipment and vehicles, which are depreciated using sum-of-the-years-digits:

Land improvements	20
Buildings and improvements	5-50
Infrastructure:	
Roadways and signage	7-15
Bridges and dams	25-50
Roadways and paving	5-25
Sewer systems	25-80
Machinery, equipment and vehicles	5-25
Office equipment	5

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for the change in expected and actual investment returns, assumptions, and benefits provided in its pension plans as well as for the deferred charge on refunding. A deferred refunding charge results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Tax Anticipation Notes

Tax anticipation notes (TANs) represent short-term debt obligations issued for operating purposes in anticipation of future tax collections. From time to time, the County issues TANs to meet anticipated cash flow requirements resulting from a timing imbalance between cash receipts and expenditures.

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Other Long-term Obligations

Other long-term obligations include compensated absences, net pension liabilities, other postemployment benefits, and reserves for commitments and contingencies.

Compensated Absences

County employees earn vacation and sick leave benefits based, in part, on length of service. Vacation pay is fully vested when earned and sick pay vests upon completion of two years of service. Upon separation from service, employees are paid accumulated vacation and sick pay based upon the nature of separation (death, retirement, or termination). Certain limitations have been placed on the hours of vacation and sick leave that employees may accumulate and carry over for payment at termination, retirement, or death. Unused hours exceeding these limitations are forfeited.

In the government-wide and proprietary fund financial statements, all vacation and sick pay is accrued when earned by the employee. In the governmental fund financial statements, the governmental funds report a liability for vacation and sick pay for employees who have separated from the County, however, their accrued vacation and sick pay remain due and payable at year-end.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Other Postemployment Benefit Costs (OPEB)

The County offers retiree health care benefits to retirees. The County receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, OPEB costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the County reports the full accrual cost equal to the current year required contribution, adjusted for interest and “adjustment to the ARC” on the beginning of year underpaid amounts, if any.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Financial Position may sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County's deferred inflows of resources include amounts related to the net pension asset and liability. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting, that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Balances

In the fund financial statements, governmental funds report the following components of fund balance:

- *Nonspendable* - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- *Restricted* - Amounts that have externally imposed constraints and are legally restricted by outside parties, constitutional provisions or enabling legislation for use of a specific purpose.
- *Committed* - Amounts that have been committed for specific purposes by formal action of the government's highest level of decision-making authority (i.e. County Commission). Commitments are made and can be rescinded only via resolution of the County Commission.
- *Assigned* - Amounts that are intended by the government to be used for specific purposes, but are not restricted or committed. By resolution of the Wayne County Commission, authority to assign fund balance has been designated to the Chief Financial Officer or his/her designee subject to the approval of the Wayne County Commission.
- *Unassigned* - Residual amounts remaining in the General Fund and negative amounts in other governmental funds.

In addition, special revenue funds are only allowed to be reported if they are used to account for activities that are substantially funded by a specific external revenue source that is restricted or committed for a specific purpose.

The County Commission has adopted, by ordinance, a Budget Stabilization Fund under Michigan's Public Act 30 of 1978. The County Commission may, with a 2/3 vote, set aside General Fund surplus, up to a maximum of 15% of the most recent General Fund budget (or average of the five most recent budgets, if less). An appropriation from the Budget Stabilization Fund, which also requires a 2/3 vote of the County Commission, may only occur to correct a budget shortfall, or in the case of a natural disaster. The balance at September 30, 2016 of the Budget Stabilization Fund, which is reported in the General Fund within unassigned fund balance, is \$23 million.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the County shall consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the County will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts presented in the prior year data in the Management’s Discussion and Analysis have been reclassified in order to be consistent with the current year’s presentation.

Cash Flows

For purposes of the Statements of Cash Flows, the County considers cash equivalents as all highly liquid investments, including restricted assets, with a maturity of three months or less from the date of acquisition.

2. BUDGET MATTERS

The following is a listing of total expenditures in excess of the final amended budget. Expenditures are presented at the legal level of budgetary control. The budgetary comparison schedules for the major governmental funds are presented as required supplementary information. The budgetary comparison schedules for the nonmajor funds are presented in the supplementary information.

	Final Amended Budget	Actual Expenditures	Amount Over Amended Budget
General Fund			
General government:			
Non-departmental -			
Retirement judgment	\$ 10,742,252	\$ 11,976,608	\$ 1,234,356
Public safety:			
County jail	107,992,400	108,036,076	43,676
Sheriff	34,011,386	34,350,662	339,276
Community corrections	-	14,572	14,572
Health and welfare:			
Cooperative extension	355,480	401,143	45,663
Senior citizens services	105,573	232,341	126,768
Recreational and cultural - county library	-	13,649	13,649
Capital outlay	884,138	915,464	31,326
Roads Fund			
Capital outlay	4,665,000	11,392,712	6,727,712
Transfers out	680,719	817,958	137,239

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

	Final Amended Budget	Actual Expenditures	Amount Over Amended Budget
Nonmajor special revenue funds			
Law Enforcement - transfers out	\$ -	\$ 500,000	\$ 500,000
Nutrition - health and welfare	4,513,441	4,763,315	249,874
Community and Economic Development -			
Economic development	2,146,769	2,278,136	131,367
Economic Development Corporation -			
Economic development	501,815	806,399	304,584
Stadium and Land Development -			
Recreation and cultural	8,900,000	9,893,816	993,816
Environmental Programs - capital outlay	6,500	31,353	24,853

General Fund - Actual expenditures in the above activities exceeded budgeted expenditures by \$1.2 million which relates mainly to \$1.2 million of retirement judgment interest. The fund is not in deficit.

Roads - Actual expenditures for roads exceeded budgeted expenditures by \$6.7 million. At fiscal year end the fund accrues wages, contractual expenditures, and other costs which are reclassified as capital expenditures. These costs are budgeted as wages, contractual service, and other costs but a budget adjustment is not made to reclassify the expenditures. The fund is not in deficit.

Stadium and Land Development - Actual expenditures in this activity exceeded budget by \$1.0 million. The overage was funded by additional tourist tax collections. This fund is not in deficit.

The Wayne County Commission adopted original and amended budgets for the Health, Nutrition, Victim Witness, Community and Economic Development, Environment, Long-Term Disability, General Health, and Buildings and Grounds Maintenance funds that projected fund balance deficits due to beginning of year deficits.

A budget was not adopted for the Building Authority special revenue fund; accordingly, a schedule showing budgeted and actual amounts is not presented for this fund.

3. FUND DEFICITS

The County is required by its Home Rule Charter and State statutes, specifically Public Act 2 of 1968 and Public Act 275 of 1980, as amended, to operate under a plan to eliminate any fund deficits. As of September 30, 2016, the County has six funds with accumulated fund deficits totaling \$25.3 million. In addition, the Economic Development Corporation special revenue fund had an unassigned deficit of \$261,617 but an overall surplus fund balance of \$278,142 (i.e., it had nonspendable fund balance of \$539,759 due to supplies inventory and prepaids).

The fund deficits at September 30, 2016 were as follows:

	Deficit	Source of Funding			
		General Fund Appropriations	Interfund Charges	Expenditure Reduction	Other Revenue Sources
Governmental funds					
Nutrition	\$ 4,160,587	\$ 4,160,587	\$ -	\$ -	\$ -
Victim Witness	113,768	113,768	-	-	-
Community and Economic Development	3,351,849	3,351,849	-	-	-
Health and Family Services	1,171,033	1,171,033	-	-	-
Total governmental funds	\$ 8,797,237	\$ 8,797,237	\$ -	\$ -	\$ -
Internal service funds					
Environment	\$ 2,223,563	\$ 2,223,563	\$ -	\$ -	\$ -
Buildings and Grounds Maintenance	14,242,935	-	14,242,935	-	-
Total internal service funds	\$ 16,466,498	\$ 2,223,563	\$ 14,242,935	\$ -	\$ -

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

The six funds with accumulated fund deficits will be eliminated as resources are available either from General Fund appropriations or from interfund charges.

The internal service funds with accumulated net position deficits were directly caused by the implementation of GASB 68 where the net pension liability was allocated to these funds: the Environment Fund deficit is \$2.2 million with a \$2.4 million net pension liability and the Buildings and Ground Maintenance Fund deficit is \$14.2 million with a \$14.4 million net pension liability.

4. DEPOSITS AND INVESTMENTS

Following is a summary of deposit and investment balances as of September 30, 2016:

	Primary Government	Component Units	Total
Statement of Net Position			
Equity in pooled cash and investments	\$ 250,915,616	\$ 17,187,628	\$ 268,103,244
Other cash and investments	5,388,395	10,132,440	15,520,835
Restricted assets:			
Equity in pooled cash and investments	141,341,196	-	141,341,196
Other cash and investments	136,452,173	-	136,452,173
Statement of Fiduciary Net Position			
Equity in pooled cash and investments	187,985,454	-	187,985,454
Other cash and investments	2,720,811	-	2,720,811
Investments - pension and other employee benefits trust funds	1,274,074,269	-	1,274,074,269
Total	\$1,998,877,914	\$ 27,320,068	\$ 2,026,197,982
Reconciliation of Deposits and Investments			
Bank deposits (demand and time deposits):			
Treasurer's pool			\$ 361,531,197
Other deposits (in Treasurer's pool)			138,056,802
Other deposits (not in Treasurer's pool)			16,450,632
Investments in securities, mutual funds and similar instruments:			
Treasurer's pool			235,898,647
Pension and other employee benefits trust funds			1,256,192,824
Other investments (not in Treasurer's pool)			17,881,445
Cash on hand			186,435
Total			\$ 2,026,197,982

Composition of Cash and Investment Balances

Pooled cash and investments consist of demand deposits, certificates of deposit, money market funds, commercial paper, and obligations of the U.S. Treasury and agencies and obligations of political subdivisions within the State of Michigan. The Wayne County Treasurer administers these pools, which include the assets of certain component units. Equity in pooled cash represents the fund/reporting unit's position in the portfolio. In other words, it is the value of their ownership in the pools of cash and investments. Pooling of cash and investments accomplishes various goals, such as the ability to earn higher interest rates and better manage cash flow needs.

Other cash and investments include cash on hand and individual depository accounts held by the County. Various elected officials and others are the custodians of these individual depository accounts.

Cash and investments categorized as "restricted" relate to amounts for debt service, construction and other specific uses.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Fiduciary investments, which are predominantly made up of Retirement assets under the control of the Wayne County Retirement Board, are managed by external investment advisors. Agency fund investments are generally part of the County portfolio.

State statutes (Public Act 20 of 1943, as amended) place limitations on the nature of deposits and investments available to the County. Deposits include demand deposits, money markets, and certificates of deposits in federally insured banks, credit unions and savings and loan associations that have offices in the State of Michigan. Statutes authorize the County to invest in obligations of the U.S. Treasury or any agency or instrumentality of the United States, certain commercial paper, repurchase agreements, bankers' acceptances of United States banks, external investment pools (organized under Public Act 367 or 121), mutual funds composed of otherwise legal investments (except those with fluctuating per share value), and certain obligations of the State of Michigan or its political subdivisions.

The investment policy adopted by the County, in accordance with Public Act 20 of 1943, as amended, authorizes investments in U.S. Treasuries, agencies, and instrumentalities, certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings bank, or savings and loan association that is a member of the Federal Deposit Insurance Corporation (FDIC). The Treasurer may invest in commercial paper (rated A2/P2 or above), repurchase agreements, and bankers' acceptances. Investment pools organized under the Urban Cooperation Act of 1967, PA 7, MCL 124.501 to 124.512, under the local government investment pool Act of 1985, PA 121, MCL 129.141 to 129.150, and investment pools organized under the Surplus Funds Investment Act, 1982 PA 367, MCL 129.111 to 129.118, are also permitted. Investments may also be made in mutual funds registered under the Investment Company Act of 1940 Title I of Chapter 686, 54 stat. 789, 15 U.S.C. 80A-1 to 80A-3 and 80A-4 to 80A-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation, which maintain a rating of AAA or better by a nationally recognized statistical rating agency or that maintain a net \$1.00 share value. The foremost objective of the investment policy is the safety of investment principal.

Treasurer's Cash and Investment Portfolio

The County Treasurer's cash and investments are subject to several types of risk as discussed below.

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the government's deposits may not be recovered. The County's investment policy requires that deposits over the \$250,000 insured limit in a commercial bank shall not equal more than 25 percent of the combined capital and surplus of that bank, savings bank, or savings and loan association and that institution must meet minimum standards of at least one standard rating service. If deposits in a credit union exceed the insured limit, that institution must meet the minimum standards of at least one standard rating service.

At year-end, the County portfolio had \$518.6 million of bank deposits (primarily demand deposits and certificates of deposit) with a carrying value of \$519.2 million, that were largely uninsured and uncollateralized. Other primary government depository accounts (outside of the portfolio administered by the Treasurer) had a total bank balance and carrying value of \$6.5 million. The County believes that due to the dollar amount of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the County evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with acceptable levels of estimated risk are used as depositories.

Custodial Credit Risk of Investments - Following is a summary of the County's investments as of September 30, 2016:

U.S. agency bonds	\$ 30,290,000
Municipal bonds	28,825,000
Money market funds	67,519,730
Commercial paper	<u>109,263,917</u>
	<u>\$ 235,898,647</u>

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government and are held by either the counterparty, or the counterparty's trust department or agent, but not in the County's name.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

The County's investment policy requires that bonds, securities, and obligations of the United States or an agency or instrumentality of the United States must be held in the name of the County Treasurer, be purchased using the delivery versus payment procedure, and be held in third party safekeeping. Commercial paper should either be purchased directly from the issuing corporation, or be held in safekeeping by a third party institution. At year-end, none of the County's portfolio investments were subject to custodial credit risk due to one of the following: (a) investments were held by a third-party safe-keeper in the County's name; (b) investments were held by a trustee in the County's name; or (c) investments were part of a mutual fund.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In compliance with State law, the County's investment policy limits investments of commercial paper to the two highest classifications established by not less than two standard rating services, and which mature not more than 270 days after the date of purchase. As of year-end, the credit quality ratings of pooled County investments (other than the U.S. government) are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Agency</u>
U.S. agency bonds	\$ 3,550,000	AAA	Fitch
U.S. agency bonds	17,500,000	AAA	Moody's
U.S. agency bonds	9,240,000	AA+	S&P
	<u>30,290,000</u>		
Municipal bonds	2,795,000	AA	S&P
Municipal bonds	6,465,000	AA-	S&P
Municipal bonds	3,125,000	A	S&P
Municipal bonds	515,000	A1	Moody's
Municipal bonds	3,825,000	Aa1	Moody's
Municipal bonds	900,000	Aa3	Moody's
Municipal bonds	11,200,000	SP-1	Moody's
	<u>28,825,000</u>		
Money market funds	2,812,567	Aaa-mmf	Moody's
Money market funds	1,243,963	AAA-mmf	Fitch
Money market funds	63,463,200	Not Rated	
	<u>67,519,730</u>		
Commercial paper	9,934,811	A1	S&P
Commercial paper	19,811,536	A2	S&P
Commercial paper	79,517,570	Not Rated	
	<u>109,263,917</u>		
Total	<u><u>\$ 235,898,647</u></u>		

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributable to the magnitude of a government's investments with a single issuer. Through its investment policy, the County places limits on the amount the County may invest in any one issuer, along with the minimal capital strength of those issuers. There are also limits as to the use of specific types of instruments, along with limits upon use of a single institution. These limits are as follows:

Limits using capital strength test - Maximum investment is 25 percent of combined capital and surplus position of that financial institution.

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Notes to the Financial Statements

Limits based upon use of specific instruments:

Investment Type	Limit
Bankers' acceptances	50%
Repurchase agreements	25%
U.S. government	100%
Commercial paper	60%
Money market funds, mutual funds and investment pools	50%
Certificate of deposit (bank)	50%
Certificates of deposit (credit unions)	10%
Certificates of deposit (savings and loan associations)	10%

County limits based on use of a single issuer:

Investment Type	Limit
Bankers' acceptances	25% of total portfolio
Repurchase agreements	10% of total portfolio
Certificates of deposit (bank)	33% of total portfolio
Certificates of deposit (savings and loan associations)	5% of total portfolio

At year-end, the County's investment portfolio did not exceed the limits based on use of specific instruments or use of a single issuer.

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The County's investment policy addresses this risk by limiting the maturities on investments:

Fund/Fund Type	Maximum Maturity
General fund, operating funds	One year
Debt service, special assessment, nonexpendable trust funds	Five years
Delinquent tax revolving fund	Four years
Funds subject to federal arbitrage restrictions	Varies

The County's investment policy also dictates that for operating funds, investment maturities shall be scheduled to coincide with projected cash flow needs, according to the following general guidelines:

Length of Maturity	Percent of Portfolio (minimums)
Under 30 days	10%
Under 90 days	25%
Under 270 days	50%
Under one year	100%

Investments as of September 30, 2016 adhere to the guidelines concerning limits on maturities of investments.

At year-end, the average maturities of investments subject to interest rate risk are as follows:

	Fair Value	Average Maturity
U.S. agency bonds	\$ 30,290,000	404 days
Municipal bonds	28,825,000	383 days
Investments subject to risk	\$ 59,115,000	

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Notes to the Financial Statements

Fair Value Measurements - The County categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs - other than quoted prices - included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the System's investment manager. These are determined at the fund level based on a review of the investment's class, structure, and what kind of securities are held in funds. The investment manager will request the information from the fund manager, if necessary. The County had the following recurring fair value measurements as of September 30, 2016:

	Level 1	Level 2	Level 3	Total
<i>Investments by fair value level</i>				
U.S. agencies	\$ 30,290,000	\$ -	\$ -	\$ 30,290,000
Municipal bonds	-	28,825,000	-	28,825,000
Commercial paper	109,263,917	-	-	109,263,917
Money market	-	67,519,730	-	67,519,730
Total investments by fair value level	\$ 139,553,917	\$ 96,344,730	\$ -	\$ 235,898,647

Wayne County Employees' Retirement System

The Wayne County Employees' Retirement System investments, which are under the control of the Wayne County Retirement Commission, are subject to statutory regulations imposed under the Michigan Public Pension Investment Act 314 of 1965, as amended (Act 55, P.A. 1982), and investment policy established by the Retirement Commission.

The Investment Act incorporates the prudent person rule and requires investment fiduciaries to act solely in the interest of the pension plans' (the Plans) participants and beneficiaries. The Retirement Commission has authority to invest the Plans' assets in common and preferred stock, obligations of the United States, its agencies, or U.S. government-sponsored enterprises, obligations of any state or political subdivision of a state having the power to levy taxes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, reverse repurchase agreements, real and personal property, mortgages, and certain other investments.

The Plans have balances in the County's pooled accounts, displayed in the financial statements as "equity in pooled cash and investments." Disclosures related to these "pooled" balances is included in the Treasurer's Cash and Investment Portfolio section above. See the individual Plans below for the appropriate investment risk information.

Wayne County Employees' Retirement System Defined Benefit Plan

Investment Allocation Policy - The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Commission. The policy pursues an investment strategy that protects the financial health of the Plan and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets are invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the Plan may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the Plan will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

The adopted asset allocation policy as of September 30, 2016, is as follows:

Asset Class	Target Allocation	Allocation Range
Equity	50%	40% to 70%
Domestic fixed income	15%	5% to 50%
International fixed income	5%	0% to 25%
Real estate	15%	5% to 20%
Alternative investments	15%	10% to 20%
Michigan-based private equity	0%	0% to 2%
Short-term / cash	0%	0% to 5%
Total investments	100%	

Investment Holding - As of September 30, 2016 the Plan's investments are classified as follows:

Equity securities and mutual funds:	
Common stocks	\$ 322,007,932
Equity mutual funds	45,755,361
Commingled equity funds	92,799,206
International equities	625,370
Total equity securities	461,187,869
Debt securities and mutual funds:	
Corporate	516,915
Mortgage-backed securities	114,743
Bond mutual funds	18,754,249
Commingled fixed income funds	97,863,499
Total debt securities	117,249,406
Money market funds	27,219,766
Other investments:	
Real estate investment trusts	159,625,876
Hedge funds	36,872,209
Structured debt	10,279,527
Investments in private equity (net of valuation allowance of \$1 million)	59,368,049
Total other investments	266,145,661
Total investments	\$ 871,802,702

The Plan's investments are subject to several types of risk, which are discussed below.

Custodial Credit Risk of Deposits - The Plan's carrying amount of deposits of \$10,678,880 as of September 30, 2016 are included in the County's pooled cash.

Custodial Credit Risk of Investments - The Plan's investment policy and Public Act 314 of 1965, as amended, require that are (a) investments are held by a third-party safe-keeper in the Plan's name; (b) investments are held by a trustee in the Plan's name; or (c) investments are part of a mutual fund. The Plan's investment policy also requires that the safekeeping institution shall annually provide a copy of its most recent report on internal controls (also referred to as a "SOC 1 report").

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

As of September 30, 2016, none of the Plan's investments were subject to custodial credit risk due to one of the following: (a) investments were held by a third-party safe-keeper in the Plan's name; (b) investments were held by a trustee in the Plan's name; or (c) investments were part of a mutual fund.

Concentration of Credit Risk - Other than obligations issued, assumed or guaranteed by the United States, its agencies or United States government sponsored enterprises, the Plan is prohibited by Public Act 314 of 1965, as amended, from investing in more than five percent of the outstanding obligations of any one issuer or investing more than five percent of the Plan's assets in the obligations of any one issuer. The Plan places no limits in excess of statutory authority. As of September 30, 2016, there were no investments that exceeded five percent or more of the Plan's total investments, other than investments in mutual funds, similar pooled investments, or investments issued, assumed, or guaranteed by the United States, its agencies, or United States government-sponsored enterprises.

A contract approved by the Plan's Board, permits the System to lend its securities to broker-dealers and banks (borrowers) for collateral that will be returned for the same securities in the future. The System's custodial bank manages the securities lending program and receives predominantly cash as collateral. The collateral securities cannot be pledged or sold by the System unless the borrower defaults. Collateral cash is initially pledged at 102 percent of the fair value of the securities lent for domestic securities and 105 percent for international securities, and may not fall below 100 percent during the term of the loan. There are no restrictions on the amount of securities that can be loaned. Securities on loan at year-end are summarized as follows:

Common stocks	\$ 109,148,525
Corporate bonds	<u>239,951</u>
	<u>\$ 109,388,476</u>

At year-end, the System has no credit risk exposure to borrowers as the amounts the System owes the borrowers exceed the amounts the borrowers owe the System. The contract with the System's custodian requires it to indemnify the System if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the System for income distributions by the securities' issuers while the securities are on loan.

Credit Risk - The Plan's investment policy places no restrictions greater than what is allowed under Public Act 314 of 1965, as amended, that would further limit its investment choices. Ratings are not required for U.S. treasuries or certain money market funds.

The Plan's investment in debt securities (in thousands) were rated at September 30, 2016 as follows:

	Corporate Bonds	Mortgage- backed Securities	Bond Mutual Funds	Commingled Fixed Income Funds
Standard & Poor's				
AAA	\$ -	\$ 114,743	\$ 13,476,528	\$ -
A	516,890	-	-	-
BBB	-	-	5,277,721	-
Moody's				
Aa	-	-	-	97,863,499
Unrated	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 516,915</u>	<u>\$ 114,743</u>	<u>\$ 18,754,249</u>	<u>\$ 97,863,499</u>

As of September 30, 2016, the Plan's money market funds were rated A1+ by Standard & Poor's with weighted average maturities of 46 days.

Interest Rate Risk - The Plan's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, it is the practice of the Plan to manage this risk by purchasing a mix of short and long-term investments.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Maturities of the Plan's debt securities as of September 30, 2016 were as follows:

	Investment Maturities (Fair Value by Years)				Totals
	Due < 1 year	Due in 1-5 years	Due in 6-10 years	Due > 10 years	
Corporate bonds	\$ 516,915	\$ -	\$ -	\$ -	\$ 516,915
Mortgage-backed securities	-	2	-	114,741	114,743
Bond mutual funds	-	2,539,644	16,214,605	-	18,754,249
Commingled funds	-	-	97,863,499	-	97,863,499
	\$ 516,915	\$ 2,539,646	\$ 114,078,104	\$ 114,741	\$ 117,249,406

Foreign Currency Risk - Foreign currency risk is the risk that significant fluctuations in exchange rates may adversely affect the fair value of an investment. The Plan's exposure to foreign currency risk is summarized as follows:

Investment/Country	Currency	Fair Value (USD)
International equities		
Canada	Canadian dollar	\$ 616,021
Switzerland	Swiss franc	9,349
		\$ 625,370

Rate of Return - For the year ended September 30, 2016, the annual money-weighted rate of return on plan investments, net of investment expenses, was 9.8 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Commitments - The Plan has commitments to invest \$71.3 million in private equities, structured debt and private real estate investments as of September 30, 2016, of which management believes \$0.3 million is unlikely to be called.

Fair Value Measurements - The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The System had the following recurring fair value measurements as of September 30, 2016:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Equity securities and mutual funds:				
Common stocks	\$ 322,007,932	\$ -	\$ -	\$ 322,007,932
Equity mutual funds	27,320,531	18,434,830	-	45,755,361
International equities	625,370	-	-	625,370
Total equity securities/mutual funds	349,953,833	18,434,830	-	368,388,663
Debt securities and mutual funds:				
Corporate bonds	-	516,915	-	516,915
Mortgage-backed securities	-	114,743	-	114,743
Bond mutual funds	7,930,121	10,824,128	-	18,754,249
Total debt securities/mutual funds	7,930,121	11,455,786	-	19,385,907
Money market funds	27,219,766	-	-	27,219,766
Other investments - structured debt	-	-	10,279,527	10,279,527
Total investments by fair value	\$ 385,103,720	\$ 29,890,616	\$ 10,279,527	425,273,863

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Investments measured at the net asset value (NAV)	
Real estate funds	159,625,876
Multi-strategy hedge funds	36,872,209
Private equity funds	59,368,049
Commingled funds	190,662,705
Total investments measured at NAV	<u>446,528,839</u>
Total investments measured at fair value	<u>\$ 871,802,702</u>

Real estate funds. This type includes ten real estate funds (including a mortgage trust) that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 1 to 8 years. 100 percent of the total investment in this type is expected to be sold. However, the individual investments that will be sold have not yet been determined. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an auction process. Approximately 18% of the assets are able to be liquidated via a quarterly redemption queue. The balance of the assets will be liquidated as underlying properties are sold or the investee fund's management approves of the buyer before the sale of the investments can be completed. At September 30, 2016, the real estate funds have unfunded commitments of \$17 million.

Multi-strategy hedge funds. This type invests in two hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this type includes investments in approximately 54% global stocks and 46% global fixed income. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. Investments representing \$10,668,708 in this type cannot be redeemed because the investments include restrictions that do not allow for redemption in the first two years after acquisition. The remaining restriction period for these investments ranged from four to six months at September 30, 2016. At September 30, 2016, the multi-strategy hedge funds have unfunded commitments of \$10 million.

Private equity funds. This type includes nine private equity funds (five that invest primarily in equities, one in international equities, three in debt). The investments do not offer a stated redemption window. Instead, the nature of the investments in this type is that distributions are received through the liquidation of the underlying assets of the funds. If these investments were held, it is expected that the underlying assets of the fund would be liquidated over 1 to 8 years. However, as of September 30, 2016, it is probable that all of the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Therefore, the fair values of the investments in this type have been determined using recent observable transaction information for similar investments and nonbinding bids received from potential buyers of the investments. As of September 30, 2016, a buyer (or buyers) for these investments has not yet been identified. Once a buyer has been identified, the investee fund's management is required to approve of the buyer before the sale of the investments can be completed. At September 30, 2016, the private equity funds have unfunded commitments of \$44 million.

Commingled funds. This type includes four commingled funds that invest in publicly traded global stocks and global fixed income. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. Of the total commingled funds, \$116,761,785 of the assets can be liquidated on a daily basis and \$73,900,920 can be liquidated on a monthly basis with 30 days notice. All of the underlying securities within the commingled funds carry a recurring fair value measurement level 1 or 2. There are no unfunded commitments to commingled funds at September 30, 2016.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Wayne County Employees' Retirement System Defined Contribution Plan

As of September 30, 2016, the Plan's investments are classified as follows:

Equity mutual funds	\$ 252,928,974
Debt mutual funds	
Guaranteed income fund	89,160,037
Bond mutual funds	21,653,278
Total debt funds	110,813,315
Participant loans receivable	20,647,833
Total investments	\$ 384,390,122

The Plan's investments are subject to several types of risk, which are discussed below.

Custodial Credit Risk of Deposits - The Plan's carrying amount of deposits of \$422,995 as of September 30, 2016 are included in the County's pooled cash.

Custodial Credit Risk of Investments - The Plan's investment policy and Public Act 314 of 1965, as amended, require that (a) investments are held by a third-party safe-keeper in the Plan's name; (b) investments are held by a trustee in the Plan's name; or (c) investments are part of a mutual fund. The Plan's investment policy also requires that the safekeeping institution shall annually provide a copy of its most recent report on internal controls (also referred to as a "SOC 1 report").

As of September 30, 2016, none of the Plan's investments were subject to custodial credit risk due to one of the following: (a) investments were held by third-party safe-keeper in the Plan's name; (b) investments were held by a trustee in the Plan's name; or (c) investments were part of a mutual fund.

Credit Risk - The Plan's investment policy places no restrictions greater than what is allowed under Public Act 314 of 1965, as amended, that would further limit its investment choices. Ratings are not required for U.S. treasuries or certain money market funds.

The Plan has investments in a guaranteed income fund that has an average portfolio credit rating of AA- by Standard & Poor's and weighted average maturity of 3.8 years. Also, the Plan has investments in bond mutual funds that have the following portfolio characteristics as of September 30, 2016:

Amount	Portfolio Average Quality by S&P	Weighted Average Maturity (in years)
\$ 6,453,537	AA	3.69
13,339,131	AAA	6.37
1,860,610	BB	5.02
\$ 21,653,278		

The participant loans have a weighted maturity of 2.9 years at September 30, 2016.

Interest Rate Risk - The Plan's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, it is the practice of the Plan to manage this risk by purchasing a mix of short and long-term investments. Interest rate risk information, expressed as weighted average maturities, is presented above.

Fair Value Measurements - As of September 30, 2016, the recurring fair value measurement of the Plan's investments were entirely Level 1.

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Notes to the Financial Statements

Other Postemployment Benefits Trust

The Other Postemployment Benefits Trust Fund has \$17,881,445 in a custodial cash account with a third party broker. Accordingly, risk disclosures for deposits are not applicable and investment risk disclosures are similarly inapplicable.

5. RESTRICTED ASSETS

Restricted assets in governmental activities, including amounts that are pledged toward the repayment of outstanding notes, will be used for delinquent tax administration and short-term borrowings. A summary of restricted assets for governmental activities at year-end are as follows:

	Nonmajor Governmental Funds		Delinquent Tax	Total
	Building	Other Nonmajor	Revolving	
Equity in pooled cash and investments:				
Construction	\$ 57,213,621	\$ 12,897,070	\$ -	\$ 70,110,691
Bond and interest redemption	-	-	36,048,550	36,048,550
Economic development	-	578,155	-	578,155
Operating and maintenance	-	1,332,374	-	1,332,374
Total equity in pooled cash and investments	57,213,621	14,807,599	36,048,550	108,069,770
Other cash and investments -				
Bond and interest redemption	-	-	133,639,612	133,639,612
Receivables:				
Delinquent property taxes	-	-	196,473,555	196,473,555
Accounts receivable	-	-	1,017,447	1,017,447
Due from other governments	-	-	247,042	247,042
Total	\$ 57,213,621	\$ 14,807,599	\$ 367,426,206	\$ 439,447,426

In accordance with the terms of certain bond issues, the sewage disposal systems restrict assets that are pledged for the repayment of certain bonds or for maintenance, replacement and/or construction of infrastructure. Bonds principal due from local units or municipalities is recorded upon the issuance of debt for construction of sewage facilities and systems. Such principal will be repaid by the benefited local communities in accordance with the debt service requirements of the County. A summary of the restricted assets for business-type activities at year-end are as follows:

	Enterprise Funds			Total Business-type Activities
	Downriver	Rouge Valley	Nonmajor Funds	
Equity in pooled cash and investments:				
Replacements and improvements	\$ 8,371,873	\$ 4,389,777	\$ 3,577,839	\$ 16,339,489
Bond and interest redemption	14,111,391	-	2,820,546	16,931,937
Total equity in pooled cash and investments	22,483,264	4,389,777	6,398,385	33,271,426
Other cash and investments -				
Bond and interest redemption	2,812,561	-	-	2,812,561
Accounts receivable:				
Accounts receivable - restricted	-	-	2,112,640	2,112,640
Bond and interest redemption	6,202,042	-	2,727,710	8,929,752
Bond principal due from local units	47,171,034	75,000	2,103,699	49,349,733
Total	\$ 78,668,901	\$ 4,464,777	\$ 13,342,434	\$ 96,476,112

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

6. LONG-TERM RECEIVABLES

In 1992, a federally-funded revolving loan sub-grant was received from the State of Michigan. Prior to fiscal year 2010, Metropolitan Growth and Development Corporation acted as the administrator of the Urban Loan Fund (ULF), on behalf of the County, to promote economic development for minority businesses and businesses in distressed communities.

As of September 30, 2016, the current value of the outstanding loans is \$670,282 (net of an allowance of \$642,141). These loans represent long-term receivables of the governmental activities and the Community and Economic Development Fund.

7. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Interfund Transfers

Interfund transfers are used to 1) transfer revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) transfer receipts restricted to debt service from the funds collecting the receipts to the debt service funds as debt service payments become due, and 3) transfer unrestricted revenues collected in the general fund to other funds to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended September 30, 2016 consisted of the following:

	Transfers Out						Totals
	General	Roads	Nonmajor Governmental Funds	Delinquent Tax Revolving	Nonmajor Enterprise Funds	Internal Service	
Transfers In							
General	\$ -	\$ 312,238	\$ 500,000	\$ 62,047,215	\$ 1,102,445	\$ -	\$ 63,961,898
Health	18,016,883	-	-	-	-	-	18,016,883
JJ	58,539,628	-	3,284,899	-	-	-	61,824,527
NMGF	14,418,827	505,720	1,840,437	92,250	-	1,604,063	18,461,297
ISF	426,000	-	-	-	-	-	426,000
Totals	<u>\$ 91,401,338</u>	<u>\$ 817,958</u>	<u>\$ 5,625,336</u>	<u>\$ 62,139,465</u>	<u>\$ 1,102,445</u>	<u>\$ 1,604,063</u>	<u>\$ 162,690,605</u>

JJ = Juvenile Justice Fund

ISF = Internal service funds

NMGF = Nonmajor governmental funds

Interfund Receivables and Payables

Interfund balances result from the time lag between the dates 1) interfund goods and services are provided or reimbursable expenditures occur, and 2) payment between funds are made. Interfund balances for the year ended September 30, 2016 consisted of the following:

	Due from Other Funds			
	General	Nonmajor Governmental Funds	Totals	
Due to Other Funds				
Nonmajor governmental funds	<u>\$ 5,503,459</u>	<u>\$ 883,338</u>	<u>\$ 6,386,797</u>	
	Interfund Payable (funds with negative cash)			
	Juvenile Justice	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Totals
Interfund Receivable				
General	<u>\$ 24,661,480</u>	<u>\$ 9,714,389</u>	<u>\$ 336,656</u>	<u>\$ 34,712,525</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

8. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2016 was as follows:

Primary Government

	Beginning Balance	Additions	Transfers (net)	Disposals	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 539,410,084	\$ -	\$ -	\$ -	\$ 539,410,084
Construction in progress	55,258,602	4,947,214	(14,052,947)	-	46,152,869
	<u>594,668,686</u>	<u>4,947,214</u>	<u>(14,052,947)</u>	<u>-</u>	<u>585,562,953</u>
Capital assets, being depreciated:					
Land improvements	12,984,290	62,664	-	-	13,046,954
Buildings and improvements	385,682,357	39,059	-	-	385,721,416
Machinery and equipment	151,118,205	3,496,044	-	(3,608,065)	151,006,184
Vehicles	23,366,385	24,555	-	(3,616,942)	19,773,998
Office furniture and equipment	28,477,616	1,038,058	-	-	29,515,674
Infrastructure	1,645,366,830	28,968,273	14,052,947	-	1,688,388,050
	<u>2,246,995,683</u>	<u>33,628,653</u>	<u>14,052,947</u>	<u>(7,225,007)</u>	<u>2,287,452,276</u>
Less accumulated depreciation for:					
Land improvements	(12,331,704)	(285,074)	-	-	(12,616,778)
Buildings and improvements	(288,589,539)	(10,160,160)	-	-	(298,749,699)
Machinery and equipment	(117,036,140)	(7,473,879)	-	3,573,790	(120,936,229)
Vehicles	(21,948,908)	(528,807)	-	3,616,941	(18,860,774)
Office furniture and equipment	(25,498,111)	(1,171,226)	-	-	(26,669,337)
Infrastructure	(1,350,842,070)	(36,094,320)	-	-	(1,386,936,390)
	<u>(1,816,246,472)</u>	<u>(55,713,466)</u>	<u>-</u>	<u>7,190,731</u>	<u>(1,864,769,207)</u>
Total capital assets being depreciated, net	<u>430,749,211</u>	<u>(22,084,813)</u>	<u>14,052,947</u>	<u>(34,276)</u>	<u>422,683,069</u>
Governmental activities capital assets, net	<u>\$ 1,025,417,897</u>	<u>\$ (17,137,599)</u>	<u>\$ -</u>	<u>\$ (34,276)</u>	<u>\$ 1,008,246,022</u>

Construction in progress as of September 30, 2016 includes roads construction and building renovations; the costs expected to be incurred to complete these projects are estimated at \$18 million. These projects are funded by contributions from state and local governmental units, capital project fund appropriations, and general revenues.

Depreciation expense was charged to governmental activities as follows:

Judicial	\$ 1,331,745
General government	9,639,435
Public safety	1,878,914
Highways, streets and bridges	40,211,324
Health and welfare	871,485
Recreation and culture	1,259,102
Capital assets held by the Delinquent Tax revolving fund revolving fund	45,373
Capital assets held by government internal service funds are charged to the various functions based on asset usage	476,088
	<u>\$ 55,713,466</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Proprietary fund capital assets are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as those used for the governmental capital assets and are as follows:

	Beginning Balance	Additions	Transfers (net)	Disposals	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 3,886,604	\$ -	\$ -	\$ -	\$ 3,886,604
Construction in progress	25,902,144	10,219,805	-	-	36,121,949
	<u>29,788,748</u>	<u>10,219,805</u>	<u>-</u>	<u>-</u>	<u>40,008,553</u>
Capital assets, being depreciated:					
Land improvements	1,367,301	-	-	-	1,367,301
Buildings and improvements	38,320,975	-	-	-	38,320,975
Machinery and equipment	1,818,232	-	-	-	1,818,232
Vehicles	114,196	47,101	-	-	161,297
Office furniture and equipment	67,308	-	-	-	67,308
Infrastructure	540,885,578	-	-	-	540,885,578
	<u>582,573,590</u>	<u>47,101</u>	<u>-</u>	<u>-</u>	<u>582,620,691</u>
Less accumulated depreciation for:					
Land improvements	(634,190)	(61,710)	-	-	(695,900)
Buildings and improvements	(33,795,901)	(729,659)	-	-	(34,525,560)
Machinery and equipment	(1,228,769)	(125,118)	-	-	(1,353,887)
Vehicles	(65,661)	(41,606)	-	-	(107,267)
Office furniture and equipment	(7,631)	(2,954)	-	-	(10,585)
Infrastructure	(267,892,009)	(15,577,066)	-	-	(283,469,075)
	<u>(303,624,161)</u>	<u>(16,538,113)</u>	<u>-</u>	<u>-</u>	<u>(320,162,274)</u>
Total capital assets being depreciated, net	<u>278,949,429</u>	<u>(16,491,012)</u>	<u>-</u>	<u>-</u>	<u>262,458,417</u>
Business-type activities capital assets, net	<u>\$ 308,738,177</u>	<u>\$ (6,271,207)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 302,466,970</u>

Depreciation expense was charged to business-type activities as follows:

Sewage disposal systems (includes nonmajor activities)	<u>\$ 16,538,113</u>
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Construction in progress involves various sewage disposal system improvements. The costs expected to be incurred to complete these projects are estimated at \$12.2 million. These projects are expected to be funded by future contributions from federal grants, participating local governmental units, and assets restricted for improvements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Discretely Presented Component Units

Capital assets activity for the Drains, a major component unit, for the year ended September 30, 2016 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Drains				
Capital assets, not being depreciated - Construction in progress	\$ 3,307,596	\$ -	\$ -	\$ 3,307,596
Capital assets, being depreciated:				
Buildings and improvements	24,471,221	-	-	24,471,221
Machinery, equipment and vehicles	1,292,841	25,000	-	1,317,841
Infrastructure	74,607,635	-	-	74,607,635
	<u>100,371,697</u>	<u>25,000</u>	<u>-</u>	<u>100,396,697</u>
Less accumulated depreciation for:				
Buildings and improvements	(19,122,093)	(349,665)	-	(19,471,758)
Machinery, equipment and vehicles	(558,514)	(75,888)	-	(634,402)
Infrastructure	(51,259,530)	(2,333,781)	-	(53,593,311)
	<u>(70,940,137)</u>	<u>(2,759,334)</u>	<u>-</u>	<u>(73,699,471)</u>
Total capital assets being depreciated, net	<u>29,431,560</u>	<u>(2,734,334)</u>	<u>-</u>	<u>26,697,226</u>
Drains capital assets, net	<u>\$ 32,739,156</u>	<u>\$ (2,734,334)</u>	<u>\$ -</u>	<u>\$ 30,004,822</u>

Capital assets activity for Health Choice, a major component unit, for the year ended September 30, 2016 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Health Choice				
Capital assets, being depreciated - Equipment	\$ 10,200	\$ 4,690	\$ (10,200)	\$ 4,690
Less accumulated depreciation for - Equipment	(8,160)	(2,665)	10,200	(625)
Health Choice capital assets, net	<u>\$ 2,040</u>	<u>\$ 2,025</u>	<u>\$ -</u>	<u>\$ 4,065</u>

Fiduciary Funds

Capital assets activity for the year ended September 30, 2016 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, being depreciated - Machinery, equipment and vehicles	\$ 431,434	\$ -	\$ -	\$ 431,434
Less accumulated depreciation for - Machinery, equipment and vehicles	(430,078)	(1,356)	-	(431,434)
Fiduciary funds capital assets, net	<u>\$ 1,356</u>	<u>\$ (1,356)</u>	<u>\$ -</u>	<u>\$ -</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

9. LONG-TERM DEBT AND OTHER OBLIGATIONS

The County's long-term debt at year-end is summarized below. State statutes limit a government's debt to 10 percent of the State Equalized Value of property located in that jurisdiction; this equated to approximately \$4.5 billion for the County at September 30, 2016.

Capital Leases. The final lease payment on a five-year lease agreement for dump trucks used by the Department of Public Services was made in fiscal 2016. The assets were recorded on the county financial statements on July of 2011 and required minimum annual payments of \$393,617. Final payment was made in July of 2016.

The final lease payment was also made on a seven-year capital lease that was entered into on December of 2009 for heavy equipment used by the Department of Public Services. The lease required minimum annual payments of \$835,732 over a seven-year period ending in December of 2016.

Notes Payable. In March 2010, the County and Brownfield (BRA) entered into a \$1 million Environmental Protection Agency Revolving Loan Fund Agreement, for the purpose of environmental remediation of the Central City Park. The loan is due serially from May 2012 through May 2016 at an interest rate of 1.0 percent. This loan was paid off in fiscal 2016.

Operating Leases. The County is committed under 22 leases for office, storage space, and land. These leases are considered for accounting purposes to be non-cancelable operating leases. Lease expenditures/expenses for the year ended September 30, 2016 amounted to \$10.18 million. Future minimum lease payments for these leases are as follows:

<u>September 30,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Fiduciary Activities</u>
2017	\$ 10,888,736	\$ 341,815	\$ 182,944
2018	10,538,798	355,488	-
2019	10,175,415	369,707	-
2020	8,748,382	384,496	-
2021	7,900,957	399,875	-
2022-2026	32,051,263	2,252,489	-
2027-2031	21,598,939	2,740,497	-
2032-2036	24,850,324	3,334,233	-
2036-2040	11,015,149	-	-
	<u>\$ 137,767,963</u>	<u>\$ 10,178,600</u>	<u>\$ 182,944</u>

General Obligation Bonds. The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
2003 capital improvement	2024	2.0 - 4.75%	\$ 13,740,000	\$ 6,760,000
2007 building authority refunding	2019	4.25 - 5.75%	30,770,000	9,905,000
2008 capital improvement	2038	4.375 - 5.0%	32,875,000	32,875,000
2008 capital improvement	2025	5.25 - 5.5%	18,110,000	11,330,000
2008 water and sewer	2038	4.5 - 5.7%	13,060,000	11,170,000
2009 equipment	2019	4.55 - 7.0%	8,105,000	2,100,000
2009 equipment	2025	3.75 - 5.375%	24,715,000	3,215,000
2009 building improvement	2040	6.75%	24,885,000	22,675,000
2010 building authority (jail)	2041	6.22 - 10.0%	200,000,000	192,545,000
			<u>\$ 366,260,000</u>	<u>\$ 292,575,000</u>
Business-type activities				
1995 sewage disposal (#5117-15)	2019	2.25%	\$ 49,525,000	\$ 6,015,000
1995 sewage disposal (#5117-18)	2018	2.25%	14,731,176	895,000
1995 sewage disposal (#5117-19)	2018	2.25%	10,821,813	656,813
1995 sewage disposal (#5117-23)	2018	2.25%	2,082,585	130,000
1995 sewage disposal (#5117-24)	2021	2.25%	58,035,000	13,785,000
1995 sewage disposal (#5117-26)	2018	2.25%	5,980,000	365,000
1995 sewage disposal (#5117-27)	2018	2.25%	5,291,187	256,489
1995 sewage disposal (#5117-28)	2018	2.25%	1,907,456	232,558
1995 sewage disposal (#5117-30)	2018	2.25%	5,773,353	680,000
1995 sewage disposal (#5117-31)	2019	2.25%	3,840,000	465,000
1997 sewage disposal (#5117-29)	2018	2.25%	2,509,825	305,000
1998 sewage disposal (#5117-25)	2021	2.25%	16,865,000	4,010,000
1999 sewage disposal (#5117-01)	2020	2.50%	105,103	22,052
1999 sewage disposal (#5117-20)	2021	2.50%	12,030,000	2,910,000
1999 sewage disposal (#5117-32)	2020	2.25%	11,731,749	2,071,749
1999 sewage disposal	2019	4.5-5.125%	15,005,000	2,295,000
2000 sewage disposal (#5117-34)	2021	2.50%	5,085,000	1,520,000
2005 sewage disposal (#5217-01)	2026	1.63%	4,680,000	2,530,000
2007 sewage disposal refunding	2018	4.25 - 5.75%	9,935,000	2,385,000
1995 sewage disposal (#5123-01)	2019	2.25%	5,856,984	706,983
2009 sewage disposal (#5140-01)	2019	2.25%	425,000	75,000
2011A sewage disposal (#5430-01)	2030	2.50%	275,368	235,368
2011A sewage disposal (#5433-01)	2032	2.50%	760,000	640,000
2015 sewage disposal (#5430-02)	2036	2.50%	2,175,000	1,714,363
			<u>\$ 245,426,599</u>	<u>\$ 44,901,375</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Component Units				
<u>Drainage Districts</u>				
2008 drain (Chapter 8)	2023	5.45%	\$ 1,455,000	\$ 679,000
2009A drain (#5117-01)	2020	2.5 - 10.0%	426,152	89,202
2009A drain (#5349-01)	2030	2.50%	3,717,000	2,790,000
2012 drain (Henry)	2022	3.65%	214,000	128,400
2013 drain (Chapter 8; Adams)	2023	7%	340,000	240,000
2013 drain (Chapter 8; Throop)	2023	7%	1,150,000	805,000
2011 drain (Chapter 20; Southgate)	2032	2.50%	1,285,000	1,080,000
2014 drain (Chapter 20; Ecorse)	2024	1.75 - 5.25%	2,630,000	2,170,000
			<u>\$ 11,217,152</u>	<u>\$ 7,981,602</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Governmental Activities		Business-type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 11,830,000	\$ 23,904,264	\$ 15,129,033	\$ 1,072,248	\$ 756,476	\$ 301,777
2018	11,260,000	23,186,751	13,167,659	663,839	771,475	270,995
2019	11,435,000	22,420,633	6,628,673	366,661	791,475	238,157
2020	7,645,000	21,742,266	6,056,278	219,683	773,376	204,551
2021	8,030,000	21,144,438	715,000	82,221	788,400	170,147
2022-2026	44,410,000	95,707,403	2,105,000	278,307	2,745,400	372,491
2027-2031	53,225,000	76,176,072	885,000	122,169	1,275,000	79,814
2032-2036	69,435,000	50,240,894	590,369	29,142	80,000	1,000
2037-2041	75,305,000	17,236,538	-	-	-	-
	<u>292,575,000</u>	<u>351,759,259</u>	<u>45,277,012</u>	<u>2,834,270</u>	<u>7,981,602</u>	<u>1,638,932</u>
Remaining available to draw	-	-	(375,637)	-	-	-
	<u>\$ 292,575,000</u>	<u>\$ 351,759,259</u>	<u>\$ 44,901,375</u>	<u>\$ 2,834,270</u>	<u>\$ 7,981,602</u>	<u>\$ 1,638,932</u>

Revenue Bonds. The government issues revenue bonds where the income derived from the acquired or constructed assets is pledged to pay debt service. Revenue bonds currently outstanding are as follows:

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
2012 building authority	2041	3.0-5.25%	\$ 14,960,000	\$ 14,320,000
2012 stadium authority refunding	2026	3.0-5.0%	58,160,000	47,480,000
			<u>\$ 73,120,000</u>	<u>\$ 61,800,000</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Business-type activities				
2007 sewage disposal	2028	4.0 - 5.4%	\$ 4,300,000	\$ 3,035,000
2007 sewage disposal	2028	4.25 - 5.75%	15,790,000	11,240,000
2008 sewage disposal	2030	2.50%	4,329,086	3,059,086
2008 sewage disposal	2031	2.50%	10,612,059	7,952,059
2008 sewage disposal	2030	2.50%	12,115,000	9,085,000
2008 sewage disposal	2030	2.50%	4,330,000	3,050,000
2009 sewage disposal (#5350-01)	2031	2.50%	11,426,417	9,058,417
2011 sewage disposal	2033	2.50%	13,780,990	12,095,990
2013 sewage disposal	2035	2.00%	11,955,000	10,076,617
2013 sewage disposal	2018	2.00%	13,435,000	12,757,823
2015 sewage disposal (#5402-01)	2036	2.50%	3,365,000	2,159,352
2016 sewage disposal (#5420-01)	2037	2.50%	17,705,000	3,711,826
			<u>\$ 123,143,552</u>	<u>\$ 87,281,170</u>

Component Units

Drainage Districts

2010 drain (Chapter 8)	2030	2.25 - 5.0%	\$ 2,480,000	\$ 1,750,000
2010 drain (Chapter 8)	2030	2.25 - 5.0%	585,000	420,000
2010 drain (Chapter 8)	2020	2.25 - 4.0%	240,000	100,000
2011 drain (Chapter 8; Lateral 94)	2022	4.5%	830,000	510,000
2013 drain	2028	1.90 - 4.4%	369,800	301,000
			<u>\$ 4,504,800</u>	<u>\$ 3,081,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

	Governmental Activities		Business-type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 4,405,000	\$ 2,998,550	\$ 4,620,000	\$ 2,304,999	\$ 288,650	\$ 132,776
2018	4,675,000	2,774,000	5,445,000	2,179,097	288,650	122,387
2019	4,685,000	2,540,750	5,600,000	2,045,430	288,650	111,353
2020	4,705,000	2,307,125	5,745,000	1,907,201	288,650	99,921
2021	4,725,000	2,075,550	5,915,000	1,764,615	265,800	88,206
2022-2026	27,730,000	6,970,190	32,270,000	6,451,120	989,000	290,639
2027-2031	2,280,000	2,592,190	29,589,562	2,406,887	671,600	80,893
2032-2036	3,820,000	1,878,451	13,565,990	416,423	-	-
2037-2041	4,635,000	740,383	1,110,000	5,818	-	-
2042	140,000	3,675	-	-	-	-
	<u>61,800,000</u>	<u>24,880,864</u>	<u>103,860,552</u>	<u>19,481,590</u>	<u>3,081,000</u>	<u>926,175</u>
Remaining available to draw	-	-	(16,579,382)	-	-	-
	<u>\$ 61,800,000</u>	<u>\$ 24,880,864</u>	<u>\$ 87,281,170</u>	<u>\$ 19,481,590</u>	<u>\$ 3,081,000</u>	<u>\$ 926,175</u>

Delinquent Tax Notes. The County issues delinquent tax notes in connection with the purchase of delinquent property taxes.

Series 2014 - The County pledged its 2013 delinquent tax collections for the repayment of the series which were issued in June 2014 for \$247 million. The series was fully redeemed in June 2016.

Series 2015 - The County pledges its 2014 delinquent tax collections for the repayment of the series which were issued in June 2015 for \$188 million. The series is partially redeemed and \$114 million is outstanding.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Series 2016 - The County pledged its 2015 delinquent tax collections for the repayment of the series which were issued in June 2016 for \$171 million.

All of the delinquent taxes collected are required to be used toward repayment of the notes. Interest paid during the fiscal on the Series 2013, Series 2014 and Series 2015 was \$1.3 million, \$8.3 million and \$3.3 million respectively.

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
2015 delinquent tax notes	2018	5.75%	\$ 187,995,000	\$ 113,745,000
2016 delinquent tax notes	2019	4.25%	171,300,000	171,300,000
			<u>\$ 359,295,000</u>	<u>\$ 285,045,000</u>

Annual debt service requirements to maturity for delinquent tax and other notes are as follows:

	Governmental Activities	
	Principal	Interest
2017	\$ 133,920,000	\$ 11,743,975
2018	107,745,000	5,111,975
2019	43,380,000	921,825
	<u>\$ 285,045,000</u>	<u>\$ 17,777,775</u>

Changes in long-term debt activity for the year ended September 30, 2016 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental activities					
General obligation bonds	\$ 309,300,000	\$ -	\$ (16,725,000)	\$ 292,575,000	\$ 11,830,000
Revenue bonds	65,875,000	-	(4,075,000)	61,800,000	4,405,000
Delinquent tax notes	290,064,000	171,300,000	(176,319,000)	285,045,000	133,920,000
Capital leases and notes payable	1,328,544	-	(1,328,544)	-	-
Claims and judgments	8,845,500	2,478,000	(7,745,500)	3,578,000	3,578,000
Compensated absences	20,773,176	20,198,303	(20,773,176)	20,198,303	16,590,317
Deferred amounts:					
For issuance premiums	5,839,124	-	(548,115)	5,291,009	542,654
For issuance discounts	(204,619)	19,977	-	(184,642)	(12,723)
	<u>\$ 701,820,725</u>	<u>\$ 193,996,280</u>	<u>\$ (227,514,335)</u>	<u>\$ 668,302,670</u>	<u>\$ 170,853,248</u>
Business-type activities					
General obligation bonds	\$ 59,903,546	\$ 1,321,937	\$ (16,324,108)	\$ 44,901,375	\$ 15,129,033
Revenue bonds	84,012,070	7,749,100	(4,480,000)	87,281,170	4,620,000
Compensated absences	228,476	181,467	(228,476)	181,467	181,467
Deferred amounts -					
For issuance premiums	705,108	-	(58,688)	646,420	58,865
	<u>\$ 144,849,200</u>	<u>\$ 9,252,504</u>	<u>\$ (21,091,272)</u>	<u>\$ 133,010,432</u>	<u>\$ 19,989,365</u>
Component units					
Drain bonds and notes	\$ 8,724,067	\$ -	\$ (742,465)	\$ 7,981,602	\$ 756,476
Drain revenue bonds	3,364,650	-	(283,650)	3,081,000	288,650
Compensated absences	17,517	19,332	(17,517)	19,332	19,332
	<u>\$ 12,106,234</u>	<u>\$ 19,332</u>	<u>\$ (1,043,632)</u>	<u>\$ 11,081,934</u>	<u>\$ 1,064,458</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Claims and judgments represent actions that have been asserted, are probable of loss, and estimable. The amount of probable loss has been determined through court orders, judgments, or annual estimates by the County's Corporation Counsel. Claims and assessments that are not probable of loss or are not estimable are discussed in Note 12, *Commitments and Contingencies*.

These liabilities are generally liquidated through the County's Long-term Disability, General Health, Workers' Compensation and General Liability internal service funds. Those funds finance the payment of those claims by charging the other funds based on budgeted fringe benefit rates. Judgments (through litigation and assessments) are liquidated in the respective funds.

Payments on the general obligation bonds that pertain to the County's governmental activities are made by the debt service funds, except for the delinquent tax notes, which are repaid directly from the Delinquent Tax Revolving Fund, an enterprise fund. The liability for compensated absences, net pension obligation and net other postemployment benefit obligation for governmental activities are liquidated by the respective funds when paid. Changes in the net pension and other postemployment benefit obligations are disclosed in notes 14 and 15, respectively.

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees.

The County is self-insured for workers' compensation, certain health and disability benefits, and other claims, litigation, and assessments. Accruals for claims, litigation, and assessments are recorded in the government-wide and proprietary fund financial statements. These accruals are recorded in the fund financial statements, within the governmental funds, when the amounts are due and payable at year-end. All other amounts are recorded in the government-wide financial statements when probable of loss and estimable in amount.

Health insurance and workers' compensation claims that are probable of loss and estimable in amount are included in the government-wide, proprietary and fiduciary fund financial statements. Other claims consist of property damage and minor auto damage claims. The amount of claims liability is based on analyses performed by outside consultants and includes an estimate of incurred claims that have not yet been reported. The County purchases commercial insurance for claims in excess of coverage provided by the internal service funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years.

A reconciliation of the County's self-insured claims liability at September 30, 2016 follows:

	Workers' Compensation	Hospitalization Insurance	Long-term Disability	Other Claims	Total
Estimated liability, September 30, 2014	\$ 5,272,724	\$ 1,738,291	\$ 331,086	\$ -	\$ 7,342,101
Claims and changes in estimates	2,735,385	64,508,112	797,065	278,584	68,319,146
Claim payments	<u>(2,735,385)</u>	<u>(64,269,926)</u>	<u>(797,065)</u>	<u>(278,584)</u>	<u>(68,080,960)</u>
Estimated liability, September 30, 2015	5,272,724	1,976,477	331,086	-	7,580,287
Claims and changes in estimates	2,645,058	71,259,900	1,137,785	278,584	75,321,327
Claim payments	<u>(2,645,058)</u>	<u>(71,609,919)</u>	<u>(1,137,785)</u>	<u>(278,584)</u>	<u>(75,671,346)</u>
Estimated liability, September 30, 2016	<u>\$ 5,272,724</u>	<u>\$ 1,626,458</u>	<u>\$ 331,086</u>	<u>\$ -</u>	<u>\$ 7,230,268</u>

The liability for workers' compensation claims includes an estimate of loss and allocated loss adjustment expenses (ALAE). The estimate of loss is based on historical loss runs for the workers' compensation program through September 30, 2016. ALAE represents the cost of legal fees, expert testimony, medical examinations, and the like that are associated with the defense and settlement of particular claims. Unallocated loss adjustment expenses are not included in the estimate.

A discount rate of 1.0 percent was used to determine the present value of unpaid workers' compensation claims.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

11. PROPERTY TAXES

County Tax Levy

The County general operating property tax (established by Charter) is levied each July 1 (lien date). County taxes are receivable beginning on the July 1 levy date and become delinquent on March 1 of the following year. Other ad valorem and statutory property taxes are levied on December 1. All property taxes become delinquent on the March 1 following the levy.

Pursuant to the County Charter and State law, the County has levied an ad valorem property tax against the taxable value (TV), based on property values determined by local assessors in the several townships and cities as of the preceding December 31. Real and personal property in Wayne County for the July 1, 2015 and December 1, 2015 combined levies was equalized at \$44.4 billion.

In 1994, Michigan voters approved Proposal A, which limits future annual increases in assessed values to the lesser of 5 percent or the rate of inflation, with assessed value reverting to 50 percent of true cash value when the property is sold. Beginning in 1995, taxable property had two valuations: State equalized value (SEV) and TV, with property taxes calculated upon the TV of real and personal property. Generally, TV is the lesser of (a) the TV of the property in the immediately preceding year, adjusted for losses, multiplied by the lesser of the inflation rate or 5 percent, plus additions, or (b) the property's current SEV. Therefore, TV of a property may be different from the same property's SEV. The December 2015 ad valorem and statutory levies were equal to the millage rate times the 2015 taxable value of \$40.2 billion. The July 2016 general operating levy was the millage rate times the 2016 taxable value of \$39.2 billion.

By statute, the County's ad valorem property tax rate may not exceed 10.0 mills, plus any additional millage authorized by statute and approved by the voters of the County. The County Charter, as approved by the electorate on November 3, 1981, established 6.07 mills to be the maximum rate for general operating purposes.

In 1988, the voters of Wayne County approved an additional 1 mill (jail millage) to be levied through December 1, 1997, to acquire, construct, and/or operate jail, misdemeanor, juvenile incarceration or detention facilities; and to provide adult-penalty options such as work release, home detention, and community restitution, with at least one-tenth of a mill set aside to acquire, build, and operate a juvenile offender work/training institution. In 1998, the Wayne County electorate voted to continue the one mill for the years 1998 through 2001. In 2002, the Wayne County electorate again voted to continue this one additional mill (as reduced by the Headlee requirements of the Michigan Constitution) for the years 2012 through 2021.

In 1990, the voters of Wayne County approved an additional 1 mill, to be levied through December 1, 1999, for general operating purposes. In 2000, the Wayne County electorate voted to continue the additional one mill (as reduced by the Headlee requirements of the Michigan Constitution) for the years 2000 through 2009. In 2009, the voters renewed the additional one mill for the years 2009 through 2019.

In 1996, the voters of Wayne County approved an additional quarter-mill to be levied through December 1, 2000, to fund operations and major improvements in the Wayne County Parks System and historic Fort Wayne. In 2000, the Wayne County electorate voted to continue the additional quarter-mill (as reduced by the Headlee requirements of the Michigan Constitution) for the years 2001 through 2010. In 2010, the voters renewed the additional quarter-mill to be levied through 2015. In 2016, the Wayne County voters again renewed the additional quarter-mill to be levied through 2020.

The 1976 Headlee Amendment (Michigan Constitution, Article IX) provides that the total County ad valorem property tax levy is subject to reduction in any year in which the increase in assessed (or taxable) values on existing properties exceeds the Consumer Price Index. As a result of the Headlee Amendment, the December 1, 2015 and July 1, 2016 tax rates, per \$1,000 of Valuation, were:

Charter (Statutory)	5.6483
Public safety (jail millage)	0.9381
Extra voted (additional general)	0.9529
County parks	0.2459
Soldiers relief (veteran's relief)	0.0368
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	7.8220
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CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

In compliance with a court order dated May 29, 2015, the County added a one-time judgment levy to the July 1, 2015 general operating levy. The court order mandated that the County refund \$32.2 million to the Wayne County Employees Retirement System, along with interest of \$17.1 million for a total of \$49.3 million, which the County had improperly used to pay its 2010 annual pension contribution out of the Retirement System's Inflation Equity Fund. Net of the use of other restricted funds toward judgment satisfaction, \$39.2 million of the judgment remaining was spread across the 2015 taxable value of \$40.2 billion, using a calculated millage rate of 0.9761.

Delinquent Tax Revolving Fund

The Wayne County Treasurer's Office (WCTO) is required by the General Property Tax Act 206 of 1983, as amended, to collect delinquent real property taxes levied by all local units of government within the County. Taxes become delinquent, if unpaid, on March 1 of the year subsequent to the year levied, i.e. taxes levied in July and December of 2015 become delinquent March 1, 2016. On this date, the local municipalities close their current tax rolls, create delinquent property tax rolls and formally transfer the collection of these delinquent tax rolls to the WCTO.

Public Act 123 of 1999 (PA 123) created an expedited, forfeiture, foreclosure, and sale process for properties that have delinquent taxes. The Act designates County Treasurers who opt-in as the foreclosing governmental units and as such, the WCTO is responsible for the administration of this process. Under PA 123, the delinquent tax cycle is two and a half years from delinquency to foreclosure and property sale. Property sales take place in September and October.

The General Property Tax Act authorizes the WCTO to establish a delinquent tax revolving fund (DTRF), an enterprise fund, to advance the amount of delinquent real property taxes and special assessments owed to the County's General Fund, other internal county funds, municipalities, school districts, and other external taxing authorities. Funding for the DTRF is accomplished through the issuance of tax revenue notes. For the fiscal year ended September 30, 2016, approximately \$20.2 million was advanced to the County's General Fund. The total amount of the advance to all entities creates a delinquent tax receivable for the specific tax year within the DTRF. Subsequent collections on this receivable along with collections of statutory interest and fees are pledged as collateral for repayment of the tax revenue notes. Total pledged assets of the DTRF, including delinquent property taxes receivable, amount to \$336.3 million at September 30, 2016.

At any time taxes are deemed uncollectible, usually due to foreclosure, the General Property Tax Act authorizes the DTRF to charge back or recover the uncollectible amount from the appropriate taxing authorities (including the County's General Fund). These recoveries are also pledged for repayment of the notes. For the fiscal year ended September 30, 2016, approximately \$6.9 million of delinquent taxes receivable, net of related transfers from property auction sales proceeds, were reflected as a reduction of property tax revenues in the County's General Fund. At September 30, 2016, two years of the County's delinquent real property taxes receivable are recorded in the Delinquent Tax Revolving Fund.

After two and half years, a DTRF series is completed (the receivable is fully collected and the notes are repaid) and the fund is closed. Any surplus earnings may be transferred to the County's General Fund by Commission approval. During 2016, \$62.0 million was transferred to the General Fund.

12. COMMITMENTS AND CONTINGENCIES

Claims, litigation, and assessments asserted against the County, which are probable of loss and estimable in amount, are reflected in the government-wide and proprietary fund financial statements at September 30, 2016. In the governmental fund financial statements, liabilities are accrued when costs are settled and the amount is due and payable.

The County receives funds from other governmental units to finance County operations and certain grant projects. These amounts received or receivable are subject to audit and adjustment, based on compliance with applicable agreements and other regulatory requirements. Any disallowed amounts, including those already collected, may constitute a liability of the applicable fund. The amount, if any, that may be disallowed by grantors or other governmental units cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is a defendant in a number of other lawsuits, a party in other disputes, and subject to claims and property tax appeals, and other potential liabilities that have resulted from its activities in providing services to the citizens of Wayne County. The ultimate unrecorded effect on the County's financial statements of the resolution of these various matters is, in the opinion of management, not expected to be material.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Litigation Matters

Wayne County - Retiree Health Litigation

On February 4, 2016 a lawsuit was filed against the County which is based on a dispute concerning changes to retiree health care coverage plans, which resulted in increased cost sharing for the retirees. The plaintiffs' claim that the County's actions deprived them of property interest without due process in violation of the 14th Amendment of the United States Constitution. The County has reserved \$1.7 million for this lawsuit.

Environmental Matters

Wayne County - Governmental Activities

Environmental accruals are recorded when it is both probable that a liability has been incurred and the amount of the liability is reasonably estimable, based on current law and existing technologies. The County is a party to disputes and negotiations regarding potentially hazardous sites within Wayne County. A liability for such matters has not been recognized at September 30, 2016, as the County expects its obligation, if any, to be immaterial.

13. PENSION PLANS

Wayne County Employees' Retirement System

Plan description. The County provides retirement benefits to its employees through the Wayne County Employees' Retirement System (WCERS or the "Retirement System"), an agent multiple-employer defined benefit public employee retirement system, which is governed by the Wayne County Retirement Ordinance, as amended, and has two participating employers, the County and Airport Authority. WCERS provides five defined benefit retirement options, four of which are contributory (together, the defined benefit plan) and a defined contribution plan. The Retirement System provides retirement, survivor, and disability benefits to substantially all County and Airport Authority employees. In addition, the County's Retirement Board of Commissioners administers the Wayne County Circuit Court Commissioners Bailiffs' Retirement System, a defined benefit plan. The Retirement Board issues separate financial statements, annually. Copies of financial statements for each plan can be obtained at 28 W. Adams, Suite 1900, Detroit, Michigan 48226.

The administration, management and responsibility for the proper operation of WCERS, and for interpreting and making effective the provisions of the Retirement System, is vested in the trustees of the Wayne County Retirement Commission (the "Retirement Commission"). WCERS is exempt from the requirements of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and, as such, is not subject to the reporting and disclosure requirements of ERISA.

The Retirement Commission consists of eight individual trustees either elected or appointed in accordance with the County Pension Ordinance. Four members (active employees) are elected by active members of the retirement system and must be from different county departments. Two members (retired members) are elected by retired members and beneficiaries. One member is the chairperson of the County Commission and one member is the County Executive or his designated appointee. All elected terms are four years.

The defined benefit plan (Plan Option 1, Plan Option 2, Plan Option 3, and a component of Plan Option 5 and Plan Option 6, or collectively "the Plan") and the defined contribution plan (Plan Option 4 and a component of Plan Option 5 and Plan Option 6) have been combined for presentation in the financial statements. Participant statistics include the primary government as well as the Airport Authority.

Effective October 1, 2001, the County established the Wayne County Hybrid Retirement Plan 5 ("Plan Option 5"), which contains both defined benefit and contribution components. Participants in the Defined Benefit Plan options previously in existence (Plan Options 1, 2, 3 and 4) could elect to transfer their account balances to Plan Option 5, if authorized, during specific time periods noted within collective bargaining agreements.

Effective October 1, 2008, the County established another hybrid defined benefit plan option ("Plan Option 6"), which contains both defined benefit and contribution components. A defined contribution provision of this plan is voluntary for the member and 0 percent for the employer. Plan Option 6 is available only upon transfer from Plan Option 5, if authorized during specific time periods noted within collective bargaining agreements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Effective October 1, 2001, only Plan Option 5 is available to new employees, except for new executives and legislative benefit plan members, who may continue to elect participation in Plan Option 4; Plan Options 1, 2, and 3 are closed to new hires. Effective September 2012, only Plan Option 4 is available to new Airport Authority employees. Because there is no legal requirement to segregate the assets relating to Plan Options 1, 2, 3, 5 or 6 in paying benefits, the financial statements of the defined benefit plan include the net position and changes in net position relating to Plan Options 1, 2, and 3, as well as the defined benefit components in Plan Options 5 and 6. The defined contribution portion of Plan Options 5 and 6 are included in the financial statements of the defined contribution plan.

On December 18, 2014 the Wayne County Commission adopted Resolution No. 2014-736, authorizing WCERS to operate an agent multiple-employer retirement system and to be able to enter into an agency agreement with the Airport Authority to administer the retirement plans of the WCAA. The intergovernmental agreement between WCERS and Airport Authority was approved by the Airport Authority's board on July 15, 2015.

On November 19, 2015 the Wayne County Commission adopted Enrolled Ordinance No. 2015-610, establishing the payment of a monthly stipend to pre-Medicare eligible retirees that previously received health insurance. The County contributes to WCERS the funds required for the retiree health stipend benefit payments in advance each month as required in the ordinance. The contributions are currently the amount of the actual benefit payment, thus, there is no balance in a reserve account for the prefunding of the future benefit payments.

The Wayne County Commission adopted Enrolled Ordinance No. 2016-112 in March of 2016, which merged the Wayne County Circuit Court Commissioners Bailiff's (Bailiffs) retirement fund into the Defined Benefit Plans of WCERS. The Bailiffs' net position was transferred to the Defined Benefit Plan of WCERS in March of 2016. All Bailiffs participants became participants in the WCERS plan at that time.

Effective October 1, 2015, Wayne County changed its retirement benefits going forward for nearly all its defined benefit active members, except the Legislative plan members and WCAA employees, which continue to use the prior benefits. The accrued benefits earned before that time were frozen using the prior benefits. Benefits earned after this date are noted as "After October 1, 2015 Defined Benefit Plans" in the descriptions below.

Plan membership. At September 30, 2016, Plan membership consisted of the following:

Active participants:	
Vested	1,327
Nonvested	902
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	2,229
Terminated vested	191
Retired and receiving benefits	5,314
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Total membership	<u>7,734</u>

Benefits provided. Retirees, employees with a frozen benefit before October 1, 2015, current Legislative plan members who have eight or more years of credited service and have attained the age specified by the specific plan option chosen are entitled to an annual pension. The County pension benefit changes after October 1, 2015 changed the credited service vesting requirement to 10 years and pension begins at age 62, unless the early retirement option is selected which reduces the pension by 0.8% for each month retirement precedes age 62. Benefits are paid monthly over the member or survivor's lifetime based on the following percentages of average final compensation for each year of credited service:

After October 1, 2015 Defined Benefit Plans

Plan Options 1, 2, 3, 5 and 6, retirement eligibility is age 62 with 10 years of credited service and early retirement is age 55 with 30 years of credited service with a reduction of 0.8% for each month retirement precedes age 62 for non-sheriffs. Sheriffs may retire at age 55 with 30 years of service without a reduction.

Plan Option 1

Depending on the applicable collective bargaining agreement or benefit plan, either: (a) 2.65 percent for each year; (b) 2.5 percent for each year; or (c) 2.0 percent for each year up to 20 years and 2.5 percent for each year over 20 years. The maximum employer financed portion is 75 percent of average final compensation. The minimum pension is \$5 per month, multiplied by the number of years of service.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Plan Option 2

1.0 percent for each year up to 20 years, and 1.25 percent for each year over 20 years. The maximum employer financed portion is 75 percent of average final compensation.

Plan Option 3

Depending on the applicable collective bargaining agreement or benefit plan, either: (a) 2.0 percent for each year up to 20 years, 2.5 percent for each year between 20 and 25 years, and 3.0 percent for each year over 25 years; (b) 1.5 percent for each year up to 20 years, 2.0 percent for each year between 20 and 25 years, and 2.5 percent for each year over 25 years; or (c) 2.5 percent for all years of service contingent upon payment of \$500 per year for each year of credited service up to 20 years. The maximum employer financed portion is 75 percent of average final compensation.

Plan Option 5

Depending on the applicable collective bargaining agreement or benefit plan, either (a) 2.0 percent for each year of credited service; (b) 1.25 percent for each year up to 20 years, and 1.5 percent for each year over 20 years; or (c) 1.5 percent for each year up to 20 years, and 1.75 percent for each year over 20 years. The maximum employer financed portion is 75 percent of average final compensation.

Plan Option 6

2.5 percent for each year of service. The maximum employer financed portion is 75 percent of average final compensation.

Death and Disability Benefits. The Plan also provides non-duty death and disability benefits to members after ten years of credited service for Plan Option 1, 2, 5, and 6 along with non-duty death benefits for Plan Option 3. The ten-year service provision is waived for duty disability and death benefits.

Contributions. The Plan's basic benefits, as provided for in the Pension Ordinance and various collective bargaining agreements or benefit plans (i.e., coverage groups), are funded by contributions from the County, Airport Authority and active members, as specified by the plan option selected, and by the investment income earned on the Plan's assets. Member contribution percentages under the various plan options are as follows:

After October 1, 2015 Defined Benefit Plans

Plan Options 1, 3, 5 and 6, contribute 6% of gross wages up to \$52,155, then 7% of gross wages over \$52,155. For Sheriffs the amount is 7% of gross wages up to \$52,155, then 8% of gross wages over \$52,155. Plan option 2 will continue to contribute 0%.

Plan Option 1

- Sheriff Command Officers and Sheriff Deputies: Five percent of eligible compensation.
- Bailiffs: Three percent of the first \$4,200 of annual compensation, then five percent of annual compensation in excess of \$4,200.
- Others: Contributions are based on credited service, depending on the coverage group in which the member participates, as follows:

<u>Credited Service</u>	<u>Contribution Rates</u>
0-8 years	6.00 or 6.58 percent of eligible compensation
9-12 years	4.00 or 4.58 percent of eligible compensation
13-16 years	3.00 or 3.58 percent of eligible compensation
17 or more years	2.00 or 2.58 percent of eligible compensation

Plan Option 2 - No member contributions.

Plan Option 3 - Three percent of eligible compensation.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Plan Option 5 - Employees make contributions ranging from one to five percent of eligible compensation or no contributions at all, depending on each employee's coverage group.

Plan Option 6 - Four percent of eligible compensation.

Net pension liability. The components of the net pension liability, measured as of September 30, 2016, are as follows:

Total pension liability	\$1,334,285,073
Plan fiduciary net position	<u>770,760,985</u>
Employers' net pension liability	<u>\$ 563,524,088</u>
Plan fiduciary net position as a percentage of the total pension liability	57.77%

The County's portion of the net pension liability above is included in the statements of net position as follows:

Governmental activities	\$ 557,550,659
Business-type activities	5,409,898
Drains component unit	<u>563,531</u>
Total	<u>\$ 563,524,088</u>

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of September 30, 2015 (and rolled forward to September 30, 2016), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	3.5 to 8.8 percent, average, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation
Mortality rate	RP-2000 Combined Health Mortality Table projected 20 years

The actuarial assumptions used in the September 30, 2015 valuation were based on the results of an actuarial experience study for the period October 1, 2005 through September 30, 2010.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015 (see the discussion of the Plan's investment allocation policy) are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Equities	
Domestic equities	7.5%
International equities	8.5%
Domestic bonds	2.5%
International bonds	3.5%
Real estate	4.5%

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return. For the year ended September 30, 2016, the annual money-weighted rate of return on plan investments, net of investment expenses, was 9.82 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net Pension Liability. The components of the change in the County's net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2015	\$1,497,205,191	\$ 726,624,862	\$ 770,580,329
Changes for the year:			
Service cost	8,515,102	-	8,515,102
Interest	111,330,180	-	111,330,180
Changes of benefits terms	(141,296,225)	-	(141,296,225)
Differences between expected and actual experience	(532,795)	-	(532,795)
Employer contributions	-	95,913,517	(95,913,517)
Employee contributions	-	10,400,163	(10,400,163)
Net investment income	-	69,997,747	(69,997,747)
Benefit payments, including refunds of employee contributions	(129,888,576)	(129,888,576)	-
Administrative expense	-	(2,286,728)	2,286,728
Other changes	(11,047,804)	-	(11,047,804)
Net changes	(162,920,118)	44,136,123	(207,056,241)
Balances at September 30, 2016	\$1,334,285,073	\$ 770,760,985	\$ 563,524,088

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.75 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount (7.75%)	1% Increase (8.75%)
County's net pension liability	\$ 679,956,165	\$ 563,524,088	\$ 462,591,648

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Pension expense and deferred outflows of resources related to pensions. For the year ended September 30, 2016, the County recognized negative pension expense of \$99,464,026. At September 30, 2016, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows (Inflows) of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 846,168	\$ -	\$ 846,168
Difference between projected and actual experience	12,212,164	-	12,212,164
Total	\$ 13,058,332	\$ -	\$ 13,058,332

Amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2017	\$ 6,618,329
2018	6,618,326
2019	(3,115,670)
2020	2,937,347
	\$ 13,058,332

Wayne County Circuit Court Commissioners Bailiffs' Retirement System

Plan description. The Wayne County Circuit Court Commissioners Bailiffs' Retirement System (Bailiffs' Retirement System) is a single-employer defined benefit public employee retirement plan (the Plan) governed by the WCERS and created under the County of Wayne's Enrolled Ordinance No. 86-486 (November 20, 1986), as amended. The Bailiffs' Retirement System is established by the County to provide retirement, survivor, and disability benefits to the County's Circuit Court Commissioners Bailiffs Unit employees. The ability to modify or amend the Plan rests with the Wayne County Board of Commissioners.

The Wayne County Commission adopted Enrolled Ordinance No. 2016-112 in March of 2016, which merged the Wayne County Circuit Court Commissioners Bailiffs' (Bailiffs') retirement fund into the WCERS Defined Benefit Plan. The Bailiffs' net position was transferred to the WCERS Defined Benefit Plan effective March 31, 2016. All Bailiffs' participants became members in the WCERS plan at that time.

The administration, management, and responsibility for the proper operation of the Plan, and for interpreting and making effective the provisions of the Plan, is vested in the trustees of the Wayne County Retirement Commission (the "Retirement Commission"). The Plan is exempt from the requirements of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and, as such, is not subject to the reporting and disclosure requirements of ERISA.

Employees with 25 years of service and having attained age 50, as well as employees with five years of service and having attained age 60, are entitled to annual pension benefits upon reaching the applicable retirement age. There is no mandatory retirement age. Pension benefits are calculated as total years of service multiplied by 2.0 percent of average final compensation. The maximum portion financed by the WCERS is 75 percent of average final compensation.

Contributions. The Plan's basic benefits are funded by contributions from the State of Michigan through prior agreement, by active members, process service fees and by investment income earned on plan assets. The Plan members contribute 3.0 percent of the first \$4,200 of annual compensation plus 5.0 percent of annual compensation in excess of \$4,200. On behalf payments of fringe benefits and salaries for County employees were recognized as revenue and expense during the fiscal year.

Eligibility. The Plan is closed to new hires. At March 31, 2016, the Plan had three active vested participants and four retired members receiving benefits.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Wayne County Employees' Retirement System Defined Contribution Plan

The Wayne County Employees' Retirement System instituted a defined contribution plan (Plan Option 4 and a component of Plan Option 5 and Plan Option 6) under the County's Enrolled Ordinance No. 86-486 (November 20, 1986), as amended. The Plan was established to provide retirement, survivor and disability benefits to County and Airport Authority employees. The administration, management and responsibility for the proper operation of the Plan are vested in the trustees of the Wayne County Retirement Board of Commissioners. The ability to modify or amend the Plan rests with the Wayne County Board of Commissioners.

Under Plan Option 4, participants contribute from 1.0 percent up to 4.0 percent of eligible pay, depending on the participant's coverage group. The County makes contributions at rates ranging from 4.0 percent to 15 percent of eligible pay, depending on the employee's coverage group and years of service. Classified employees are vested as to employer contributions after three years of service, and executive members are vested after two years of service.

Participants in Plan Option 5 contribute 2.0 to 3.0 percent of eligible gross pay depending upon employee coverage group. The County makes matching contributions at a rate equal to the amount contributed by each employee. Under certain employee coverage groups, employees contribute on a voluntary basis with no employer match, subject to applicable Internal Revenue Service rules and regulations. Employees are vested at 50 percent after one year of service, 75 percent after two years of service, and 100 percent after three years of service. All full-time permanent County employees are eligible to join the Plan.

Employees contribute to Plan Option 6 on a voluntary basis, subject to all IRS rules and regulations. The County makes no matching contributions. Employees are vested as to employer contributions at 50 percent after one year of service, 75 percent after two years of service, and 100 percent after three years of service if they were not previously vested in Plan Option 5 at the time of transfer. Plan Option 6 is only available upon transfer from Plan Option 5, if authorized, during specific time periods noted within collective bargaining agreements.

Total employer and employee contributions for Plan Option 4, 5 and 6, during 2016 were \$12.3 million and \$6.0 million, respectively. At September 30, 2016, there were a total of 3,838 active participants in the Plan.

Participants in Plan Option 4 and some participants in Plan Options 5 and 6, depending on applicable collective bargaining agreements, are eligible for a loan from the Plan. Only active employees with a vested account balance of \$2,000 or more are eligible. Interest on a loan is at the prime rate, plus 1%, as reported in the Wall Street Journal.

Deferred Compensation Plan

The County has made available to all permanent employees a deferred compensation plan (the Plan) established in accordance with Internal Revenue Code Section 457. The Plan permits participating employees to defer a portion of their salary until future years. Accumulated deferred compensation amounts are not available to employees or their estates until retirement, death, termination of employment or unforeseeable emergency.

All assets of the Plan are (until paid or made available to the participant or beneficiary) held in trust by a third party administrator for the exclusive benefit of the participants and their beneficiaries. The assets are invested in annuity contracts and mutual funds. It is the opinion of the County's Corporation Counsel that the County has no liability for losses under the Plan but does have the fiduciary duty of due care that would be required of an ordinary prudent investor.

In accordance with generally accepted accounting principles, the assets and liabilities of the deferred compensation plan are not included in the County's financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

14. OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS

Plan description. The County provides other postemployment benefits under a single-employer defined benefit plan. The plan provides hospitalization and other health insurance for Wayne County retirees under the age of 65 and their dependents, pursuant to agreements with various collective bargaining units or other actions of the Wayne County Commission or Wayne County Retirement Board. Existing retirees classified as "mirror" and certain active employee groups are eligible to retain their current health benefits but they are required to enroll in the High Deductible Health Plan (HDHP) 80/20 plan and pay the required contributions. Existing retirees classified as "non-mirror" and certain other active employee groups are eligible for stipend benefits but are required to seek healthcare coverage elsewhere, and the County's only obligation to this group is in providing the stipend benefits. Employees hired on/after certain cut-off dates are only eligible for the Retiree Medical Savings Account (RMSA) benefit and are not eligible to enroll in the County's group health plan at retirement. The County also pays the cost of basic retiree life insurance, up to \$5,000 per employee, on a *pay-as-you-go* basis. This plan covers all retirees of Wayne County and Wayne County Airport Authority's pre-2002 retirees. The Plan has 1,241 employees in active service and 5,120 retired employees and beneficiaries currently receiving benefits as of September 30, 2016.

Funding policy. These benefits are funded on a pay-as-you-go basis and periodic pre-funding payments as determined by the County. The County paid a total of approximately \$16.6 million for health care and retirees' life insurance benefits for retirees covered under the plan for the fiscal year ended September 30, 2016. For retirees enrolled in the HDHP 80/20 plan, the required retiree contribution is 10 percent of the monthly premium. When the retiree turns age 60, the retiree contribution will be frozen at the applicable 10 percent of the HDHP premium in that year until all covered members in the policy turn 65, at which time retiree health benefits become non-contributory. There is no required contribution for retirees who receive stipend benefits.

Annual OPEB costs and net OPEB obligation. The County's annual other postemployment benefit (OPEB) costs are calculated based on the *annual required contribution* (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standard's Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the component of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation.

Annual required contribution	\$ 16,496,000
Interest on net OPEB obligation (asset)	10,496,000
Adjustment to annual required contribution	<u>(10,840,991)</u>
Net OPEB cost	16,151,009
Contributions made:	
Payments of current premiums	(16,622,000)
Advance funding	<u>(2,007,000)</u>
Decrease in net OPEB obligation	<u>(2,477,991)</u>
Net OPEB obligation, beginning of year	<u>262,396,254</u>
Net OPEB obligation, end of year	<u>\$ 259,918,263</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Changes in the OPEB obligation of the County for the year ended September 30, 2016 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Primary Government				
Governmental activities	\$ 258,979,674	\$ -	\$ (2,450,523)	\$ 256,529,151
Business-type activities - Downriver Sewage Disposal System	2,776,139	-	(18,813)	2,757,326
Component Units				
Nonmajor component units	156,441	-	(1,264)	155,177
Fiduciary Funds	484,000	-	(7,391)	476,609
	<u>\$ 262,396,254</u>	<u>\$ -</u>	<u>\$ (2,477,991)</u>	<u>\$ 259,918,263</u>

None of the amounts are due within one year. The amount shown above for fiduciary funds pertain to the benefits provided to employees of the Employees' Retirement System.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and prior two years were as follows:

Three-Year Trend Information (Dollar amount in thousands)			
Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 77,531,000	46.3%	\$ 258,200,254
2015	20,582,000	79.6%	262,396,254
2016	16,151,009	102.9%	259,918,263

Funding Status and Funding Progress

The funded status for the Wayne County plan as of October 1, 2015, the date of the most recent actuarial valuation, was as follows :

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2013	\$ 9,106,000	\$ 1,333,744,000	\$1,324,638,000	0.7%	\$ 181,566,000	729.6%
10/1/2014	9,106,000	476,656,000	467,550,000	1.9%	76,105,000	614.3%
10/1/2015	14,162,000	350,779,000	336,617,000	4.0%	71,649,000	469.8%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

Actuarial methods and assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2015 actuarial valuation for the Wayne County plan, the actuarial cost method used was the projected unit credit method with linear proration to decrement. The actuarial assumptions included a 4 percent investment rate of return, which is the rate of the expected long-term investment returns on the plans and a projected 3 percent salary increase. The plan used an annual healthcare cost trend rate of 9 percent initially, reduced to an ultimate rate of 5 percent after twelve years, and a general inflation rate of 3 percent. The UAAL for the plan is being amortized on a closed basis using the straight-line method (level percent of pay amortized annually) over thirty years. The UAAL for the liabilities allocated to the Detroit Wayne Mental Health Authority is amortized over a level dollar over a fifteen year period.

15. FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POSTEMPLOYMENT BENEFIT FUNDS

	Plan Net Position	
	Other Post- employment Benefits	Qualified Excess Benefit Arrangement
Assets		
Equity in pooled cash and investments	\$ -	\$ 2,566
Other investments	17,881,445	-
Total assets	17,881,445	2,566
Liabilities		
Accrued wages and benefits	-	2,566
Net position		
Restricted for pension and other employee benefits	\$ 17,881,445	\$ -
	Changes in Plan Net Position	
	Other Post- employment Benefits	Qualified Excess Benefit Arrangement
Additions		
Net appreciation in fair market value	\$ 1,778,858	\$ -
Interest and dividends	114	-
Employer contributions	2,006,629	35,799
Total additions	3,785,601	35,799
Deductions		
Participant benefits	-	30,919
Administrative expenses	66,564	-
Total deductions	66,564	30,919
Change in net position	3,719,037	4,880
Net position, beginning of year	14,162,408	(4,880)
Net position, end of year	\$ 17,881,445	\$ -

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

16. RESTATEMENTS

In order to present the net pension liability and related deferred outflows and inflows as of the same fiscal year end date of this report (i.e., it was previously reported with a one year lag), the beginning net position was increased (decreased) as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Component Units
Enterprise Funds:				
Delinquent Tax Revolving Fund	\$ (187,124)	\$ -	\$ -	\$ -
Downriver Sewage Disposal System	-	(638,427)	-	-
Internal Service Funds:				
Building and Grounds	(1,265,847)	-	-	-
Central Services	(187,124)	-	-	-
Environment	(445,798)	-	-	-
Pension Benefits Trust Fund -				
Employees' Retirement System	-	-	4,752,005	-
Component Unit - Drains	-	-	-	(55,036)
Governmental Activities	(57,009,426)	-	-	-
	\$ (59,095,319)	\$ (638,427)	\$ 4,752,005	\$ (55,036)

Additionally, the Wayne County Airport Authority (WCAA) was previously included as a discretely presented component unit of the County. The WCAA no longer meets the requirement to be included in the County's financial statements and, therefore, the beginning balance of net position of discretely presented component units is restated.

17. SUBSEQUENT EVENTS

Wayne County Building Authority - Consolidated Jail Project

As of the issuance date of this report, the County is considering two options (although it is open to other viable options, as well) to complete the consolidated jail project: (1) to finish the project itself through construction contractors procured by the County, or (2) accept a public-private joint venture proposal from Rock Ventures LLC (a third party corporation owned by developer Dan Gilbert).

If the County chooses the first option (i.e., to finish the project itself), it will be at the original Gratiot Avenue site where the jail facility construction was started several years ago and then suspended. If the County chooses the second option (i.e., the offer from Rock Ventures), the jail facility will be built on county-owned property near I-75 and Warren Road, and would involve the exchange of the Gratiot Avenue site and other County properties in exchange for the developer constructing the building.

Both options, along with any others that might arise, come with pros and cons that are being evaluated by the County. In the end, the County's priority is reach a course of action that makes the greatest fiscal sense for the citizens of Wayne County. It is anticipated that the decision point will be in the summer or fall of 2017.

With regards to the prior jail facility construction activity, the County has reached settlement with all of the previous contractors.

18. UPCOMING REPORTING CHANGES

GASB Statement No. 74, Postemployment Benefit Plans Other than Pension Plans (effective 6/15/2017)

This standard requires the calculation of a net other postemployment benefit (OPEB) liability based on an actuarial valuation of retiree healthcare and similar benefits administered by an OPEB trust. It mirrors the new accounting and financial reporting requirements of GASB 67 for pension plans.

GASB Statement No. 75, Postemployment Benefits Other than Pensions (effective 6/15/2018)

This standard builds on the requirements of GASB 74 by requiring employers that provide other postemployment benefits (OPEB) to recognize a net OPEB liability on their statements of net position. It mirrors the new accounting and financial reporting requirements of GASB 68 for pension benefits.

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

GASB Statement No. 77, Tax Abatement Disclosures (effective 12/15/2016)

This standard requires governments to disclose certain information about tax abatement agreements made to foster economic development or otherwise benefit the government or its citizens. Required disclosures include a brief description of the arrangement, the gross dollar amount of taxes abated in the current period, and any additional commitments made by the government as part of the agreement.

GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans (effective 12/15/2016)

This standard is an amendment to GASB 68, and provides guidance to governments that participate in non-governmental cost-sharing pension plans.

GASB Statement No. 80, Blending Requirements for Certain Component Units (effective 6/15/2017)

This standard is an amendment to GASB 14, The Financial Reporting Entity, and requires blending component units incorporated as not-for-profit corporations in which the government is the sole corporate member.

GASB Statement No. 81, Irrevocable Split-Interest Agreements (effective 12/15/2017)

This standard addresses the accounting for split-interest agreements for which the government serves as the intermediary and/or the beneficiary. It requires governments to record assets, liabilities, and deferred inflows of resources at the inception of the agreement when serving as intermediary, or when the government controls the present service capacity of a beneficial interest.

GASB Statement No. 82, Pension Issues (effective 6/15/2017)

This standard is an amendment to GASB 67/68 to clarify several issues related to pensions.

GASB Statement No. 83, Certain Asset Retirement Obligations (effective 6/15/2019)

This standard addresses accounting and financial reporting for certain asset retirement obligations--legally enforceable liabilities associated with the retirement of a tangible capital asset.

GASB Statement No. 84, Fiduciary Activities (effective 12/15/2019)

This standard establishes new criteria for determining how to report fiduciary activities in governmental financial statements. The focus is on whether the government is controlling the assets, and who the beneficiaries are. Under this revised standard, certain activities previously reported in agency funds may be reclassified in future periods.

19. NET INVESTMENT IN CAPITAL ASSETS

Following is a summary of the net investment in capital assets as of September 30, 2016:

	Governmental Activities	Business-type Activities	Total
Capital assets			
Capital assets not being depreciated	\$ 585,562,953	\$ 40,008,553	\$ 625,571,506
Capital assets being depreciated, net	422,683,069	262,458,417	685,141,486
Total capital assets	<u>1,008,246,022</u>	<u>302,466,970</u>	<u>1,310,712,992</u>
Related debt			
General obligation bonds	292,575,000	44,901,375	337,476,375
Revenue bonds	61,800,000	87,281,170	149,081,170
Unspent bond proceeds	(56,772,956)	-	(56,772,956)
Issuance discounts	(184,642)	-	(184,642)
Issuance premiums	5,291,009	646,420	5,937,429
Deferred charge on refunding	(3,069,110)	(19,438)	(3,088,548)
Portion of debt applicable to restricted asset bond principal due from municipalities	-	(47,246,034)	(47,246,034)
Less bonds and accrued interest on CSO Basins	-	(5,894,191)	(5,894,191)
Total related debt	<u>299,639,301</u>	<u>79,669,302</u>	<u>379,308,603</u>
Net investment in capital assets	<u>\$ 708,606,721</u>	<u>\$ 222,797,668</u>	<u>\$ 931,404,389</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

20. RESTRICTED NET POSITION

Following is a summary of the restricted net position as of September 30, 2016:

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Restricted net position			
Health and welfare	\$ 11,051,968	\$ -	\$ 11,051,968
Delinquent tax administration	59,456,900	-	59,456,900
Debt service	8,432,690	-	8,432,690
Veterans programs	275,620	-	275,620
Judicial	42,153	-	42,153
Economic development	7,784,166	-	7,784,166
Bond programs	-	40,619,317	40,619,317
Capital projects	36,025,495	-	36,025,495
Total restricted net position	\$ 123,068,992	\$ 40,619,317	\$ 163,688,309

21. FUND BALANCES

Following is a summary of the composition of fund balances as of September 30, 2016:

	General	Roads	Health	JJAN	NGF	Total
Nonspendable	\$ 1,767,166	\$ 9,208,667	\$ 161,414	\$ 113,497	\$ 539,759	\$ 11,790,503
Restricted for						
Inpatient hospitalization	9,969,231	-	-	-	-	9,969,231
Debt service	-	-	-	-	17,645,641	17,645,641
Capital projects	-	1,310,000	-	-	68,547,037	69,857,037
General government	-	-	-	-	1,171,433	1,171,433
Highways and streets	-	21,609,040	-	-	-	21,609,040
Recreation and cultural	-	-	-	-	62,954	62,954
CED	-	-	-	-	2,561,552	2,561,552
Public safety	-	-	-	-	42,153	42,153
Health and welfare	-	-	530,352	-	6,678,983	7,209,335
Total restricted	9,969,231	22,919,040	530,352	-	96,709,753	130,128,376
Assigned for						
General government	5,637,252	-	-	-	-	5,637,252
Highways and streets	-	40,986,216	-	-	-	40,986,216
Parks and recreation	-	-	-	-	12,332,787	12,332,787
CED	-	-	-	-	77,823	77,823
Public safety	8,746,282	-	-	-	3,218,022	11,964,304
Health and welfare	-	-	-	2,828,455	35,588	2,864,043
Debt service	-	-	-	-	1,971,489	1,971,489
Total assigned	14,383,534	40,986,216	-	2,828,455	17,635,709	75,833,914
Unassigned (deficit)	81,929,376	-	-	-	(9,058,854)	72,870,522
Total fund balances	\$ 108,049,307	\$ 73,113,923	\$ 691,766	\$ 2,941,952	\$ 105,826,367	\$ 290,623,315

CHARTER COUNTY OF WAYNE, MICHIGAN

Notes to the Financial Statements

CED - Community and economic development
JJAN - Juvenile Justice and Abuse/Neglect
NGF - Nonmajor governmental funds

Further information on the fund balances restricted for the major funds (i.e., general, roads, health and JJAN) is as follows:

General fund inpatient hospitalization are funds restricted for the health care of indigent persons;
Roads capital projects are restricted to the infrastructure capital programs; and
Roads highways and streets are State Act 51 funds not yet spent; the County expends restricted funds first.

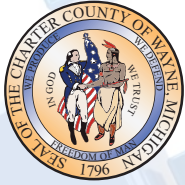
Further information regarding assigned fund balances for the major funds are as follows:

General Fund general government is assigned for the cost associated with retention stipends, additional pension funding, therapeutic park and meals on wheels;
General Fund public safety is assigned for the Jail medical and for the Prosecutor to test rape kits; and
Roads highways and streets are non-Act 51 funds not yet spent.

22. RELATED PARTY TRANSACTIONS

During the year, the County conducted business with certain parties related to county employees or elected officials, this amounted to approximately \$3.7 million. In each instance, these transactions were properly reported and disclosed under the County's ethics ordinance.





COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)**

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CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
Major Governmental Funds
General Fund
For the Year Ended September 30, 2016

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	\$ 270,813,438	\$ 278,538,786	\$ 288,100,759	\$ 9,561,973
Sales	54,812,170	54,812,170	54,853,528	41,358
Licenses and permits	740,300	740,300	950,816	210,516
Federal grants	23,041,303	24,686,896	23,768,507	(918,389)
State grants and contracts	32,131,684	32,991,142	37,015,129	4,023,987
Local grants and contracts	7,549,683	7,610,721	5,617,901	(1,992,820)
Charges for services	133,397,082	141,028,595	139,309,076	(1,719,519)
Interest and rents	(40,062)	(40,062)	435,952	476,014
Other	20,056,345	21,228,348	22,329,713	1,101,365
Total revenues	542,501,943	561,596,896	572,381,381	10,784,485
Expenditures				
Current operations:				
Legislative - County Commission	8,800,028	9,217,876	8,197,848	(1,020,028)
Judicial:				
Circuit court	104,797,399	110,462,553	104,834,114	(5,628,439)
Probate court	8,886,609	9,683,479	9,522,010	(161,469)
Friend of the court	28,787,745	30,292,653	28,176,519	(2,116,134)
Total judicial	142,471,753	150,438,685	142,532,643	(7,906,042)
General government:				
Adult probation	2,005,560	2,012,667	1,917,621	(95,046)
Corporation counsel	8,169,374	9,084,504	8,169,909	(914,595)
County clerk	21,740,887	24,074,096	22,993,551	(1,080,545)
County elections	2,602,119	2,627,227	1,931,095	(696,132)
Economic and neighborhood development	181,200	181,992	111,337	(70,655)
Management and budget	18,616,089	20,065,611	16,950,933	(3,114,678)
County executive	4,937,926	5,079,705	5,062,696	(17,009)
Personnel	5,006,180	5,129,901	4,784,082	(345,819)
Prosecuting attorney	34,549,930	40,624,650	39,027,600	(1,597,050)
Register of deeds	8,202,449	8,569,177	6,172,304	(2,396,873)
Register of deeds remonumentation	572,500	783,218	563,367	(219,851)
County treasurer	7,226,507	7,631,228	6,940,118	(691,110)
Non-departmental:				
Retirement judgment	10,480,602	10,742,252	11,976,608	1,234,356
Building rent - Building Authority and Guardian Building	24,127,057	25,102,163	25,052,210	(49,953)
Mental health and substance abuse appropriation	14,264,647	14,383,052	14,383,052	-
Other non-departmental	10,132,250	6,706,006	6,424,371	(281,635)
Total general government	172,815,277	182,797,449	172,460,854	(10,336,595)

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
Major Governmental Funds
General Fund
For the Year Ended September 30, 2016

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Expenditures (concluded)				
Current operations (concluded):				
Public safety:				
County jail	\$ 102,924,525	\$ 107,992,400	\$ 108,036,076	\$ 43,676
Sheriff	29,650,730	34,011,386	34,350,662	339,276
Homeland security	2,359,252	2,717,296	1,988,503	(728,793)
Community corrections	-	-	14,572	14,572
Total public safety	134,934,507	144,721,082	144,389,813	(331,269)
Public works	528,935	529,204	408,052	(121,152)
Health and welfare:				
Health and human services	4,980,400	5,360,920	3,380,408	(1,980,512)
Indigent health care	17,534,220	17,633,478	12,029,159	(5,604,319)
Medical examiner	6,514,668	6,508,238	6,233,760	(274,478)
Cooperative extension	347,188	355,480	401,143	45,663
Senior citizens services	98,107	105,573	232,341	126,768
Veterans affairs	571,973	592,429	343,920	(248,509)
Total health and welfare	30,046,556	30,556,118	22,620,731	(7,935,387)
Recreational and cultural - county library	-	-	13,649	13,649
Capital outlay	343,106	884,138	915,464	31,326
Debt service - interest	900,500	900,500	100	(900,400)
Total expenditures	490,840,662	520,045,052	491,539,154	(28,505,898)
Revenues over expenditures	51,661,281	41,551,844	80,842,227	39,290,383
Other financing sources (uses)				
Transfers in	48,895,484	67,089,660	63,961,898	(3,127,762)
Transfers out	(86,570,604)	(95,061,862)	(91,401,338)	(3,660,524)
Proceeds from sale of capital assets	-	-	20,826	20,826
Total other financing sources (uses)	(37,675,120)	(27,972,202)	(27,418,614)	553,588
Net change in fund balance	13,986,161	13,579,642	53,423,613	39,843,971
Fund balance, beginning of year	54,625,694	54,625,694	54,625,694	-
Fund balance, end of year	\$ 68,611,855	\$ 68,205,336	\$ 108,049,307	\$ 39,843,971

concluded.

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules Major Governmental Funds Roads Fund For the Year Ended September 30, 2016

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Federal grants	\$ 14,340,000	\$ 14,340,000	\$ 1,626,769	\$ (12,713,231)
State grants and contracts	86,079,000	98,966,771	104,523,424	5,556,653
Local grants and contracts	1,719,100	1,719,100	2,588,514	869,414
Charges for services	19,153,956	19,153,956	22,177,193	3,023,237
Interest and rents	370,000	370,000	1,151,965	781,965
Other	50,000	50,000	12,881	(37,119)
Total revenues	121,712,056	134,599,827	132,080,746	(2,519,081)
Expenditures				
Current operations -				
Highways, streets and bridges	127,596,991	139,765,338	101,448,460	(38,316,878)
Capital outlay	4,065,000	4,665,000	11,392,712	6,727,712
Debt service:				
Principal	1,328,544	1,328,544	1,328,544	-
Interest	54,221	54,221	54,221	-
Total expenditures	133,044,756	145,813,103	114,223,937	(31,589,166)
Revenues over (under) expenditures	(11,332,700)	(11,213,276)	17,856,809	29,070,085
Other financing sources (uses)				
Transfers out	(630,719)	(680,719)	(817,958)	137,239
Proceeds from sale of capital assets	50,000	150,000	317,190	167,190
Total other financing sources (uses)	(580,719)	(530,719)	(500,768)	29,951
Net change in fund balance	(11,913,419)	(11,743,995)	17,356,041	29,100,036
Fund balance, beginning of year	55,757,882	55,757,882	55,757,882	-
Fund balance, end of year	\$ 43,844,463	\$ 44,013,887	\$ 73,113,923	\$ 29,100,036

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
 Major Governmental Funds
 Health Fund
 For the Year Ended September 30, 2016

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Federal grants	\$ 9,574,309	\$ 10,531,797	\$ 10,585,448	\$ 53,651
State grants and contracts	3,181,280	3,451,504	3,688,822	237,318
Local grants and contracts	4,430,000	4,430,000	4,198,942	(231,058)
Charges for services	8,647,443	8,941,046	2,669,480	(6,271,566)
Total revenues	25,833,032	27,354,347	21,142,692	(6,211,655)
Expenditures				
Current operations - Health and welfare	42,062,605	45,344,701	35,347,051	(9,997,650)
Revenues under expenditures	(16,229,573)	(17,990,354)	(14,204,359)	3,785,995
Other financing sources				
Transfers in	16,372,957	18,016,883	18,016,883	-
Proceeds from sale of capital assets	-	-	990	990
Total other financing sources	16,372,957	18,016,883	18,017,873	990
Net change in fund balance	143,384	26,529	3,813,514	3,786,985
Fund balance (deficit), beginning of year	(3,121,748)	(3,121,748)	(3,121,748)	-
Fund balance (deficit), end of year	\$ (2,978,364)	\$ (3,095,219)	\$ 691,766	\$ 3,786,985

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
 Major Governmental Funds
 Juvenile Justice / Abuse and Neglect Fund
 For the Year Ended September 30, 2016

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over Under
Revenue				
Federal grants	\$ 2,000,000	\$ 2,000,000	\$ -	\$ (2,000,000)
State grants and contracts	72,440,363	73,190,373	65,928,677	(7,261,696)
Local grants and contracts	15,602,599	15,962,213	10,907,212	(5,055,001)
Charges for services	401,000	5,390,500	4,278,240	(1,112,260)
Total revenue	90,443,962	96,543,086	81,114,129	(15,428,957)
Expenditures				
Current operations -				
Health and welfare	151,838,062	159,320,267	145,061,439	(14,258,828)
Capital outlay	30,000	12,750	686	(12,064)
Total expenditures	151,868,062	159,333,017	145,062,125	(14,270,892)
Revenues under expenditures	(61,424,100)	(62,789,931)	(63,947,996)	(1,158,065)
Other financing sources				
Transfers in	61,424,100	61,815,527	61,824,527	9,000
Net change in fund balance	-	(974,404)	(2,123,469)	(1,149,065)
Fund balance, beginning of year	5,065,421	5,065,421	5,065,421	-
Fund balance, end of year	\$ 5,065,421	\$ 4,091,017	\$ 2,941,952	\$ (1,149,065)

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information
Wayne County Other Postemployment Benefits

Schedule of Funding Progress (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
10/1/2013	\$ 9,106,000	\$1,333,744,000	\$1,324,638,000	0.7%	\$ 181,566,000	729.6%
10/1/2014	9,106,000	476,656,000	467,550,000	1.9%	76,105,000	614.3%
10/1/2015	14,162,000	350,779,000	336,617,000	4.0%	71,649,000	469.8%

Schedule of Employer Contributions (Unaudited)

Fiscal Year Ended September 30,	Annual Required Contributions	Actual Contributions	Percentage Contributed
2014	\$ 77,541,000	\$ 35,901,000	46.3%
2015	20,602,000	16,386,000	79.5%
2016	16,496,000	18,629,000	112.9%

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information

Wayne County Employees' Retirement System Defined Benefit Plan
Schedule of Investment Returns
Last Four Fiscal Years (ultimately building to ten years)

<u>Fiscal Year Ended</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expense</u>
9/30/2013	14.09%
9/30/2014	8.33%
9/30/2015	0.70%
9/30/2016	9.82%

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information

Wayne County Employees' Retirement System Defined Benefit Plan Schedule of Changes in the County's Net Pension Liability and Related Ratios Last Three Fiscal Years (ultimately building to ten years)

	2014	2015	2016
Change in total pension liability			
Service cost	\$ 14,573,888	\$ 13,089,909	\$ 8,515,102
Interest	112,802,825	111,792,028	100,336,340
Changes of benefit terms	8,715,000	-	(141,296,225)
Differences between expected and actual experience	-	(23,625,138)	(532,795)
Benefit payments, including refunds of member contributions	(125,773,631)	(127,219,157)	(129,942,540)
Net change in total pension liability	<u>10,318,082</u>	<u>(25,962,358)</u>	<u>(162,920,118)</u>
 Total pension liability, beginning	 <u>1,512,849,467</u>	 <u>1,523,167,549</u>	 <u>1,497,205,191</u>
 Total pension liability, ending (a)	 <u>1,523,167,549</u>	 <u>1,497,205,191</u>	 <u>1,334,285,073</u>
 Change in plan fiduciary net position			
Contributions - employer	71,704,902	98,612,944	87,916,274
Contributions - member	7,161,792	9,201,948	10,400,163
Net investment income	71,697,341	24,377,681	69,997,747
Benefit payments, including refunds of member contributions	(125,773,631)	(128,218,667)	(131,961,976)
Administrative expense	(2,692,067)	(2,424,524)	(2,286,728)
Net change in plan fiduciary net position	<u>22,098,337</u>	<u>1,549,382</u>	<u>34,065,480</u>
 Transfer of contribution for pre-2002 retirees	 -	 -	 4,400,000
 Transfer in from Bailiffs' pension plan	 -	 -	 5,670,643
 Plan fiduciary net position, beginning	 <u>702,977,143</u>	 <u>725,075,480</u>	 <u>726,624,862</u>
 Plan fiduciary net position, ending (b)	 <u>725,075,480</u>	 <u>726,624,862</u>	 <u>770,760,985</u>
 County's net pension liability, ending (a)-(b)	 <u>\$ 798,092,069</u>	 <u>\$ 770,580,329</u>	 <u>\$ 563,524,088</u>
 Plan fiduciary net position as a percentage of the total pension liability	 47.60%	 48.53%	 57.77%
 Covered payroll	 \$ 124,338,533	 \$ 119,062,960	 \$ 112,516,266
 County's net pension liability as a percentage of covered payroll	 641.87%	 647.20%	 500.84%

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information

Wayne County Employees' Retirement System Defined Benefit Plan Schedule of County Contributions Last Three Fiscal Years (ultimately building to ten years)

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
9/30/2014	\$62,989,902	\$71,704,902	\$ (8,715,000)	\$124,338,533	57.7%
9/30/2015	58,294,923	98,612,944	(40,318,021)	119,062,960	82.8%
9/30/2016	63,686,412	87,916,274	(24,229,862)	112,516,266	78.1%

Notes to Schedule of Contributions

Valuation date Actuarially determined contribution rates are calculated as of September 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years from 9/30/14; 22 years from 9/30/15 (decreasing two years each year thereafter)
Asset valuation method	4-year smoothed market; 20% corridor
Wage inflation	3.5%
Salary increases	3.5-8.8% including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation
Mortality rates	RP-2000 Combined Healthy Mortality Table projected 20 years

CHARTER COUNTY OF WAYNE, MICHIGAN

Note to the Required Supplementary Information

1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for the general and special revenue funds. The budgetary comparison schedules included as required supplementary information and as other supplementary information were prepared on the same modified accrual basis used to reflect actual results.

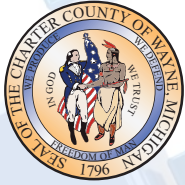
The County Executive prepares and submits a proposed operating budget during June of each year to the Wayne County Commission (the Commission) for the year beginning October 1. After public hearings to obtain taxpayers' comments, the budget is legally enacted through passage of an ordinance by the Commission (the Appropriations Ordinance). The appropriated budget for the General Fund is adopted by activity level. The legal level of budgetary control for the special revenue funds is at the activity level. For the Roads Fund, the budget is prepared in accordance with the *State of Michigan Uniform Accounting Procedures Manual for County Road Commissions*, which requires that federal grant revenue be included in the accounts and budgets for the Roads Fund.

Amendments that change the County's annual appropriations ordinance require the approval of the Commission. Budget amendments were made during the year. Certain transfers within line items that do not affect aggregate departmental appropriations may be made without the Commission's approval. Expenditures are required to remain within appropriated amounts. All appropriations lapse at the end of the fiscal year.

For budgetary purposes at year end, encumbrances of the budgeted governmental funds, representing purchase orders, contracts and other commitments, lapse and must be re-appropriated in the following year. All unencumbered appropriations lapse at the end of the year, except for capital projects fund appropriations, which are carried forward until such time as the project is completed or terminated.

A reconciliation of the budgetary comparison schedules to the fund-based statements of changes in fund balance is as follows:

	Total Revenue/ Transfers In/ Proceeds from Sale of Assets	Total Expenditures/ Transfers Out	Total
General Fund based on adopted budget	\$ 620,631,693	\$ (567,606,572)	\$ 53,025,121
Third Circuit Court	97,637,072	(97,224,029)	413,043
Probate Court	9,701,653	(9,716,204)	(14,551)
General Fund per consolidated fund statements	\$ 750,970,418	\$ (697,546,805)	\$ 53,423,613



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

**OTHER SUPPLEMENTARY INFORMATION -
COMBINING AND INDIVIDUAL FUND
STATEMENTS/SCHEDULES**

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
 General Fund Combining Schedule of
 Revenue, Expenditures and Changes in Fund Balance
 For the Year Ended September 30, 2016

	General Operating			Variance Over (Under)
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Revenues				
Taxes:				
Property	\$ 270,813,438	\$ 278,538,786	\$ 288,100,759	\$ 9,561,973
Sales	54,812,170	54,812,170	54,853,528	41,358
Licenses and permits	740,300	740,300	950,816	210,516
Federal grants	21,073,331	22,718,924	21,460,018	(1,258,906)
State grants and contracts	26,324,140	26,997,998	30,711,125	3,713,127
Local grants and contracts	715,101	774,658	500,296	(274,362)
Charges for services	128,674,576	136,239,873	133,230,944	(3,008,929)
Interest and rents	(40,062)	(40,062)	386,339	426,401
Other	19,597,045	20,770,048	26,190,144	5,420,096
Total revenues	522,710,039	541,552,695	556,383,969	14,831,274
Expenditures				
Current operations:				
Legislative - County Commission	8,800,028	9,217,876	8,197,848	(1,020,028)
Judicial:				
Circuit court	15,321,306	15,321,306	13,678,820	(1,642,486)
Probate court	-	-	-	-
Friend of the court	28,787,745	30,292,653	28,176,519	(2,116,134)
Total judicial	44,109,051	45,613,959	41,855,339	(3,758,620)
General government:				
Adult probation	2,005,560	2,012,667	1,917,621	(95,046)
Corporation counsel	8,169,374	9,084,504	8,169,909	(914,595)
County clerk	21,740,887	24,074,096	22,993,551	(1,080,545)
County elections	2,602,119	2,627,227	1,931,095	(696,132)
Economic and neighborhood development	181,200	181,992	4,433,548	4,251,556
Management and budget	18,616,089	20,065,611	16,950,933	(3,114,678)
County executive	4,937,926	5,079,705	5,062,696	(17,009)
Personnel	5,006,180	5,129,901	4,784,082	(345,819)
Prosecuting attorney	34,549,930	40,624,650	39,027,600	(1,597,050)
Register of deeds	8,202,449	8,569,177	6,172,304	(2,396,873)
Register of deeds remonumentation	572,500	783,218	563,367	(219,851)
County treasurer	7,226,507	7,631,228	6,940,118	(691,110)
Non-departmental:				
Retirement judgment	10,480,602	10,742,252	11,976,608	1,234,356
Building rent - Building Authority and Guardian Building	24,127,057	25,102,163	25,052,210	(49,953)
Mental health and substance abuse appropriation	14,264,647	14,383,052	14,383,052	-
Other non-departmental	10,132,250	6,706,006	6,424,371	(281,635)
Total general government	172,815,277	182,797,449	176,783,065	(6,014,384)
Public safety:				
County jail	102,924,525	107,992,400	108,036,076	43,676
Sheriff	29,650,730	34,011,386	34,350,662	339,276
Homeland security	2,359,252	2,717,296	1,988,503	(728,793)
Community corrections	-	-	14,572	14,572
Total public safety	134,934,507	144,721,082	144,389,813	(331,269)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
 General Fund Combining Schedule of
 Revenue, Expenditures and Changes in Fund Balance
 For the Year Ended September 30, 2016

	Probate Court			
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	1,192,600	1,189,600	1,189,658	58
Local grants and contracts	-	-	-	-
Charges for services	973,000	1,027,000	1,029,044	2,044
Interest and rents	-	-	-	-
Other	6,000	5,000	5,772	772
Total revenues	2,171,600	2,221,600	2,224,474	2,874
Expenditures				
Current operations:				
Legislative - County Commission	-	-	-	-
Judicial:				
Circuit court	-	-	-	-
Probate court	8,886,609	9,683,479	9,522,010	(161,469)
Friend of the court	-	-	-	-
Total judicial	8,886,609	9,683,479	9,522,010	(161,469)
General government:				
Adult probation	-	-	-	-
Corporation counsel	-	-	-	-
County clerk	-	-	-	-
County elections	-	-	-	-
Economic and neighborhood development	-	-	-	-
Management and budget	-	-	-	-
County executive	-	-	-	-
Personnel	-	-	-	-
Prosecuting attorney	-	-	-	-
Register of deeds	-	-	-	-
Register of deeds remonumentation	-	-	-	-
County treasurer	-	-	-	-
Non-departmental:				
Retirement judgment	-	-	-	-
Building rent - Building Authority and Guardian Building	-	-	-	-
Mental health and substance abuse appropriation	-	-	-	-
Other non-departmental	-	-	-	-
Total general government	-	-	-	-
Public safety:				
County jail	-	-	-	-
Sheriff	-	-	-	-
Homeland security	-	-	-	-
Community corrections	-	-	-	-
Total public safety	-	-	-	-

Eliminations				General Fund (combined totals)			
Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
\$ -	\$ -	\$ -	\$ -	\$ 270,813,438	\$ 278,538,786	\$ 288,100,759	\$ 9,561,973
-	-	-	-	54,812,170	54,812,170	54,853,528	41,358
-	-	-	-	740,300	740,300	950,816	210,516
-	-	-	-	23,041,303	24,686,896	23,768,507	(918,389)
-	-	-	-	32,131,684	32,991,142	37,015,129	4,023,987
-	-	-	-	7,549,683	7,610,721	5,617,901	(1,992,820)
-	-	-	-	133,397,082	141,028,595	139,309,076	(1,719,519)
-	-	-	-	(40,062)	(40,062)	435,952	476,014
-	-	(4,322,211)	(4,322,211)	20,056,345	21,228,348	22,329,713	1,101,365
-	-	(4,322,211)	(4,322,211)	542,501,943	561,596,896	572,381,381	10,784,485
-	-	-	-	8,800,028	9,217,876	8,197,848	(1,020,028)
-	-	-	-	104,797,399	110,462,553	104,834,114	(5,628,439)
-	-	-	-	8,886,609	9,683,479	9,522,010	(161,469)
-	-	-	-	28,787,745	30,292,653	28,176,519	(2,116,134)
-	-	-	-	142,471,753	150,438,685	142,532,643	(7,906,042)
-	-	-	-	2,005,560	2,012,667	1,917,621	(95,046)
-	-	-	-	8,169,374	9,084,504	8,169,909	(914,595)
-	-	-	-	21,740,887	24,074,096	22,993,551	(1,080,545)
-	-	-	-	2,602,119	2,627,227	1,931,095	(696,132)
-	-	(4,322,211)	(4,322,211)	181,200	181,992	111,337	(70,655)
-	-	-	-	18,616,089	20,065,611	16,950,933	(3,114,678)
-	-	-	-	4,937,926	5,079,705	5,062,696	(17,009)
-	-	-	-	5,006,180	5,129,901	4,784,082	(345,819)
-	-	-	-	34,549,930	40,624,650	39,027,600	(1,597,050)
-	-	-	-	8,202,449	8,569,177	6,172,304	(2,396,873)
-	-	-	-	572,500	783,218	563,367	(219,851)
-	-	-	-	7,226,507	7,631,228	6,940,118	(691,110)
-	-	-	-	10,480,602	10,742,252	11,976,608	1,234,356
-	-	-	-	24,127,057	25,102,163	25,052,210	(49,953)
-	-	-	-	14,264,647	14,383,052	14,383,052	-
-	-	-	-	10,132,250	6,706,006	6,424,371	(281,635)
-	-	(4,322,211)	(4,322,211)	172,815,277	182,797,449	172,460,854	(10,336,595)
-	-	-	-	102,924,525	107,992,400	108,036,076	43,676
-	-	-	-	29,650,730	34,011,386	34,350,662	339,276
-	-	-	-	2,359,252	2,717,296	1,988,503	(728,793)
-	-	-	-	-	-	14,572	14,572
-	-	-	-	134,934,507	144,721,082	144,389,813	(331,269)

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules
 General Fund Combining Schedule of
 Revenue, Expenditures and Changes in Fund Balance
 For the Year Ended September 30, 2016

	General Operating			
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Expenditures				
Public works	\$ 528,935	\$ 529,204	\$ 408,052	\$ (121,152)
Health and welfare:				
Health and human services	4,980,400	5,360,920	3,380,408	(1,980,512)
Indigent health care	17,534,220	17,633,478	12,029,159	(5,604,319)
Medical examiner	6,514,668	6,508,238	6,233,760	(274,478)
Cooperative extension	347,188	355,480	401,143	45,663
Senior citizens services	98,107	105,573	232,341	126,768
Veterans affairs	571,973	592,429	343,920	(248,509)
Health and welfare	30,046,556	30,556,118	22,620,731	(7,935,387)
Recreational and cultural - county library	-	-	13,649	13,649
Capital outlay	343,106	867,838	712,724	(155,114)
Debt serice - interest	900,500	900,500	100	(900,400)
Total expenditures	392,477,960	415,204,026	394,981,321	(20,222,705)
Revenues over (under) expenditures	130,232,079	126,348,669	161,402,648	35,053,979
Other financing sources (uses)				
Transfers in	55,793,203	71,504,139	64,226,898	(7,277,241)
Transfers out	(171,539,121)	(181,107,166)	(172,625,251)	8,481,915
Proceeds from sale of capital assets	-	-	20,826	20,826
Total other financing sources (uses)	(115,745,918)	(109,603,027)	(108,377,527)	1,225,500
Net change in fund balance	14,486,161	16,745,642	53,025,121	36,279,479
Fund balance (deficit), beginning of year	24,883,574	24,883,574	24,883,574	-
Fund balance (deficit), end of year	\$ 39,369,735	\$ 41,629,216	\$ 77,908,695	\$ 36,279,479

Budget Stabilization Reserve				Circuit Court			
Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	8,546	8,546
-	-	-	-	-	-	-	-
-	-	-	-	89,476,093	95,141,247	91,163,840	(3,977,407)
-	-	-	-	(71,855,789)	(77,318,646)	(73,068,691)	4,249,955
-	-	-	-	72,315,978	80,778,835	79,541,923	(1,236,912)
-	-	-	-	(960,189)	(6,625,189)	(6,060,189)	565,000
-	-	-	-	-	-	-	-
-	-	-	-	71,355,789	74,153,646	73,481,734	(671,912)
-	-	-	-	(500,000)	(3,165,000)	413,043	3,578,043
23,000,000	23,000,000	23,000,000	-	6,516,273	6,516,273	6,516,273	-
\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ -	\$ 6,016,273	\$ 3,351,273	\$ 6,929,316	\$ 3,578,043

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CHARTER COUNTY OF WAYNE, MICHIGAN

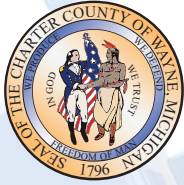
Budgetary Comparison Schedules
 General Fund Combining Schedule of
 Revenue, Expenditures and Changes in Fund Balance
 For the Year Ended September 30, 2016

	Probate Court			Variance Over (Under)
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Expenditures				
Public works	\$ -	\$ -	\$ -	\$ -
Health and welfare:				
Health and human services	-	-	-	-
Indigent health care	-	-	-	-
Medical examiner	-	-	-	-
Cooperative extension	-	-	-	-
Senior citizens services	-	-	-	-
Veterans affairs	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural - county library	-	-	-	-
Capital outlay	-	16,300	194,194	177,894
Interest	-	-	-	-
Total expenditures	8,886,609	9,699,779	9,716,204	16,425
Revenues over (under) expenditures	(6,715,009)	(7,478,179)	(7,491,730)	(13,551)
Other financing sources (uses)				
Transfers in	6,715,009	7,477,179	7,477,179	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	6,715,009	7,477,179	7,477,179	-
Net change in fund balance	-	(1,000)	(14,551)	(13,551)
Fund balance (deficit), beginning of year	225,847	225,847	225,847	-
Fund balance (deficit), end of year	\$ 225,847	\$ 224,847	\$ 211,296	\$ (13,551)

Eliminations				General Fund (combined totals)			
Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
\$ -	\$ -	\$ -	\$ -	\$ 528,935	\$ 529,204	\$ 408,052	\$ (121,152)
-	-	-	-	4,980,400	5,360,920	3,380,408	(1,980,512)
-	-	-	-	17,534,220	17,633,478	12,029,159	(5,604,319)
-	-	-	-	6,514,668	6,508,238	6,233,760	(274,478)
-	-	-	-	347,188	355,480	401,143	45,663
-	-	-	-	98,107	105,573	232,341	126,768
-	-	-	-	571,973	592,429	343,920	(248,509)
-	-	-	-	30,046,556	30,556,118	22,620,731	(7,935,387)
-	-	-	-	-	-	13,649	13,649
-	-	-	-	343,106	884,138	915,464	31,326
-	-	-	-	900,500	900,500	100	(900,400)
-	-	(4,322,211)	(4,322,211)	490,840,662	520,045,052	491,539,154	(28,505,898)
-	-	-	-	51,661,281	41,551,844	80,842,227	39,290,383
(85,928,706)	(92,670,493)	(87,284,102)	5,386,391	48,895,484	67,089,660	63,961,898	(3,127,762)
85,928,706	92,670,493	87,284,102	(5,386,391)	(86,570,604)	(95,061,862)	(91,401,338)	3,660,524
-	-	-	-	-	-	20,826	20,826
-	-	-	-	(37,675,120)	(27,972,202)	(27,418,614)	553,588
-	-	-	-	13,986,161	13,579,642	53,423,613	39,843,971
-	-	-	-	54,625,694	54,625,694	54,625,694	-
\$ -	\$ -	\$ -	\$ -	\$ 68,611,855	\$ 68,205,336	\$ 108,049,307	\$ 39,843,971

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR THE PROCEEDS OF SPECIFIC REVENUE SOURCES THAT ARE RESTRICTED OR COMMITTED TO EXPENDITURE FOR SPECIFIED PURPOSES OTHER THAN DEBT SERVICE OR CAPITAL PROJECTS.

SPECIAL REVENUE FUNDS

Parks - This fund is used to account for the operation and maintenance of the Warren Valley and Inkster Valley Golf Courses and the preservation, protection, maintenance and management of Wayne County park grounds and facilities. The fund also includes all marina-related activities, including transient slip, launching, and fishing at Elizabeth Park.

Rouge Demonstration Project - This fund accounts for the activities of the Rouge River National Wet Weather Demonstration Project. This project is funded by federal grants and related local municipalities.

Law Enforcement - This fund accounts for several law enforcement grant activities, such as safety belt enforcement and criminal law review.

Community Development Block Grants - This fund is used to account for the County's community development activities with participating communities to create economic and community development projects. The projects are funded by federal block grant money.

Drug Enforcement - This fund accounts for operations of the Drug Enforcement Unit which, through covert operations, enforces State of Michigan drug laws throughout the County and acts in concert with federal law enforcement agencies.

Nutrition - This fund is used to account for nutritional services provided to home bound senior citizens in western Wayne County and downriver areas.

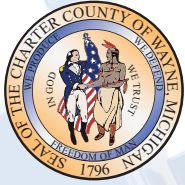
Veteran's Trust - This fund accounts for emergency funding for indigent veterans provided by the State of Michigan.

Community Corrections - This fund accounts for activities of grant funded alternative programs for offenders.

Victim Witness - This fund accounts for counseling services, community referrals, public information and prevention, notification of court date, and court support offered to victims of crime.

Soldiers' Relief - This fund accounts for emergency funding for indigent veterans and their families, and for burial relief for eligible veterans.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR THE PROCEEDS OF SPECIFIC REVENUE SOURCES THAT ARE RESTRICTED OR COMMITTED TO EXPENDITURE FOR SPECIFIED PURPOSES OTHER THAN DEBT SERVICE OR CAPITAL PROJECTS.

SPECIAL REVENUE FUNDS, *continued*

Youth Services - This fund accounts for deterrent programs and other youth services.

Community and Economic Development - These funds are used to account for the activities of the County's Economic Development Growth Engine.

Wayne County Building Authority - This fund accounts for the operation and maintenance activities of the Building Authority

Detroit-Wayne County Stadium Authority (Stadium Authority) - This authority was incorporated by the County in August 1996 under the provisions of Act 31 for the purpose of acquiring, building, furnishing, equipping, owning, improving, enlarging, operating and/or maintaining one or more stadia. The Stadium Authority's Articles of Incorporation provide for a six-member board (the Commission). Each member of the Commission is appointed by the Wayne County Executive. This fund is used to account for specific revenues used to cover specific costs as allowed by the Tourist Tax ordinance incurred by the Stadium Authority.

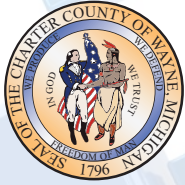
Economic Development Corporation of Wayne County (EDC) - This separate legal entity was established pursuant to Michigan Public Act 338 of 1974. Its 11-member board is appointed by the Wayne County Executive. The EDC acts on behalf of and at the direction of Wayne County. Services include financial packaging, site location services, and low-cost financing to businesses locating or expanding in the County. The EDC's primary fiscal activity is to provide administration of federal grants on behalf and for the benefit of Wayne County.

Stadium and Land Development - This fund is used to account for the collection of excise taxes on hotel accommodations and car rentals used for stadium and land development.

Environmental Programs - This fund accounts for the activities of the air quality management and land resource management programs.

Health and Family Services - This fund accounts for Head Start program services.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS ARE USED TO ACCOUNT FOR THE ACCUMULATION OF RESOURCES AND THE PAYMENT 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.

DEBT SERVICE FUNDS

General Debt Service - This fund is used to account for the payment of interest and principal on the County's long-term debt other than that payable from special assessments and debt issued for and serviced primarily by an enterprise fund.

Wayne County Building Authority Debt Service Fund - This fund is used to account for the debt associated with the County's refunding Bonds for the jails and its capital improvement bonds for various County facilities.

Detroit-Wayne County Stadium Authority (Stadium Authority) Debt Service Fund - This fund is used to account for servicing of general long-term obligations associated with bonds issued for the purpose of acquiring, building, furnishing, equipping, owning, improving, enlarging, operating and/or maintaining one or more stadia.

CAPITAL PROJECT FUNDS ARE USED TO ACCOUNT FOR THE ACQUISITION AND CONSTRUCTION OF MAJOR CAPITAL FACILITIES OTHER THAN THOSE FINANCED BY PROPRIETARY FUNDS AND TRUST FUNDS.

CAPITAL PROJECT FUNDS

Wayne County Construction - This fund is used to account for costs associated with structural repairs of various Wayne County facilities and renovations to the Wayne County Prosecutor's Offices.

Building Authority Construction - This fund is used to account for costs associated with the construction of County facilities including the jail facility on Gratiot in Detroit.

Other Capital Projects - This fund is used to account for miscellaneous capital projects for which a separate fund has not been specifically designated.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds				
	Parks	Rouge Demonstration Project	Law Enforcement	Community Development Block Grants	Drug Enforcement
Assets					
Equity in pooled cash and investments	\$ 12,942,447	\$ 177,481	\$ 2,770,392	\$ 1,129,899	\$ 2,141,559
Other cash and investments	3,100	500	-	100	50,000
Due from other funds	-	-	-	-	-
Receivables:					
Accounts	-	14,327	175,351	-	-
Due from other governments	-	50,315	-	797,704	968
Less allowance for uncollectible accounts	-	-	(352)	-	(968)
Supplies inventory, at cost	-	-	-	-	-
Prepayments and deposits	-	-	-	-	-
Long-term receivables	-	-	-	-	-
Less allowance for uncollectible accounts	-	-	-	-	-
Restricted assets -					
Equity in pooled cash and investments	-	-	-	-	-
Total assets	<u>\$ 12,945,547</u>	<u>\$ 242,623</u>	<u>\$ 2,945,391</u>	<u>\$ 1,927,703</u>	<u>\$ 2,191,559</u>
Liabilities					
Accounts and contracts payable	\$ 111,880	\$ 32,721	\$ 113,798	\$ 411,673	\$ 38,364
Due to other funds	-	-	-	-	-
Interfund payable	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Accrued wages and benefits	58,434	11,140	26,007	4,731	2,434
Other liabilities	442,446	-	780,495	250,457	5,904
Unearned revenue	-	-	6,259	-	70,995
Total liabilities	<u>612,760</u>	<u>43,861</u>	<u>926,559</u>	<u>666,861</u>	<u>117,697</u>
Deferred inflows of resources					
Unavailable revenues - grants	-	11,838	874,672	609,844	-
Fund balances					
Nonspendable	-	-	-	-	-
Restricted for programs	-	186,924	-	650,998	-
Restricted for debt service	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-
Assigned	12,332,787	-	1,144,160	-	2,073,862
Unassigned deficit	-	-	-	-	-
Total fund balances (deficits)	<u>12,332,787</u>	<u>186,924</u>	<u>1,144,160</u>	<u>650,998</u>	<u>2,073,862</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 12,945,547</u>	<u>\$ 242,623</u>	<u>\$ 2,945,391</u>	<u>\$ 1,927,703</u>	<u>\$ 2,191,559</u>

Special Revenue Funds

Nutrition	Veteran's Trust	Community Corrections	Victim Witness	Soldiers' Relief	Youth Services	Community & Economic Development	Building Authority
\$ -	\$ 280,225	\$ -	\$ -	\$ 1,040,868	\$ 273,352	\$ -	\$ 93,546
250	-	100	-	-	-	-	-
-	-	-	-	-	-	-	-
338,874	-	-	-	-	-	113,636	-
363,131	-	444,581	226,930	-	-	693,117	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	670,282	-
-	-	-	-	-	-	(642,141)	-
-	-	-	-	-	-	-	1,332,399
<u>\$ 702,255</u>	<u>\$ 280,225</u>	<u>\$ 444,681</u>	<u>\$ 226,930</u>	<u>\$ 1,040,868</u>	<u>\$ 273,352</u>	<u>\$ 834,894</u>	<u>\$ 1,425,945</u>
\$ 59,925	\$ 4,605	\$ 45,581	\$ 4,567	\$ 99,441	\$ 136,000	\$ 564,819	\$ 15,723
-	-	-	-	-	-	-	-
3,665,449	-	350,550	317,837	-	-	2,326,566	-
-	-	-	-	-	-	656,321	-
6,931	-	6,397	18,294	5,288	-	-	-
1,130,537	-	-	-	40,326	101,764	399,727	-
-	-	-	-	-	-	-	-
<u>4,862,842</u>	<u>4,605</u>	<u>402,528</u>	<u>340,698</u>	<u>145,055</u>	<u>237,764</u>	<u>3,947,433</u>	<u>15,723</u>
-	-	-	-	-	-	239,310	-
-	-	-	-	-	-	-	-
-	275,620	42,153	-	895,813	-	-	1,332,399
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	35,588	-	77,823
<u>(4,160,587)</u>	<u>-</u>	<u>-</u>	<u>(113,768)</u>	<u>-</u>	<u>-</u>	<u>(3,351,849)</u>	<u>-</u>
<u>(4,160,587)</u>	<u>275,620</u>	<u>42,153</u>	<u>(113,768)</u>	<u>895,813</u>	<u>35,588</u>	<u>(3,351,849)</u>	<u>1,410,222</u>
<u>\$ 702,255</u>	<u>\$ 280,225</u>	<u>\$ 444,681</u>	<u>\$ 226,930</u>	<u>\$ 1,040,868</u>	<u>\$ 273,352</u>	<u>\$ 834,894</u>	<u>\$ 1,425,945</u>

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds				
	Stadium Authority	Economic Development Corporation	Stadium and Land Development	Environmental Programs	Health and Family Services
Assets					
Equity in pooled cash and investments	\$ -	\$ 45,364	\$ 65,954	\$ 5,962,784	\$ -
Other cash and investments	-	5,105,024	-	200	-
Due from other funds	-	-	-	-	-
Receivables:					
Accounts	-	49,843	883,338	549,461	151,893
Due from other governments	-	104,647	-	-	5,208,852
Less allowance for uncollectible accounts	-	-	-	-	-
Supplies inventory, at cost	-	445,988	-	-	-
Prepayments and deposits	-	93,771	-	-	-
Long-term receivables	-	-	-	-	-
Less allowance for uncollectible accounts	-	-	-	-	-
Restricted assets -					
Equity in pooled cash and investments	578,155	-	-	-	-
Total assets	<u>\$ 578,155</u>	<u>\$ 5,844,637</u>	<u>\$ 949,292</u>	<u>\$ 6,512,445</u>	<u>\$ 5,360,745</u>
Liabilities					
Accounts and contracts payable	\$ -	\$ 1,044,061	\$ 3,000	\$ 6,749	\$ 1,973
Due to other funds	-	4,251,690	883,338	-	-
Interfund payable	-	-	-	-	3,053,987
Due to other governmental units	-	-	-	-	-
Accrued wages and benefits	-	-	-	13,637	3,238
Other liabilities	-	-	-	-	1,620,507
Unearned revenue	-	270,744	-	-	-
Total liabilities	<u>-</u>	<u>5,566,495</u>	<u>886,338</u>	<u>20,386</u>	<u>4,679,705</u>
Deferred inflows of resources					
Unavailable revenues - grants	-	-	-	-	1,852,073
Fund balances					
Nonspendable	-	539,759	-	-	-
Restricted for programs	578,155	-	62,954	6,492,059	-
Restricted for debt service	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned deficit	-	(261,617)	-	-	(1,171,033)
Total fund balances (deficits)	<u>578,155</u>	<u>278,142</u>	<u>62,954</u>	<u>6,492,059</u>	<u>(1,171,033)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 578,155</u>	<u>\$ 5,844,637</u>	<u>\$ 949,292</u>	<u>\$ 6,512,445</u>	<u>\$ 5,360,745</u>

Debt Service Funds			Capital Projects Funds			Totals
General Debt Service	Building Authority	Stadium Authority	Wayne County Construction	Building Authority Construction	Other Capital Projects	
\$ 1,971,489	\$ 5,518,791	\$ 8,466,650	\$ -	\$ -	\$ 1,594,136	\$ 44,474,937
-	-	-	-	100	-	5,159,374
-	-	883,338	-	-	-	883,338
-	144,290	-	-	-	-	2,421,013
-	2,632,572	-	-	-	-	10,522,817
-	-	-	-	-	-	(1,320)
-	-	-	-	-	-	445,988
-	-	-	-	-	-	93,771
-	-	-	-	-	-	670,282
-	-	-	-	-	-	(642,141)
-	-	-	382,654	57,213,596	12,514,416	72,021,220
<u>\$ 1,971,489</u>	<u>\$ 8,295,653</u>	<u>\$ 9,349,988</u>	<u>\$ 382,654</u>	<u>\$ 57,213,696</u>	<u>\$ 14,108,552</u>	<u>\$ 136,049,279</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 364,775	\$ 3,059,655
-	-	-	-	-	1,251,769	6,386,797
-	-	-	-	-	-	9,714,389
-	-	-	-	-	-	656,321
-	-	-	-	-	-	156,531
-	-	-	-	440,740	1,100,581	6,313,484
-	-	-	-	-	-	347,998
-	-	-	-	440,740	2,717,125	26,635,175
-	-	-	-	-	-	3,587,737
-	-	-	-	-	-	539,759
-	-	-	-	-	-	10,517,075
-	8,295,653	9,349,988	-	-	-	17,645,641
-	-	-	382,654	56,772,956	11,391,427	68,547,037
1,971,489	-	-	-	-	-	17,635,709
-	-	-	-	-	-	(9,058,854)
<u>1,971,489</u>	<u>8,295,653</u>	<u>9,349,988</u>	<u>382,654</u>	<u>56,772,956</u>	<u>11,391,427</u>	<u>105,826,367</u>
<u>\$ 1,971,489</u>	<u>\$ 8,295,653</u>	<u>\$ 9,349,988</u>	<u>\$ 382,654</u>	<u>\$ 57,213,696</u>	<u>\$ 14,108,552</u>	<u>\$ 136,049,279</u>

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended September 30, 2016

	Special Revenue Funds				
	Parks	Rouge Demonstration Project	Law Enforcement	Community Development Block Grant	Drug Enforcement
Revenue					
Taxes:					
Property taxes	\$ 9,093,831	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-	-
Licenses and permits	111,711	-	-	-	-
Federal grants	-	176,488	761,352	4,982,088	-
State grants and contracts	450,000	66,046	180,173	-	275,195
Local grants and contracts	-	5,801	-	-	-
Charges for services	1,472,314	1,485,938	2,998,076	145,530	930,903
Interest income (loss) and rents	121,510	-	-	13,310	10,323
Other	290,000	-	-	-	-
Total revenue	11,539,366	1,734,273	3,939,601	5,140,928	1,216,421
Expenditures					
Current operations:					
Judicial	-	-	-	-	-
General government	-	-	-	-	-
Public safety	-	-	3,690,796	-	527,026
Health and welfare	-	1,624,018	-	-	-
Recreational and cultural	13,289,823	-	-	-	-
Community and economic development	-	-	-	5,485,541	-
Capital outlay	788,849	6,760	12,752	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	14,078,672	1,630,778	3,703,548	5,485,541	527,026
Revenues over (under) expenditures	(2,539,306)	103,495	236,053	(344,613)	689,395
Other financing sources (uses)					
Transfers in	2,100,000	-	146,000	-	-
Transfers out	-	-	(500,000)	-	-
Proceeds from sale of capital assets	4,230	-	-	-	-
Total other financing sources (uses)	2,104,230	-	(354,000)	-	-
Net change in fund balances	(435,076)	103,495	(117,947)	(344,613)	689,395
Fund balances (deficits), beginning of year	12,767,863	83,429	1,262,107	995,611	1,384,467
Fund balances (deficits), end of year	\$ 12,332,787	\$ 186,924	\$ 1,144,160	\$ 650,998	\$ 2,073,862

Special Revenue Funds

Nutrition	Veteran's Trust	Community Corrections	Victim Witness	Soldiers' Relief	Youth Services	Community & Economic Development	Building Authority
\$ -	\$ -	\$ -	\$ -	\$ 1,381,906	\$ 3,491,953	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,906,152	-	-	726,837	-	-	1,715,292	-
1,009,448	205,952	2,497,738	966,233	-	-	-	-
-	-	-	-	-	-	-	-
395,857	-	-	-	-	-	26	-
(33,392)	1,848	-	-	488	(38,412)	(6,838)	1,395,724
48,952	-	-	-	-	-	-	-
<u>3,327,017</u>	<u>207,800</u>	<u>2,497,738</u>	<u>1,693,070</u>	<u>1,382,394</u>	<u>3,453,541</u>	<u>1,708,480</u>	<u>1,395,724</u>
-	-	-	2,260,050	-	-	-	-
-	170,097	-	-	1,705,106	-	-	425,607
-	-	2,492,917	-	-	-	-	-
4,763,315	-	-	-	-	208,047	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,278,136	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>4,763,315</u>	<u>170,097</u>	<u>2,492,917</u>	<u>2,260,050</u>	<u>1,705,106</u>	<u>208,047</u>	<u>2,278,136</u>	<u>425,607</u>
<u>(1,436,298)</u>	<u>37,703</u>	<u>4,821</u>	<u>(566,980)</u>	<u>(322,712)</u>	<u>3,245,494</u>	<u>(569,656)</u>	<u>970,117</u>
656,491	-	-	596,965	-	-	-	-
-	-	-	-	(382,461)	(3,284,899)	-	(957,976)
-	-	-	-	-	-	-	-
<u>656,491</u>	<u>-</u>	<u>-</u>	<u>596,965</u>	<u>(382,461)</u>	<u>(3,284,899)</u>	<u>-</u>	<u>(957,976)</u>
(779,807)	37,703	4,821	29,985	(705,173)	(39,405)	(569,656)	12,141
<u>(3,380,780)</u>	<u>237,917</u>	<u>37,332</u>	<u>(143,753)</u>	<u>1,600,986</u>	<u>74,993</u>	<u>(2,782,193)</u>	<u>1,398,081</u>
<u>\$ (4,160,587)</u>	<u>\$ 275,620</u>	<u>\$ 42,153</u>	<u>\$ (113,768)</u>	<u>\$ 895,813</u>	<u>\$ 35,588</u>	<u>\$ (3,351,849)</u>	<u>\$ 1,410,222</u>

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2016

	Special Revenue Funds				
	Stadium Authority	Economic Development Corporation	Stadium and Land Development	Environmental Programs	Health and Family Services
Revenue					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	9,967,676	-	-
Licenses and permits	-	-	-	-	-
Federal grants	-	-	-	-	19,972,513
State grants and contracts	-	-	-	-	-
Local grants and contracts	-	316,000	-	-	-
Charges for services	-	572,947	-	2,600,248	-
Interest income (loss) and rents	-	(168)	1,205	57,592	-
Other	-	-	-	-	-
Total revenue	-	888,779	9,968,881	2,657,840	19,972,513
Expenditures					
Current operations:					
Judicial	-	-	-	-	-
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Health and welfare	-	-	-	2,060,609	21,665,340
Recreational and cultural	2,245	-	9,893,816	-	-
Community and economic development	-	806,399	-	-	-
Capital outlay	-	-	-	31,353	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	2,245	806,399	9,893,816	2,091,962	21,665,340
Revenues over (under) expenditures	(2,245)	82,380	75,065	565,878	(1,692,827)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(2,245)	82,380	75,065	565,878	(1,692,827)
Fund balances (deficits), beginning of year	580,400	195,762	(12,111)	5,926,181	521,794
Fund balances (deficits), end of year	\$ 578,155	\$ 278,142	\$ 62,954	\$ 6,492,059	\$ (1,171,033)

Debt Service Funds			Capital Projects Funds			Totals
General Debt Service	Building Authority	Stadium Authority	Wayne County Construction	Building Authority Construction	Other Capital Projects	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,967,690
-	-	-	-	-	-	9,967,676
-	-	-	-	-	-	111,711
-	-	-	-	-	-	30,240,722
-	-	-	-	-	-	5,650,785
-	-	-	-	-	-	321,801
-	-	9,676,605	-	-	-	20,278,444
4,974,037	30,087,910	504	2,732	327,679	65,759	36,981,811
-	-	-	-	3,407,461	-	3,746,413
4,974,037	30,087,910	9,677,109	2,732	3,735,140	65,759	121,267,053
-	-	-	-	-	-	2,260,050
-	-	4,322,211	-	-	-	6,623,021
-	-	-	-	-	-	6,710,739
-	-	-	-	-	-	30,321,329
-	-	-	-	-	-	23,185,884
-	-	-	-	-	167,959	8,738,035
-	-	-	-	544,458	4,753,319	6,137,491
6,250,000	10,695,000	3,855,000	-	-	-	20,800,000
5,127,902	20,419,980	2,470,375	-	-	-	28,018,257
11,377,902	31,114,980	10,647,586	-	544,458	4,921,278	132,794,806
(6,403,865)	(1,027,070)	(970,477)	2,732	3,190,682	(4,855,519)	(11,527,753)
6,403,865	957,976	-	-	-	7,600,000	18,461,297
-	-	-	-	-	(500,000)	(5,625,336)
-	-	-	-	-	-	4,230
6,403,865	957,976	-	-	-	7,100,000	12,840,191
-	(69,094)	(970,477)	2,732	3,190,682	2,244,481	1,312,438
1,971,489	8,364,747	10,320,465	379,922	53,582,274	9,146,946	104,513,929
\$ 1,971,489	\$ 8,295,653	\$ 9,349,988	\$ 382,654	\$ 56,772,956	\$ 11,391,427	\$ 105,826,367

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Parks Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ 9,142,176	\$ 9,142,176	\$ 9,093,831	\$ (48,345)
Excise taxes	-	-	-	-
Licenses and permits	100,000	100,000	111,711	11,711
Federal grants	-	-	-	-
State grants and contracts	-	-	450,000	450,000
Local grants and contracts	-	-	-	-
Charges for services	1,637,000	1,637,000	1,472,314	(164,686)
Interest income (loss) and rents	55,000	55,000	121,510	66,510
Other	290,000	290,000	290,000	-
Total revenue	11,224,176	11,224,176	11,539,366	315,190
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	13,353,155	19,738,346	13,289,823	(6,448,523)
Economic development	-	-	-	-
Capital outlay	659,000	4,079,000	788,849	(3,290,151)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	14,012,155	23,817,346	14,078,672	(9,738,674)
Revenues over (under) expenditures	(2,787,979)	(12,593,170)	(2,539,306)	10,053,864
Other financing sources (uses)				
Transfers in	2,100,000	2,100,000	2,100,000	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	4,230	4,230
Total other financing sources (uses)	2,100,000	2,100,000	2,104,230	4,230
Net change in fund balances	(687,979)	(10,493,170)	(435,076)	10,058,094
Fund balance, beginning of year	12,767,863	12,767,863	12,767,863	-
Fund balance, end of year	\$ 12,079,884	\$ 2,274,693	\$ 12,332,787	\$ 10,058,094

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Rouge Demonstration Project Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	499,292	499,292	176,488	(322,804)
State grants and contracts	177,193	177,193	66,046	(111,147)
Local grants and contracts	37,000	37,000	5,801	(31,199)
Charges for services	1,626,450	1,557,658	1,485,938	(71,720)
Interest income (loss) and rents	-	-	-	-
Other	-	-	-	-
Total revenue	2,339,935	2,271,143	1,734,273	(536,870)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	2,141,397	2,264,143	1,624,018	(640,125)
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	7,000	7,000	6,760	(240)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,148,397	2,271,143	1,630,778	(640,365)
Revenues over (under) expenditures	191,538	-	103,495	103,495
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	191,538	-	103,495	103,495
Fund balance, beginning of year	83,429	83,429	83,429	-
Fund balance, end of year	\$ 274,967	\$ 83,429	\$ 186,924	\$ 103,495

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Law Enforcement Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	1,466,254	2,790,269	761,352	(2,028,917)
State grants and contracts	217,000	217,000	180,173	(36,827)
Local grants and contracts	-	-	-	-
Charges for services	2,867,421	3,009,241	2,998,076	(11,165)
Interest income (loss) and rents	-	-	-	-
Other	-	-	-	-
Total revenue	4,550,675	6,016,510	3,939,601	(2,076,909)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	7,919,409	9,531,244	3,690,796	(5,840,448)
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	33,741	33,741	12,752	(20,989)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	7,953,150	9,564,985	3,703,548	(5,861,437)
Revenues over (under) expenditures	(3,402,475)	(3,548,475)	236,053	3,784,528
Other financing sources (uses)				
Transfers in	-	146,000	146,000	-
Transfers out	-	-	(500,000)	500,000
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	146,000	(354,000)	(500,000)
Net change in fund balances	(3,402,475)	(3,402,475)	(117,947)	3,284,528
Fund balance, beginning of year	5,232	5,258	1,262,107	1,256,849
Fund balance (deficit), end of year	\$ (3,397,243)	\$ (3,397,217)	\$ 1,144,160	\$ 4,541,377

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Community Development Block Grant Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	12,495,404	12,529,360	4,982,088	(7,547,272)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	100,000	100,000	145,530	45,530
Interest income (loss) and rents	-	-	13,310	13,310
Other	-	-	-	-
Total revenue	12,595,404	12,629,360	5,140,928	(7,488,432)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	12,595,404	12,629,360	5,485,541	(7,143,819)
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	12,595,404	12,629,360	5,485,541	(7,143,819)
Revenues over (under) expenditures	-	-	(344,613)	(344,613)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(344,613)	(344,613)
Fund balance, beginning of year	995,611	995,611	995,611	-
Fund balance, end of year	<u>\$ 995,611</u>	<u>\$ 995,611</u>	<u>\$ 650,998</u>	<u>\$ (344,613)</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Drug Enforcement Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	30,885	275,195	244,310
Local grants and contracts	-	-	-	-
Charges for services	381,500	763,975	930,903	166,928
Interest income (loss) and rents	-	16	10,323	10,307
Other	-	-	-	-
Total revenue	381,500	794,876	1,216,421	421,545
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	617,712	1,048,067	527,026	(521,041)
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	617,712	1,048,067	527,026	(521,041)
Revenues over (under) expenditures	(236,212)	(253,191)	689,395	942,586
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(236,212)	(253,191)	689,395	942,586
Fund balance, beginning of year	1,384,467	1,384,467	1,384,467	-
Fund balance, end of year	\$ 1,148,255	\$ 1,131,276	\$ 2,073,862	\$ 942,586

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Nutrition Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	2,176,855	2,329,292	1,906,152	(423,140)
State grants and contracts	824,341	1,010,119	1,009,448	(671)
Local grants and contracts	-	-	-	-
Charges for services	375,000	375,000	395,857	20,857
Interest income (loss) and rents	-	-	(33,392)	(33,392)
Other	25,000	25,000	48,952	23,952
Total revenue	3,401,196	3,739,411	3,327,017	(412,394)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	4,072,839	4,513,441	4,763,315	249,874
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	4,072,839	4,513,441	4,763,315	249,874
Revenues over (under) expenditures	(671,643)	(774,030)	(1,436,298)	(662,268)
Other financing sources (uses)				
Transfers in	671,643	774,030	656,491	(117,539)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	671,643	774,030	656,491	(117,539)
Net change in fund balances	-	-	(779,807)	(779,807)
Fund balance (deficit), beginning of year	(3,380,780)	(3,380,780)	(3,380,780)	-
Fund balance (deficit), end of year	\$ (3,380,780)	\$ (3,380,780)	\$ (4,160,587)	\$ (779,807)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Veteran's Trust Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	250,000	250,000	205,952	(44,048)
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	1,848	1,848
Other	-	-	-	-
Total revenue	250,000	250,000	207,800	(42,200)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	250,000	250,000	170,097	(79,903)
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	250,000	250,000	170,097	(79,903)
Revenues over (under) expenditures	-	-	37,703	37,703
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	37,703	37,703
Fund balance, beginning of year	237,917	237,917	237,917	-
Fund balance, end of year	\$ 237,917	\$ 237,917	\$ 275,620	\$ 37,703

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Community Corrections Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	2,821,653	2,821,653	2,497,738	(323,915)
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	-	-
Other	-	-	-	-
Total revenue	2,821,653	2,821,653	2,497,738	(323,915)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	2,773,839	2,797,194	2,492,917	(304,277)
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	1,000	1,000	-	(1,000)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,774,839	2,798,194	2,492,917	(305,277)
Revenues over (under) expenditures	46,814	23,459	4,821	(18,638)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	46,814	23,459	4,821	(18,638)
Fund balance, beginning of year	37,332	37,332	37,332	-
Fund balance, end of year	\$ 84,146	\$ 60,791	\$ 42,153	\$ (18,638)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Victim Witness Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	862,560	862,560	726,837	(135,723)
State grants and contracts	780,000	780,000	966,233	186,233
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	-	-
Other	-	-	-	-
Total revenue	1,642,560	1,642,560	1,693,070	50,510
Expenditures				
Current operations:				
Judicial	2,166,382	2,347,400	2,260,050	(87,350)
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,166,382	2,347,400	2,260,050	(87,350)
Revenues over (under) expenditures	(523,822)	(704,840)	(566,980)	137,860
Other financing sources (uses)				
Transfers in	584,904	708,740	596,965	(111,775)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	584,904	708,740	596,965	(111,775)
Net change in fund balances	61,082	3,900	29,985	26,085
Fund balance (deficit), beginning of year	(143,753)	(143,753)	(143,753)	-
Fund balance (deficit), end of year	\$ (82,671)	\$ (139,853)	\$ (113,768)	\$ 26,085

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Soldiers' Relief Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ 1,372,460	\$ 1,372,460	\$ 1,381,906	\$ 9,446
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	488	488
Other	-	-	-	-
Total revenue	1,372,460	1,372,460	1,382,394	9,934
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	2,097,618	2,112,414	1,705,106	(407,308)
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	2,999	3,000	-	(3,000)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,100,617	2,115,414	1,705,106	(410,308)
Revenues over (under) expenditures	(728,157)	(742,954)	(322,712)	420,242
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(500,000)	(500,000)	(382,461)	(117,539)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(500,000)	(500,000)	(382,461)	117,539
Net change in fund balances	(1,228,157)	(1,242,954)	(705,173)	537,781
Fund balance, beginning of year	1,600,986	1,600,986	1,600,986	-
Fund balance, end of year	\$ 372,829	\$ 358,032	\$ 895,813	\$ 537,781

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Youth Services Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ 3,501,669	\$ 3,501,669	\$ 3,491,953	\$ (9,716)
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	(38,412)	(38,412)
Other	-	-	-	-
Total revenue	3,501,669	3,501,669	3,453,541	(48,128)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	216,088	216,770	208,047	(8,723)
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	216,088	216,770	208,047	(8,723)
Revenues over (under) expenditures	3,285,581	3,284,899	3,245,494	(39,405)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(3,285,581)	(3,284,899)	(3,284,899)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(3,285,581)	(3,284,899)	(3,284,899)	-
Net change in fund balances	-	-	(39,405)	(39,405)
Fund balance, beginning of year	74,993	74,993	74,993	-
Fund balance, end of year	\$ 74,993	\$ 74,993	\$ 35,588	\$ (39,405)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Community and Economic Development
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	9,544,142	1,946,769	1,715,292	(231,477)
State grants and contracts	-	-	-	-
Local grants and contracts	-	200,000	-	(200,000)
Charges for services	-	-	26	26
Interest income (loss) and rents	-	-	(6,838)	(6,838)
Other	-	-	-	-
Total revenue	9,544,142	2,146,769	1,708,480	(438,289)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	9,544,142	2,146,769	2,278,136	131,367
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	9,544,142	2,146,769	2,278,136	131,367
Revenues over (under) expenditures	-	-	(569,656)	(569,656)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(569,656)	(569,656)
Fund balance (deficit), beginning of year	(2,782,193)	(2,782,193)	(2,782,193)	-
Fund balance (deficit), end of year	\$ (2,782,193)	\$ (2,782,193)	\$ (3,351,849)	\$ (569,656)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Economic Development Corporation Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	316,000	316,000
Charges for services	565,149	565,149	572,947	7,798
Interest income (loss) and rents	88,300	88,300	(168)	(88,468)
Other	-	-	-	-
Total revenue	653,449	653,449	888,779	235,330
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Economic development	501,815	501,815	806,399	304,584
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	501,815	501,815	806,399	304,584
Revenues over (under) expenditures	151,634	151,634	82,380	(69,254)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	151,634	151,634	82,380	(69,254)
Fund balance, beginning of year	195,762	195,762	195,762	-
Fund balance, end of year	\$ 347,396	\$ 347,396	\$ 278,142	\$ (69,254)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Stadium and Land Development Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	8,900,000	8,900,000	9,967,676	1,067,676
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	1,205	1,205
Other	-	-	-	-
Total revenue	8,900,000	8,900,000	9,968,881	1,068,881
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	8,900,000	8,900,000	9,893,816	993,816
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	8,900,000	8,900,000	9,893,816	993,816
Revenues over (under) expenditures	-	-	75,065	75,065
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	75,065	75,065
Fund balance (deficit), beginning of year	(12,111)	(12,111)	(12,111)	-
Fund balance (deficit), end of year	\$ (12,111)	\$ (12,111)	\$ 62,954	\$ 75,065

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Environmental Programs Fund
 For the Year Ended September 30, 2016

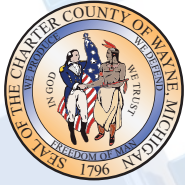
	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	2,337,200	2,337,200	2,600,248	263,048
Interest income (loss) and rents	15,000	15,000	57,592	42,592
Other	-	-	-	-
Total revenue	2,352,200	2,352,200	2,657,840	305,640
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	2,496,527	2,715,754	2,060,609	(655,145)
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	6,500	6,500	31,353	24,853
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,503,027	2,722,254	2,091,962	(630,292)
Revenues over (under) expenditures	(150,827)	(370,054)	565,878	935,932
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(150,827)	(370,054)	565,878	935,932
Fund balance, beginning of year	5,926,181	5,926,181	5,926,181	-
Fund balance, end of year	\$ 5,775,354	\$ 5,556,127	\$ 6,492,059	\$ 935,932

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
 Nonmajor Governmental Funds
 Health and Family Services Fund
 For the Year Ended September 30, 2016

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	26,306,704	34,339,748	19,972,513	(14,367,235)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest income (loss) and rents	-	-	-	-
Other	-	-	-	-
Total revenue	26,306,704	34,339,748	19,972,513	(14,367,235)
Expenditures				
Current operations:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	26,306,704	34,339,748	21,665,340	(12,674,408)
Recreational and cultural	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	26,306,704	34,339,748	21,665,340	(12,674,408)
Revenues over (under) expenditures	-	-	(1,692,827)	(1,692,827)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(1,692,827)	(1,692,827)
Fund balance, beginning of year	521,794	521,794	521,794	-
Fund balance (deficit), end of year	\$ 521,794	\$ 521,794	\$ (1,171,033)	\$ (1,692,827)

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

NON-MAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS ARE USED TO ACCOUNT FOR OPERATIONS 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.

Northeast Sewage Disposal System - This fund records the fiscal activities associated 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.

CSO Basins - This fund is used to account for activities 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.

Jail Commissary - This fund is used to account for the revenues and expenditures associated with the operation of the commissary at the County's jails.

Parking Lots - This fund is used to account for activities related to County employee subsidized parking.

Wetlands Mitigation - This fund is used to account for the marketing of environmental credits earned by the conversion of County owned land.

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CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2016

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Totals
Assets						
Current assets:						
Equity in pooled cash and investments	\$ 3,879,822	\$ -	\$ 1,911,330	\$ 665,329	\$ -	\$ 6,456,481
Other cash and investments	-	-	48,279	-	-	48,279
Receivables:						
Accounts	-	-	299,149	-	-	299,149
Due from other governments	2,044,651	478,402	-	-	-	2,523,053
Restricted assets:						
Equity in pooled cash and investments	2,277,974	4,120,411	-	-	-	6,398,385
Accounts receivable	-	4,840,350	-	-	-	4,840,350
Bond principal due from municipalities	-	2,103,699	-	-	-	2,103,699
Total current assets	<u>8,202,447</u>	<u>11,542,862</u>	<u>2,258,758</u>	<u>665,329</u>	<u>-</u>	<u>22,669,396</u>
Noncurrent assets:						
Capital assets not being depreciated	13,350,279	-	-	-	155,467	13,505,746
Capital assets being depreciated, net	1,896,197	-	-	-	-	1,896,197
Total noncurrent assets	<u>15,246,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,467</u>	<u>15,401,943</u>
Total assets	<u>23,448,923</u>	<u>11,542,862</u>	<u>2,258,758</u>	<u>665,329</u>	<u>155,467</u>	<u>38,071,339</u>
Deferred outflows of resources						
Deferred charge on refunding	-	19,438	-	-	-	19,438
Liabilities						
Current liabilities:						
Accounts and contracts payable	102,768	81,803	134,054	-	-	318,625
Accrued wages and benefits	-	-	3,248	-	-	3,248
Accrued interest	-	2,697,132	-	-	-	2,697,132
Interfund payable	-	334,482	-	-	2,174	336,656
Compensated absences, current	-	-	27,260	-	-	27,260
Other liabilities	4,415,458	31,604	48,279	-	-	4,495,341
Bonds payable due in less than one year	565,000	1,671,083	-	-	-	2,236,083
Total current liabilities	<u>5,083,226</u>	<u>4,816,104</u>	<u>212,841</u>	<u>-</u>	<u>2,174</u>	<u>10,114,345</u>
Noncurrent liabilities -						
Bonds and notes payable due in more that one year	12,192,823	4,242,546	-	-	-	16,435,369
Total liabilities	<u>17,276,049</u>	<u>9,058,650</u>	<u>212,841</u>	<u>-</u>	<u>2,174</u>	<u>26,549,714</u>
Net position						
Net investment in capital assets	2,488,653	-	-	-	155,467	2,644,120
Restricted for bond programs	2,277,974	2,453,699	-	-	-	4,731,673
Unrestricted (deficit)	1,406,247	49,951	2,045,917	665,329	(2,174)	4,165,270
Total net position	<u>\$ 6,172,874</u>	<u>\$ 2,503,650</u>	<u>\$ 2,045,917</u>	<u>\$ 665,329</u>	<u>\$ 153,293</u>	<u>\$11,541,063</u>
Reconciliation of restricted net position						
Total restricted assets	\$ 2,277,974	\$11,064,460	\$ -	\$ -	\$ -	\$13,342,434
Less liabilities payable from restricted assets (excluding capital-related borrowings)	-	(8,610,761)	-	-	-	(8,610,761)
	<u>\$ 2,277,974</u>	<u>\$ 2,453,699</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,731,673</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Nonmajor Enterprise Funds
 For the Year Ended September 30, 2016

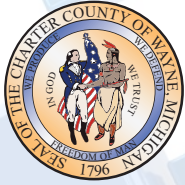
	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Totals
Operating revenue						
Sewage disposal charges	\$25,833,275	\$ 54,900	\$ -	\$ -	\$ -	\$25,888,175
Other charges for services	-	1,323,976	3,532,991	-	-	4,856,967
Total operating revenue	25,833,275	1,378,876	3,532,991	-	-	30,745,142
Operating expenses						
Personnel	-	-	207,196	-	-	207,196
Fringe benefits	-	-	102,302	-	-	102,302
Pension	-	-	56,051	-	-	56,051
Materials and supplies	30,280	50,524	612,521	-	-	693,325
Contractual services	23,746,440	973,784	487,671	-	-	25,207,895
Travel	-	-	875	-	-	875
Miscellaneous operating	455,737	247,293	652,410	-	-	1,355,440
Rentals	341,082	14,127	-	-	-	355,209
Other charges	-	-	691,692	-	-	691,692
Depreciation and amortization	358,665	-	-	-	-	358,665
Total operating expenses	24,932,204	1,285,728	2,810,718	-	-	29,028,650
Operating income	901,071	93,148	722,273	-	-	1,716,492
Nonoperating revenues (expenses)						
Investment earnings (loss)	42,697	115,398	24,143	4,754	(16)	186,976
Collections from participating local units	-	263,881	-	-	-	263,881
Interest expense	(253,945)	(334,569)	-	-	-	(588,514)
Total nonoperating revenues (expenses)	(211,248)	44,710	24,143	4,754	(16)	(137,657)
Income (loss) before transfers	689,823	137,858	746,416	4,754	(16)	1,578,835
Transfers out	-	-	(1,102,445)	-	-	(1,102,445)
Change in net position	689,823	137,858	(356,029)	4,754	(16)	476,390
Net position, beginning of year	5,483,051	2,365,792	2,401,946	660,575	153,309	11,064,673
Net position, end of year	\$ 6,172,874	\$ 2,503,650	\$ 2,045,917	\$ 665,329	\$ 153,293	\$11,541,063

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2016

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Totals
Cash flows from operating activities						
Receipts from customers	\$25,738,543	\$ 674,888	\$ 2,130,165	\$ -	\$ -	\$28,543,596
Payments to employees	-	-	(210,209)	-	-	(210,209)
Payments for benefits	-	-	(158,353)	-	-	(158,353)
Payments to suppliers	(24,390,016)	(1,151,884)	(2,403,093)	-	-	(27,944,993)
Receipts from/(payments to) other funds	-	334,482	-	-	16	334,498
Net cash provided by (used in) operating activities	1,348,527	(142,514)	(641,490)	-	16	564,539
Cash flows from non-capital financing activities						
Transfers out to other funds	-	-	(1,102,445)	-	-	(1,102,445)
Cash flows from capital and related financing activities						
Repayment of long-term debt	(555,000)	(2,975,000)	-	-	-	(3,530,000)
Proceeds from issuance of long-term debt	658,481	1,321,937	-	-	-	1,980,418
Bond principal received from municipalities	-	3,687,850	-	-	-	3,687,850
Interest received from participating local units	-	263,881	-	-	-	263,881
Acquisition of capital assets	(571,910)	-	-	-	-	(571,910)
Interest paid	(253,945)	(1,320,282)	-	-	-	(1,574,227)
Net cash provided by (used in) capital and related financing activities	(722,374)	978,386	-	-	-	256,012
Cash flows from investing activities:						
Investment earnings (loss)	42,697	115,398	24,143	4,754	(16)	186,976
Change in cash and cash equivalents	668,850	951,270	(1,719,792)	4,754	-	(94,918)
Cash and cash equivalents, beginning of year	5,488,946	3,169,141	3,679,401	660,575	-	12,998,063
Cash and cash equivalents, end of year	\$ 6,157,796	\$ 4,120,411	\$ 1,959,609	\$ 665,329	\$ -	\$12,903,145
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 901,071	\$ 93,148	\$ 722,273	\$ -	\$ -	\$ 1,716,492
Adjustments to reconcile operating income (loss) to net cash used by operating activities:						
Depreciation	358,665	-	-	-	-	358,665
Amortization of bond discounts, bond premiums and deferred charge on refunding	-	81,388	-	-	-	81,388
Changes in current assets, current liabilities and deferrals:						
Accounts receivable	-	(1,200,465)	(49,826)	-	-	(1,250,291)
Due from other governments	(94,732)	496,477	-	-	-	401,745
Accounts and contracts payable	(2,882)	27,146	42,110	-	-	66,374
Accrued wages	-	-	(10,677)	-	-	(10,677)
Interfund payable	-	334,482	-	-	16	334,498
Unearned revenue	-	-	(1,353,000)	-	-	(1,353,000)
Compensated absences	-	-	7,664	-	-	7,664
Other liabilities	186,405	25,310	(34)	-	-	211,681
Net cash provided by (used in) operating activities	\$ 1,348,527	\$ (142,514)	\$ (641,490)	\$ -	\$ 16	\$ 564,539
Cash and cash equivalents at year end consist of:						
Equity in pooled cash and investments	\$ 3,879,822	\$ -	\$ 1,911,330	\$ 665,329	\$ -	\$ 6,456,481
Other cash and investments	-	-	48,279	-	-	48,279
Restricted assets - Equity in pooled cash and equivalents	2,277,974	4,120,411	-	-	-	6,398,385
Total cash and investments	\$ 6,157,796	\$ 4,120,411	\$ 1,959,609	\$ 665,329	\$ -	\$12,903,145

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

INTERNAL SERVICE FUNDS

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.

Central Services - This fund is used to distribute the County's costs of internal services provided by the Department of Technology and the Building and Grounds Division of the Department of Public Services.

Environment - This fund is used to distribute costs to the various sewage districts, drains, and other Department of Public Services - Environment activities.

Long-Term Disability - This fund is used to accumulate and disburse monies related to long-term disability claims.

General Health - This fund is used to accumulate and disburse monies related to employee health benefits.

Workers' Compensation Self Insurance - This fund is used to accumulate and disburse monies related to worker's compensation claims.

General Liability - This fund is used to accumulate and disburse monies related to property insurance costs.

Building and Grounds Maintenance - This fund is used to account for the maintenance of all County General Fund buildings.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position
Internal Service Funds
September 30, 2016

	Central Services	Environment	Long-term Disability	General Health
Assets				
Current assets:				
Equity in pooled cash and investments	\$ 4,574,271	\$ 802,726	\$ 370,984	\$ 1,486,120
Other cash and investments	1,450	1,375	-	100
Receivables:				
Accounts	126,953	-	-	-
Due from other governments	95,455	-	-	-
Prepayments and deposits	-	-	-	1,024,000
Total current assets	<u>4,798,129</u>	<u>804,101</u>	<u>370,984</u>	<u>2,510,220</u>
Noncurrent assets:				
Capital assets not being depreciated	-	23,678	-	-
Capital assets being depreciated, net	5,311	134,252	-	-
Total noncurrent assets	<u>5,311</u>	<u>157,930</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,803,440</u>	<u>962,031</u>	<u>370,984</u>	<u>2,510,220</u>
Liabilities				
Current liabilities:				
Accounts and contracts payable	554,967	5,042	-	196,963
Accrued wages and benefits	31,182	17,625	14,043	476
Compensated absences	208,819	126,924	-	-
Claims payable, current	-	-	-	-
Other liabilities	452,209	-	331,086	1,706,058
Total current liabilities	<u>1,247,177</u>	<u>149,591</u>	<u>345,129</u>	<u>1,903,497</u>
Noncurrent liabilities:				
Other postemployment benefit obligation	818,148	556,668	-	-
Net pension liability	1,972,359	2,423,184	-	-
Claims payable, net of current portion	-	-	-	-
Total noncurrent liabilities	<u>2,790,507</u>	<u>2,979,852</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,037,684</u>	<u>3,129,443</u>	<u>345,129</u>	<u>1,903,497</u>
Deferred inflows of resources				
Deferred pension amounts	<u>45,706</u>	<u>56,151</u>	<u>-</u>	<u>-</u>
Net position				
Net investment in capital assets	5,311	157,930	-	-
Unrestricted (deficit)	<u>714,739</u>	<u>(2,381,493)</u>	<u>25,855</u>	<u>606,723</u>
Total net position	<u>\$ 720,050</u>	<u>\$ (2,223,563)</u>	<u>\$ 25,855</u>	<u>\$ 606,723</u>

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position Internal Service Funds September 30, 2016

	Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
Assets				
Current assets:				
Equity in pooled cash and investments	\$ 12,193,412	\$ 4,568,273	\$ 2,109,255	\$ 26,105,041
Other cash and investments	-	-	1,000	3,925
Receivables:				
Accounts	-	-	-	126,953
Due from other governments	-	-	-	95,455
Prepayments and deposits	-	1,110,145	-	2,134,145
Total current assets	12,193,412	5,678,418	2,110,255	28,465,519
Noncurrent assets:				
Capital assets not being depreciated	-	-	-	23,678
Capital assets being depreciated, net	-	-	1,430,101	1,569,664
Total noncurrent assets	-	-	1,430,101	1,593,342
Total assets	12,193,412	5,678,418	3,540,356	30,058,861
Liabilities				
Current liabilities:				
Accounts and contracts payable	47,249	74,343	188,094	1,066,658
Accrued wages and benefits	-	-	74,989	138,315
Compensated absences	-	-	417,351	753,094
Claims payable, current	1,318,181	-	-	1,318,181
Other liabilities	-	511	1,005,532	3,495,396
Total current liabilities	1,365,430	74,854	1,685,966	6,771,644
Noncurrent liabilities:				
Other postemployment benefit obligation	2,574	-	1,394,297	2,771,687
Net pension liability	-	-	14,370,041	18,765,584
Claims payable, net of current portion	3,954,543	-	-	3,954,543
Total noncurrent liabilities	3,957,117	-	15,764,338	25,491,814
Total liabilities	5,322,547	74,854	17,450,304	32,263,458
Deferred inflows of resources				
Deferred pension amounts	-	-	332,987	434,844
Net position				
Net investment in capital assets	-	-	1,430,101	1,593,342
Unrestricted (deficit)	6,870,865	5,603,564	(15,673,036)	(4,232,783)
Total net position	\$ 6,870,865	\$ 5,603,564	\$ (14,242,935)	\$ (2,639,441)

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2016

	Central Services	Environment	Long-term Disability	General Health
Operating revenue				
Charges for services	\$ 13,747,507	\$ 2,610,347	\$ 909,703	\$ 80,315,090
Rentals and expense recoveries	-	188,495	-	-
Other revenue	-	38,160	-	-
Total operating revenue	13,747,507	2,837,002	909,703	80,315,090
Operating expenses				
Personnel	2,119,885	1,072,919	-	3,109
Fringe benefits	856,696	382,978	-	-
Pension	61,286	(3,450,496)	-	-
Materials and supplies	3,891	26,222	-	-
Contractual services	6,930,458	707,777	16,483	702,453
Insurance benefits	-	-	807,097	78,537,720
Travel	18,906	9,376	-	-
Miscellaneous operating	343,183	36,220	-	-
Rentals	1,040,325	231,867	-	-
Other charges	-	-	-	255,575
Depreciation and amortization	282,548	37,241	-	-
Total operating expenses	11,657,178	(945,896)	823,580	79,498,857
Operating income	2,090,329	3,782,898	86,123	816,233
Non-operating revenues (expenses)				
Investment earnings (loss)	-	5,314	-	-
Operating income before transfers	2,090,329	3,788,212	86,123	816,233
Transfers in	-	-	-	-
Transfers out	(1,604,063)	-	-	-
Change in net position	486,266	3,788,212	86,123	816,233
Net position (deficit), beginning of year, as restated	233,784	(6,011,775)	(60,268)	(209,510)
Net position (deficit), end of year	\$ 720,050	\$ (2,223,563)	\$ 25,855	\$ 606,723

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2016**

	Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
Operating revenue				
Charges for services	\$ 2,806,858	\$ 3,915,604	\$ 13,251,433	\$ 117,556,542
Rentals and expense recoveries	-	-	404,301	592,796
Other revenue	-	-	450	38,610
Total operating revenue	2,806,858	3,915,604	13,656,184	118,187,948
Operating expenses				
Personnel	-	-	4,239,978	7,435,891
Fringe benefits	-	-	1,570,350	2,810,024
Pension	-	-	(1,591,031)	(4,980,241)
Materials and supplies	-	-	796,296	826,409
Contractual services	252,306	115,986	1,199,781	9,925,244
Insurance benefits	2,263,392	2,381,837	-	83,990,046
Travel	-	-	25,310	53,592
Miscellaneous operating	-	-	4,380,717	4,760,120
Rentals	-	-	209,161	1,481,353
Other charges	-	-	303,361	558,936
Depreciation and amortization	-	-	156,299	476,088
Total operating expenses	2,515,698	2,497,823	11,290,222	107,337,462
Operating income (loss)	291,160	1,417,781	2,365,962	10,850,486
Non-operating revenues (expenses)				
Investment earnings (loss)	-	-	(40,509)	(35,195)
Operating income (loss) before transfers	291,160	1,417,781	2,325,453	10,815,291
Transfers in	-	-	426,000	426,000
Transfers out	-	-	-	(1,604,063)
Change in net position	291,160	1,417,781	2,751,453	9,637,228
Net position (deficit), beginning of year, as restated	6,579,705	4,185,783	(16,994,388)	(12,276,669)
Net position (deficit), end of year	<u>\$ 6,870,865</u>	<u>\$ 5,603,564</u>	<u>\$ (14,242,935)</u>	<u>\$ (2,639,441)</u>

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2016

	Central Services	Environment	Long-term Disability	General Health
Cash flows from operating activities				
Receipts for interfund services provided	\$ 13,747,507	\$ 2,648,507	\$ 909,703	\$ 80,315,090
Receipts from other governments	(126,953)	188,495	-	-
Payments to employees	(2,271,790)	(1,192,966)	(20,139)	(3,619)
Payments for benefits	(1,550,287)	(737,640)	-	-
Payments to suppliers	(8,580,283)	(1,020,204)	(823,580)	(80,037,608)
Net cash provided by (used in) operating activities	1,218,194	(113,808)	65,984	273,863
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	(1,604,063)	-	-	-
Net cash provided by (used in) noncapital and related financing activities	(1,604,063)	-	-	-
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	(38,847)	-	-
Cash flows from investing activities				
Investment earnings (loss)	-	5,314	-	-
Change in cash and cash equivalents	(385,869)	(147,341)	65,984	273,863
Cash and cash equivalents, beginning of year	4,961,590	951,442	305,000	1,212,357
Cash and cash equivalents, end of year	\$ 4,575,721	\$ 804,101	\$ 370,984	\$ 1,486,220
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income	\$ 2,090,329	\$ 3,782,898	\$ 86,123	\$ 816,233
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	282,548	37,241	-	-
Changes in current assets, current liabilities and deferrals:				
Accounts receivable	(126,953)	-	-	1,474,010
Prepayments and deposits	-	-	-	(1,024,000)
Deferred pension amounts (outflows)	45,090	107,420	-	-
Accounts and contracts payable	(483,170)	(6,267)	-	(297,813)
Accrued wages	(92,899)	(61,429)	(20,139)	(510)
Compensated absences	(59,006)	(58,618)	-	-
Other liabilities	239,650	(2,475)	-	(694,057)
Unearned revenue	-	-	-	-
Net other postemployment benefits	(15,243)	(6,689)	-	-
Net pension liability	(647,614)	(3,818,517)	-	-
Deferred pension amounts (inflows)	(14,538)	(87,372)	-	-
Net cash provided by (used in) operating activities	\$ 1,218,194	\$ (113,808)	\$ 65,984	\$ 273,863
Cash and cash equivalents at year end consist of:				
Equity in pooled cash and investments	\$ 4,574,271	\$ 802,726	\$ 370,984	\$ 1,486,120
Other cash and investments	1,450	1,375	-	100
Total cash and investments	\$ 4,575,721	\$ 804,101	\$ 370,984	\$ 1,486,220

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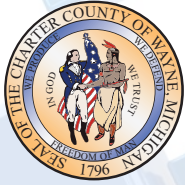
CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2016

	Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
Cash flows from operating activities				
Receipts for interfund services provided	\$ 2,806,858	\$ 3,915,604	\$ 13,251,883	\$ 117,595,152
Receipts from other governments	-	-	404,301	465,843
Payments to employees	-	-	(4,511,785)	(8,000,299)
Payments for benefits	-	-	(3,126,652)	(5,414,579)
Payments to suppliers	(2,729,022)	(2,407,180)	(6,315,479)	(101,913,356)
Net cash provided by (used in) operating activities	77,836	1,508,424	(297,732)	2,732,761
Cash flows from noncapital financing activities				
Transfers in	-	-	426,000	426,000
Transfers out	-	-	-	(1,604,063)
Net cash provided by (used in) noncapital and related financing activities	-	-	426,000	(1,178,063)
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	-	-	(38,847)
Cash flows from investing activities				
Investment earnings (loss)	-	-	(40,509)	(35,195)
Change in cash and cash equivalents	77,836	1,508,424	87,759	1,480,656
Cash and cash equivalents, beginning of year	12,115,576	3,059,849	2,022,496	24,628,310
Cash and cash equivalents, end of year	\$ 12,193,412	\$ 4,568,273	\$ 2,110,255	\$ 26,108,966
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 291,160	\$ 1,417,781	\$ 2,365,962	\$ 10,850,486
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	-	156,299	476,088
Changes in current assets, current liabilities and deferrals:				
Accounts receivable	-	-	73,266	1,420,323
Prepayments and deposits	-	63,433	-	(960,567)
Deferred pension amounts (outflows)	-	-	305,019	457,529
Accounts and contracts payable	(213,324)	48,582	(47,442)	(999,434)
Accrued wages	-	-	(185,825)	(360,802)
Compensated absences	-	-	(85,982)	(203,606)
Other liabilities	-	(21,372)	646,589	168,335
Unearned revenue	-	-	(73,266)	(73,266)
Net other postemployment benefits	-	-	(24,498)	(46,430)
Net pension liability	-	-	(3,353,307)	(7,819,438)
Deferred pension amounts (inflows)	-	-	(74,547)	(176,457)
Net cash provided by (used in) operating activities	\$ 77,836	\$ 1,508,424	\$ (297,732)	\$ 2,732,761
Cash and cash equivalents at year end consist of:				
Equity in pooled cash and investments	\$ 12,193,412	\$ 4,568,273	\$ 2,109,255	\$ 26,105,041
Other cash and investments	-	-	1,000	3,925
Total cash and investments	\$ 12,193,412	\$ 4,568,273	\$ 2,110,255	\$ 26,108,966

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

FIDUCIARY FUNDS

FIDUCIARY FUNDS ARE COMPRISED OF PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS AND AGENCY FUNDS. PENSION (AND OTHER EMPLOYEE BENEFIT) 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.

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

Employees Retirement System - This fund accounts for the monies accumulated under the employee defined benefit pension plan.

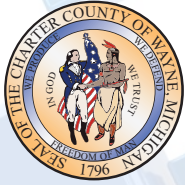
Circuit Court Commissioners Bailiffs' Retirement System - This fund accounts for monies accumulated under the Circuit Court Bailiffs' retirement system.

Defined Contribution Plan - This fund accounts for monies accumulated under the employee defined contribution retirement plan.

Other Postemployment Benefits (OPEB) - This fund accounts for the monies accumulated for postemployment benefits other than pensions.

Qualified Excess Benefit Arrangement (QEBA) - This fund accounts for benefits paid to retirees in accordance with Internal Revenue Code Section 415(b) limits.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

FIDUCIARY FUNDS

CONTINUED

FIDUCIARY FUNDS ARE COMPRISED OF PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS AND AGENCY FUNDS. PENSION (AND OTHER EMPLOYEE BENEFIT) 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.

AGENCY FUNDS

Trust and Agency - This fund is used to account for miscellaneous trust and agency fund activity not specifically earmarked for another fund.

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

Library Penal Fines - This fund is used to account for monies received by District Courts from court fines and disbursed to public libraries.

Office of the County Clerk - This fund is used to account for monies received by the County Clerk including bonds and various fees. Disbursements include attorney fees, restitution payments, garnishments, and jury fees.

Retainages - This fund is used to account for monies retained from contractors involved with County projects. Disbursements are made to the contractor upon successful completion of the project.

Imprest Payroll - This fund is used to account for employee payroll withholdings and their subsequent disbursement.

Imprest Retirement Payroll - This fund is used to account for monthly benefit payments to retirees.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefits Trust Funds
September 30, 2016

	Employees' Retirement System	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Other Post- employment Benefits	Qualified Excess Benefit Arrangement	Total
Assets						
Equity in pooled cash and investments	\$ 10,678,880	\$ -	\$ 422,995	\$ -	\$ 2,566	\$ 11,104,441
Receivables:						
Accounts	2,378	-	17,008	-	-	19,386
Due from other governments	548,939	-	-	-	-	548,939
Accrued interest	812,349	-	-	-	-	812,349
Total receivables	1,363,666	-	17,008	-	-	1,380,674
Investments:						
Equity securities	461,187,869	-	252,928,974	-	-	714,116,843
Debt securities	117,249,406	-	110,813,315	-	-	228,062,721
Money market funds	27,219,766	-	-	-	-	27,219,766
Other investments	266,145,661	-	20,647,833	17,881,445	-	304,674,939
Total investments	871,802,702	-	384,390,122	17,881,445	-	1,274,074,269
Prepayments and deposits	16,631	-	-	-	-	16,631
Total assets	883,861,879	-	384,830,125	17,881,445	2,566	1,286,576,015
Liabilities						
Accounts and contracts payable	615,087	-	-	-	-	615,087
Accrued wages and benefits	128,859	-	-	-	2,566	131,425
Due to other Wayne County component units and funds	2,826	-	-	-	-	2,826
Due to broker for securities purchased	1,599,539	-	-	-	-	1,599,539
Net other postemployment benefit obligation	476,609	-	-	-	-	476,609
Total liabilities	2,822,920	-	-	-	2,566	2,825,486
Net position						
Restricted for pension and other employee benefits	\$ 881,038,959	\$ -	\$ 384,830,125	\$ 17,881,445	\$ -	\$ 1,283,750,529

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefits Trust Funds
For the Year Ended September 30, 2016

	Employees' Retirement System	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Other Post- employment Benefits	Qualified Excess Benefit Arrangement	Total
Additions						
Investment income:						
Net appreciation in fair market value	\$ 62,571,168	\$ 78,250	\$ 24,715,985	\$ 1,778,858	\$ -	\$ 89,144,261
Interest and dividends	18,680,700	101,602	4,877,400	114	-	23,659,816
Other investment income	681,580	-	384,305	-	-	1,065,885
Investment expenses	(3,025,306)	(45,844)	-	-	-	(3,071,150)
Net investment income	78,908,142	134,008	29,977,690	1,778,972	-	110,798,812
Inflation equity fund judgment investment earnings	741,650	-	-	-	-	741,650
Contributions:						
Employer	103,337,465	3,577	12,321,348	2,006,629	35,799	117,704,818
Employee	10,734,600	1,070	6,018,595	-	-	16,754,265
Total contributions	114,072,065	4,647	18,339,943	2,006,629	35,799	134,459,083
Total additions	193,721,857	138,655	48,317,633	3,785,601	35,799	245,999,545
Deductions						
Participant benefits	139,863,597	53,963	28,125,652	-	30,919	168,074,131
Administrative expenses	2,314,488	8,502	511,437	66,564	-	2,900,991
Total deductions	142,178,085	62,465	28,637,089	66,564	30,919	170,975,122
Change in net position	51,543,772	76,190	19,680,544	3,719,037	4,880	75,024,423
Transfers in (out)	5,670,643	(5,670,643)	-	-	-	-
Net position, beginning of year, as restated	823,824,544	5,594,453	365,149,581	14,162,408	(4,880)	1,208,726,106
Net position, end of year	\$ 881,038,959	\$ -	\$ 384,830,125	\$ 17,881,445	\$ -	\$ 1,283,750,529

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 As of September 30, 2016

	Trust and Agency	Undistrib- uted Tax	Library Penal Fines	Office of the County Clerk	Retain- ages	Imprest Payroll	Imprest Retirement Payroll	Total Agency Funds
Assets								
Equity in pooled cash and investments	\$ 39,188,125	\$ 119,057,014	\$ 674,667	\$ 15,201,521	\$ 1,191,278	\$ 844,206	\$ 724,202	\$ 176,881,013
Other cash and investments	1,116,207	-	-	-	1,604,604	-	-	2,720,811
Other assets	-	-	-	-	-	46,268	522	46,790
Total assets	\$ 40,304,332	\$ 119,057,014	\$ 674,667	\$ 15,201,521	\$ 2,795,882	\$ 890,474	\$ 724,724	\$ 179,648,614
Liabilities								
Undistributed receipts	\$ 11,704,731	\$ 35,217,216	\$ -	\$ 489,930	\$ 2,795,882	\$ -	\$ 724,724	\$ 50,932,483
Due to other governmental units	119,504	-	-	-	-	19,064	-	138,568
Undistributed taxes	100	83,839,798	-	-	-	-	-	83,839,898
Other liabilities	28,479,997	-	674,667	14,711,591	-	871,410	-	44,737,665
Total liabilities	\$ 40,304,332	\$ 119,057,014	\$ 674,667	\$ 15,201,521	\$ 2,795,882	\$ 890,474	\$ 724,724	\$ 179,648,614

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Fiduciary Assets and Liabilities
 Agency Funds
 For the Year Ended September 30, 2016

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
Trust and Agency				
Assets				
Equity in pooled cash and investments	\$ 51,374,240	\$ 37,414,830	\$ 49,600,945	\$ 39,188,125
Other cash and investments	1,173,914	1,116,207	1,173,914	1,116,207
Total assets	<u>\$ 52,548,154</u>	<u>\$ 38,531,037</u>	<u>\$ 50,774,859</u>	<u>\$ 40,304,332</u>
Liabilities				
Undistributed receipts	\$ 17,518,751	\$ 50,131,377	\$ 55,945,397	\$ 11,704,731
Due to other governmental units	26,160	51,763,213	51,669,869	119,504
Undistributed taxes	100	-	-	100
Other liabilities	35,003,143	16,584,258	23,107,404	28,479,997
Total liabilities	<u>\$ 52,548,154</u>	<u>\$ 118,478,848</u>	<u>\$ 130,722,670</u>	<u>\$ 40,304,332</u>
Undistributed Tax				
Assets				
Equity in pooled cash and investments	\$ 140,643,897	\$ 1,101,678,072	\$ 1,123,264,955	\$ 119,057,014
Liabilities				
Undistributed receipts	\$ 5,182,306	\$ 844,354,399	\$ 814,319,489	\$ 35,217,216
Undistributed taxes	135,461,591	869,773,531	921,395,324	83,839,798
Total liabilities	<u>\$ 140,643,897</u>	<u>\$ 1,714,127,930</u>	<u>\$ 1,735,714,813</u>	<u>\$ 119,057,014</u>
Library Penal Fines				
Assets				
Equity in pooled cash and investments	\$ 652,281	\$ 1,943,075	\$ 1,920,689	\$ 674,667
Liabilities				
Undistributed receipts	\$ -	\$ 1,704,773	\$ 1,704,773	\$ -
Other liabilities	652,281	1,731,709	1,709,323	674,667
Total liabilities	<u>\$ 652,281</u>	<u>\$ 3,436,482</u>	<u>\$ 3,414,096</u>	<u>\$ 674,667</u>

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended September 30, 2016

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
Office of the County Clerk				
Assets				
Equity in pooled cash and investments	\$ 11,133,842	\$ 65,412,205	\$ 61,344,526	\$ 15,201,521
Liabilities				
Undistributed receipts	\$ 248,721	\$ 45,051,209	\$ 44,810,000	\$ 489,930
Other liabilities	10,885,121	23,781,804	19,955,334	14,711,591
Total liabilities	\$ 11,133,842	\$ 68,833,013	\$ 64,765,334	\$ 15,201,521
Retainages				
Assets				
Equity in pooled cash and investments	\$ 1,162,816	\$ 624,233	\$ 595,771	\$ 1,191,278
Other cash and investments	1,254,578	471,262	121,236	1,604,604
Due from other governmental units	-	-	11,845,388	-
Total assets	\$ 2,417,394	\$ 1,095,495	\$ 12,562,395	\$ 2,795,882
Liabilities				
Undistributed receipts	\$ 2,417,394	\$ 1,775,622	\$ 1,397,134	\$ 2,795,882
Imprest Payroll				
Assets				
Equity in pooled cash and investments	\$ 1,252,339	\$ 250,777,147	\$ 251,185,280	\$ 844,206
Other assets	-	46,268	-	46,268
Total assets	\$ 1,252,339	\$ 250,823,415	\$ 251,185,280	\$ 890,474
Liabilities				
Undistributed receipts	\$ 100,871	\$ -	\$ 100,871	\$ -
Due to other governmental units	1,151,639	520,261,876	521,394,451	19,064
Other liabilities	(171)	20,252,851	19,381,270	871,410
Total liabilities	\$ 1,252,339	\$ 540,514,727	\$ 540,876,592	\$ 890,474

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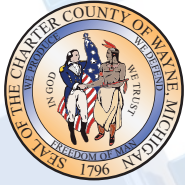
CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended September 30, 2016

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
Imprest Retirement Payroll				
Assets				
Equity in pooled cash and investments	\$ 819,757	\$ 188,044,433	\$ 188,139,988	\$ 724,202
Other assets	-	522	-	522
Total assets	\$ 819,757	\$ 188,044,955	\$ 188,139,988	\$ 724,724
Liabilities				
Undistributed receipts	\$ 819,757	326,032,947	326,127,980	\$ 724,724
Due to other governmental units	-	19,622,490	19,622,490	-
Other liabilities	-	1,973,620	1,973,620	-
Total liabilities	\$ 819,757	\$ 347,629,057	\$ 347,724,090	\$ 724,724
Totals - all agency funds				
Assets				
Equity in pooled cash and investments	\$ 207,039,172	\$ 1,645,893,995	\$ 1,676,052,154	\$ 176,881,013
Other cash and investments	2,428,492	1,587,469	1,295,150	2,720,811
Other assets	-	46,268	-	46,790
Total assets	\$ 209,467,664	\$ 1,647,527,732	\$ 1,677,347,304	\$ 179,648,614
Liabilities				
Undistributed receipts	\$ 26,287,800	\$ 1,269,050,327	\$ 1,244,405,644	\$ 50,932,483
Due to other governmental units	1,177,799	591,647,579	592,686,810	138,568
Undistributed taxes	135,461,691	869,773,531	921,395,324	83,839,898
Other liabilities	46,540,374	64,324,242	66,126,951	44,737,665
Total liabilities	\$ 209,467,664	\$ 2,794,795,679	\$ 2,824,614,729	\$ 179,648,614

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

FINANCIAL

NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS

DISCRETELY PRESENTED 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. DISCRETELY PRESENTED COMPONENT UNITS ARE REPORTED IN A SEPARATE COLUMN TO EMPHASIZE THAT THEY ARE LEGALLY SEPARATE FROM THE COUNTY.

Wayne County-Detroit CDE, Inc. (CDE) - This CDE is an IRS Section 501(c)(3) Michigan corporation and a qualified community development entity that was granted new market tax credits (NMTC) allocation authority from the U.S. Treasury's Community Development Financial Institutions Fund (CDFI Fund). CDE, Inc. must comply with various rules and regulations of the CDFI Fund and Section 45D of the IRS Code, and must ensure that the NMTC's are used for investment in low-income communities in Wayne County. The County Executive has appointed six of the eleven board members.

Greater Wayne County Economic Development Corporation (GWEDC) - This GWEDC was created as a separate legal entity in November 2004 through an inter-local agreement between the EDC of Wayne County, the EDC of the City of Taylor and the EDC of the City of Detroit. The purpose of the GWEDC is to administer economic development programs and functions in Michigan such as the One-Stop Center. The GWEDC is governed by an Executive Committee and a Board of Directors. The County Executive appoints the members of the Executive Committee and six of the ten board members. The entity is primarily funded by contributions from the County.

Brownfield Redevelopment Authority (BRA) - The BRA was established by the State enabling legislation. The BRA will assist the Wayne County Department of Public Services - Environment and the various Wayne County communities involved with the Urban Recovery Partnership to facilitate the redevelopment of unproductive, contaminated and/or blighted property by providing tax incentives.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position Nonmajor Discretely Presented Component Units September 30, 2016

	<u>CDE</u>	<u>GWEDC</u>	<u>BRA</u>	<u>Total</u>
Assets				
Equity in pooled cash and investments	\$ -	\$ -	\$ 609,515	\$ 609,515
Other cash and investments	2,231,175	382,602	-	2,613,777
Receivables -				
Due in one year	569,669	15,000	465,447	1,050,116
Due from other governments	96,340	-	-	96,340
Other assets	635	5,113	-	5,748
Total assets	<u>2,897,819</u>	<u>402,715</u>	<u>1,074,962</u>	<u>4,375,496</u>
Liabilities				
Accounts payable and accrued expenses	36,833	12,325	23,811	72,969
Unearned revenue	1,692	-	686,923	688,615
Total liabilities	<u>38,525</u>	<u>12,325</u>	<u>710,734</u>	<u>761,584</u>
Net position				
Restricted for economic development	-	339,075	-	339,075
Unrestricted	2,859,294	51,315	364,228	3,274,837
Total net position	<u>\$ 2,859,294</u>	<u>\$ 390,390</u>	<u>\$ 364,228</u>	<u>\$ 3,613,912</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Activities Nonmajor Discretely Presented Component Units For the Year Ended September 30, 2016

	<u>CDE</u>	<u>GWEDC</u>	<u>BRA</u>	<u>Total</u>
Expenses	\$ 424,252	\$ 180,721	\$ 493,571	\$ 1,098,544
Program revenues				
Charges for services	-	-	9,026	9,026
Operating grants and contributions	-	-	573,968	573,968
Total program revenues	-	-	582,994	582,994
Net (expense) / program revenue	(424,252)	(180,721)	89,423	(515,550)
General revenues				
Investment earnings	-	3,143	-	3,143
Other revenue	490,819	-	-	490,819
Total general revenues	490,819	3,143	-	493,962
Change in net position	66,567	(177,578)	89,423	(21,588)
Net position, beginning of year	2,792,727	567,968	274,805	3,635,500
Net position, end of year	<u>\$ 2,859,294</u>	<u>\$ 390,390</u>	<u>\$ 364,228</u>	<u>\$ 3,613,912</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Drains Component Unit Statement of Net Position and Governmental Funds Balance Sheet September 30, 2016

	Chapter 8	Chapter 20	Chapter 21
Assets			
Equity in pooled cash and investments	\$ 1,504,781	\$ 9,191,503	\$ 2,874,694
Other cash and investments	-	100	-
Receivables:			
Due in one year	579,081	1,726,099	-
Due in more than year	4,376,350	5,641,127	-
Due from other governments	83,283	520,884	-
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	-	-	-
Total assets	\$ 6,543,495	\$ 17,079,713	\$ 2,874,694
Liabilities			
Accounts payable and accrued expenses	\$ 492,996	\$ 203,057	\$ 34,063
Accrued interest payable	-	-	-
Long-term liabilities:			
Due in one year	-	-	-
Due in more than year	-	-	-
Net other postemployment benefit liability	-	-	-
Net pension liability	-	-	-
Total liabilities	492,996	203,057	34,063
Deferred inflow of resources			
Deferred pension amounts	-	-	-
Unavailable - Property taxes special assessment	4,933,400	6,129,202	-
Total deferred inflow of resources	4,933,400	6,129,202	-
Fund balances			
Unassigned	1,117,099	10,747,454	2,840,631
Total liabilities, deferred inflow of resources and fund balances	\$ 6,543,495	\$ 17,079,713	\$ 2,874,694
Net position			
Net investment in capital assets			
Unrestricted			
Total net position			

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 13,570,978	\$ -	\$ 13,570,978
100	-	100
2,305,180	-	2,305,180
10,017,477	-	10,017,477
604,167	-	604,167
-	3,307,596	3,307,596
-	26,697,226	26,697,226
<u>\$ 26,497,902</u>	<u>30,004,822</u>	<u>56,502,724</u>
\$ 730,116	(82,539)	647,577
-	82,539	82,539
-	1,064,458	1,064,458
-	10,017,476	10,017,476
-	104,423	104,423
-	563,531	563,531
<u>730,116</u>	<u>11,749,888</u>	<u>12,480,004</u>
-	13,058	13,058
<u>11,062,602</u>	<u>(11,062,602)</u>	<u>-</u>
<u>11,062,602</u>	<u>(11,049,544)</u>	<u>13,058</u>
<u>14,705,184</u>		
<u>\$ 26,497,902</u>		
	18,942,220	18,942,220
	<u>25,067,442</u>	<u>25,067,442</u>
	<u>\$ 44,009,662</u>	<u>\$ 44,009,662</u>

CHARTER COUNTY OF WAYNE, MICHIGAN

Drains Component Unit

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances For the Year Ended September 30, 2016

	Chapter 8	Chapter 20	Chapter 21
Revenues			
Property taxes	\$ 2,855,668	\$ 1,754,523	\$ 2,676,843
Local grants and contracts	279,853	777,396	240,789
Charges for services	199,694	1,472,272	10,537
Operating grants and contributions	72,627	-	-
Investment earnings	14,088	67,130	42,166
Other revenue	-	133,476	-
	3,421,930	4,204,797	2,970,335
Expenditures / expenses			
Public works	2,609,441	1,933,408	2,621,324
Capital outlay	-	74,543	25,000
Debt service:			
Principal	552,050	474,065	-
Interest and fiscal charges	270,383	198,971	-
	3,431,874	2,680,987	2,646,324
Change in net position / fund balances	(9,944)	1,523,810	324,011
Net position / fund balances, beginning of year, as restated	1,127,043	9,223,644	2,516,620
Net position / fund balances, end of year	\$ 1,117,099	\$ 10,747,454	\$ 2,840,631

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 7,287,034	\$ -	\$ 7,287,034
1,298,038	-	1,298,038
1,682,503	(552,048)	1,130,455
72,627	(474,065)	(401,438)
123,384	-	123,384
133,476	-	133,476
10,597,062	(1,026,113)	9,570,949
7,164,173	2,635,981	9,800,154
99,543	(99,543)	-
1,026,115	(1,026,115)	-
469,354	-	469,354
8,759,185	1,510,323	10,269,508
1,837,877	(2,536,436)	(698,559)
12,867,307	31,840,914	44,708,221
\$ 14,705,184	\$ 29,304,478	\$ 44,009,662

CHARTER COUNTY OF WAYNE, MICHIGAN

Brownfield Redevelopment Authority Statement of Net Position and Governmental Fund Balance Sheet September 30, 2016

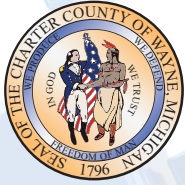
	BRA	Adjustments	Statement of Net Position
Assets			
Equity in pooled cash and investments	\$ 609,515	\$ -	\$ 609,515
Receivables	465,447	-	465,447
Total assets	\$ 1,074,962	-	1,074,962
Liabilities			
Accounts payable and accrued expenses	\$ 23,811	-	23,811
Unearned revenue	686,923	-	686,923
Total liabilities	710,734	-	710,734
Fund balance			
Unassigned	364,228	(364,228)	-
Total liabilities and fund balance	\$ 1,074,962		
Net position			
Unrestricted		\$ 364,228	\$ 364,228

CHARTER COUNTY OF WAYNE, MICHIGAN

Brownfield Redevelopment Authority Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance For the Year Ended September 30, 2016

	BRA	Adjustments	Statement of Activities
Revenues			
Federal grants	\$ 545,217	\$ -	\$ 545,217
Local grants and contracts	28,751	-	28,751
Charges for services	9,026	-	9,026
Total revenues	582,994	-	582,994
Expenditures / expenses			
Community development	493,571	-	493,571
Change in net position / fund balance	89,423	-	89,423
Net position / fund balance, beginning of year	274,805	-	274,805
Net position / fund balance, end of year	\$ 364,228	\$ -	\$ 364,228

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

THIS PART OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT PRESENTS DETAILED INFORMATION AS A CONTEXT FOR UNDERSTANDING WHAT THE INFORMATION IN THE FINANCIAL STATEMENTS, NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION SAYS ABOUT THE COUNTY'S OVERALL FINANCIAL HEALTH.

CONTENTS

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

These schedules contain information to help the reader assess the affordability of the County's current level of outstanding debt, and the County's ability to issue additional debt in the future.

Demographic and Economic Information

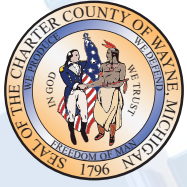
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

FINANCIAL TRENDS

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CHARTER COUNTY OF WAYNE, MICHIGAN

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

	2016	2015 [2]	2014 [1]	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Net investment in capital assets	\$ 708,607	\$ 690,899	\$ 921,798	\$ 908,967	\$ 908,967	\$ 929,079	\$ 950,521	\$ 974,539	\$ 982,356	\$ 1,039,751
Restricted	123,069	108,583	154,895	243,298	243,298	331,022	257,459	192,002	193,203	125,823
Unrestricted (deficit)	(565,461)	(733,082)	(373,082)	(223,423)	(223,423)	(278,629)	(149,046)	(99,313)	(14,199)	82,709
Total	\$ 266,215	\$ 66,400	\$ 703,611	\$ 928,842	\$ 928,842	\$ 981,472	\$ 1,058,934	\$ 1,067,228	\$ 1,161,360	\$ 1,248,283
Business-type activities										
Net investment in capital assets	\$ 222,798	\$ 170,342	\$ 173,826	\$ 172,080	\$ 172,080	\$ 168,370	\$ 167,770	\$ 159,735	\$ 159,655	\$ 160,424
Restricted	40,619	103,318	-	137,351	137,351	152,559	172,408	185,445	200,105	211,789
Unrestricted	17,445	9,080	127,099	14,956	14,956	11,036	6,509	7,274	15,761	22,295
Total	\$ 280,862	\$ 282,740	\$ 300,925	\$ 324,387	\$ 324,387	\$ 331,965	\$ 346,687	\$ 352,454	\$ 375,521	\$ 394,508
Primary government										
Net investment in capital assets	\$ 931,405	\$ 861,241	\$ 1,095,624	\$ 1,081,047	\$ 1,081,047	\$ 1,097,449	\$ 1,118,291	\$ 1,134,274	\$ 1,142,011	\$ 1,200,175
Restricted	163,688	211,901	154,895	380,649	380,649	483,581	429,867	377,447	393,308	337,612
Unrestricted (deficit)	(548,016)	(724,002)	(245,983)	(208,467)	(208,467)	(267,593)	(142,537)	(92,039)	1,562	105,004
Total	\$ 547,077	\$ 349,140	\$ 1,004,536	\$ 1,253,229	\$ 1,253,229	\$ 1,313,437	\$ 1,405,621	\$ 1,419,682	\$ 1,536,881	\$ 1,642,791

Source: Statement of Net Position

[1] During fiscal year 2014, the County implemented GASB 65. Prior year balances have not been restated for the changes.

[2] During fiscal year 2015, the County implemented GASB 68. Prior year balances have not been restated for the changes.

CHARTER COUNTY OF WAYNE, MICHIGAN

Changes in Net Position
Last ten Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Primary government expenses										
Governmental activities:										
Legislative	\$ 5,089	\$ 7,011	\$ 8,352	\$ 8,618	\$ 8,627	\$ 9,707	\$ 9,736	\$ 10,697	\$ 11,873	\$ 9,871
Judicial	130,288	136,610	145,953	145,929	120,446	123,555	126,507	109,282	119,539	98,345
General government	137,638	210,737	219,643	167,181	161,836	168,753	133,484	150,409	131,833	174,234
Public safety	70,331	133,013	165,098	174,936	167,463	171,762	165,646	165,074	177,999	177,762
Public works	379	557	394	5,825	5,830	5,896	6,021	7,353	7,290	7,510
Highways, streets and bridges	108,750	109,789	119,945	110,561	109,914	115,882	129,005	136,775	142,452	140,230
Health and welfare	205,290	223,047	259,610	916,074	939,228	930,262	944,892	935,874	979,211	950,270
Recreation and cultural	25,172	23,597	28,703	24,791	19,631	21,198	23,005	27,006	30,925	27,310
Community and economic development	7,795	11,281	19,844	18,375	27,899	25,578	27,105	20,338	20,780	17,763
Interest on long-term debt	39,350	38,137	40,045	40,446	46,268	40,864	21,610	17,880	21,111	18,465
Total governmental activities, net expenses	730,082	893,779	1,007,587	1,612,736	1,607,142	1,613,457	1,587,011	1,580,688	1,643,013	1,621,760
Business-type activities:										
Sewage disposal systems	112,469	117,902	116,346	109,790	108,973	106,191	93,217	100,010	96,723	92,064
Jail commissary	2,811	2,233	2,127	2,710	2,783	2,510	2,224	2,230	2,545	2,149
Parking lots	-	2	15	9	13	15	71	143	143	107
Wetlands mitigation	-	-	1	-	-	-	-	3	-	1
Copy center	-	-	-	178	-	(20)	660	762	722	320
Total business-type activities expenses	115,280	120,137	118,489	112,687	111,769	108,696	96,172	103,148	100,133	94,641
Total primary government expenses	845,362	1,013,916	1,126,076	1,725,423	1,718,911	1,722,153	1,683,183	1,683,836	1,743,146	1,716,401
Program revenues										
Governmental activities:										
Charges for services:										
Legislative	2,020	2,089	2,046	2,021	2,243	2,243	2,251	2,232	1,612	-
Judicial	8,023	7,566	7,727	8,716	20,350	20,350	19,250	20,028	19,460	22
General government	120,595	121,697	128,426	97,331	128,693	128,693	93,650	88,063	78,978	82,763
Public safety	34,320	34,648	34,293	39,416	36,136	36,136	34,554	38,496	42,122	30,437
Public works	-	-	-	5,487	5,190	5,190	5,234	6,240	6,324	6,609
Highways, streets and bridges	22,158	6,349	5,534	3,512	5,278	5,278	900	1,859	10,966	8,078
Health and welfare	16,752	18,243	19,826	28,199	33,781	33,781	33,543	15,179	14,555	14,518
Recreation and cultural	11,261	10,937	10,666	2,672	2,672	2,672	1,344	3,397	2,605	2,631
Community and economic development	719	682	828	1,796	465	465	582	607	862	758
Operating grants and contributions	301,970	296,803	328,505	979,813	934,242	934,242	926,294	873,408	880,502	869,537
Capital grants and contributions	17,251	22,011	18,982	17,242	20,935	20,935	20,762	17,232	24,411	15,347
Total governmental activities program revenues	535,069	521,025	556,833	1,193,535	1,189,985	1,189,985	1,138,364	1,066,741	1,082,397	1,030,700

Source: Statement of Activities

CHARTER COUNTY OF WAYNE, MICHIGAN

Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Business-type activities:										
Charges for services:										
Sewage disposal systems	\$ 108,811	\$ 102,796	\$ 99,000	\$ 96,218	\$ 93,846	\$ 85,276	\$ 74,171	\$ 70,745	\$ 70,645	\$ 68,162
Jail commissary	3,533	3,319	3,443	3,013	3,007	2,806	2,392	1,641	2,745	2,405
Parking lots	-	-	65	63	66	25	64	143	142	226
Copy center	-	-	-	-	-	1	219	540	540	329
Operating grants and contributions	2,294	3,414	2,732	4,670	8,934	5,330	13,154	6,569	5,486	6,161
Capital grants and contributions	-	-	-	-	-	-	-	58	640	17,467
	<u>114,638</u>	<u>109,529</u>	<u>105,240</u>	<u>103,964</u>	<u>105,853</u>	<u>93,438</u>	<u>90,000</u>	<u>79,382</u>	<u>80,198</u>	<u>94,750</u>
Total business-type activities program revenues										
	<u>649,707</u>	<u>630,554</u>	<u>605,240</u>	<u>1,297,499</u>	<u>1,295,838</u>	<u>1,283,423</u>	<u>1,228,364</u>	<u>1,146,123</u>	<u>1,162,595</u>	<u>1,125,450</u>
Net revenue (expense)										
Governmental activities	(195,013)	(372,754)	(450,754)	(419,201)	(459,942)	(423,472)	(448,647)	(513,947)	(559,325)	(482,012)
Business-type activities	(642)	(9,798)	(13,249)	(8,723)	(7,971)	(15,258)	(6,172)	(15,259)	(79,087)	321
Total primary government net revenue (expense)	<u>(195,655)</u>	<u>(382,552)</u>	<u>(464,003)</u>	<u>(427,924)</u>	<u>(467,913)</u>	<u>(438,730)</u>	<u>(454,819)</u>	<u>(529,206)</u>	<u>(638,412)</u>	<u>(481,691)</u>
General revenues and other changes in net position										
Governmental activities:										
Property taxes	296,556	337,224	302,278	285,192	296,441	323,986	349,385	381,351	401,764	485,554
State sales tax	54,854	54,712	44,821	43,120	42,877	55,052	43,966	5,455	21,701	21,985
Excise tax	9,968	8,832	8,607	7,745	7,449	7,112	6,522	6,454	8,408	7,403
Airport parking taxes	19,822	17,310	14,775	5,800	13,085	9,203	9,333	12,553	15,276	13,866
Investment earnings	39,077	38,882	30,421	29,128	27,670	21,175	20,875	21,525	28,390	37,697
Other revenue	32,388	24,312	23,592	17,959	19,989	13,036	9,969	12,378	25,517	47,658
Contributed assets	-	-	-	-	-	-	-	-	(27,004)	-
Gain on reduction in note payable	-	-	-	-	-	-	-	52,716	-	-
Gain on sale of capital assets	157	108	-	-	-	-	-	-	-	-
Transfers	1,102	-	4,206	(564)	(199)	-	(100)	(87)	(359)	(1,195)
Chargeback recovery	-	-	-	-	-	5,387	-	-	-	-
Special item	-	-	(69,898)	(88,087)	-	(65,326)	-	-	-	-
Total governmental activities	<u>453,924</u>	<u>481,380</u>	<u>358,802</u>	<u>300,293</u>	<u>407,312</u>	<u>369,625</u>	<u>439,950</u>	<u>492,345</u>	<u>473,693</u>	<u>612,968</u>
Business-type activities:										
Investment earnings	498	481	359	217	195	428	305	612	661	2,417
Other revenue	7	1	2	-	-	-	-	-	-	-
Transfers of capital assets	-	-	-	-	(1)	-	-	-	-	(1,118)
Contributed assets	-	-	-	-	-	-	-	-	(71)	-
Gain on sale of capital assets	-	-	2,145	-	-	-	-	-	-	-
Transfers in (out)	(1,103)	-	(4,206)	564	199	-	100	87	359	1,195
Chargeback recovery	-	-	-	-	-	108	-	-	-	-
Total business-type activities	<u>(598)</u>	<u>482</u>	<u>(1,700)</u>	<u>781</u>	<u>393</u>	<u>536</u>	<u>405</u>	<u>699</u>	<u>949</u>	<u>2,494</u>
Total primary government	<u>453,326</u>	<u>481,862</u>	<u>357,102</u>	<u>301,074</u>	<u>407,705</u>	<u>370,161</u>	<u>440,355</u>	<u>493,044</u>	<u>474,642</u>	<u>615,462</u>
Change in net position										
Governmental activities	258,911	108,626	(91,952)	(118,908)	(56,174)	(53,847)	(8,697)	(21,602)	(85,632)	130,956
Business-type activities	(1,241)	(9,316)	(14,949)	(7,942)	(5,722)	(14,722)	(5,767)	(14,560)	(78,138)	2,815
Total primary government	<u>\$ 257,670</u>	<u>\$ 99,310</u>	<u>\$ (106,901)</u>	<u>\$ (126,850)</u>	<u>\$ (61,896)</u>	<u>\$ (68,569)</u>	<u>\$ (14,464)</u>	<u>\$ (36,162)</u>	<u>\$ (163,770)</u>	<u>\$ 133,771</u>

Source: Statement of Activities

CHARTER COUNTY OF WAYNE, MICHIGAN
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)
(in thousands)

	2016	2015	2014	2013	2012	2011 (a)	2010	2009	2008	2007
General fund										
Reserved	\$ 1,767	\$ 902	\$ 1,687	\$ 1,734	\$ 1,732	\$ 33,184	\$ 89,513	\$ 75,813	\$ 36,106	\$ 4,230
Nonspendable	9,969	8,628	7,324	9,183	9,160	9,888	-	-	-	-
Restricted	-	-	-	-	3,000	3,000	-	-	-	-
Committed	14,384	9,404	-	-	-	-	-	-	-	-
Assigned	81,929	35,692	(82,804)	(156,483)	(148,925)	(127,953)	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	(116,029)	(68,949)	(10,606)	21,148
Unreserved (deficit)	-	-	-	-	-	-	-	-	-	-
Total general fund	\$ 108,049	\$ 54,626	\$ (73,793)	\$ (145,566)	\$ (135,033)	\$ (81,881)	\$ (26,516)	\$ 6,864	\$ 25,500	\$ 25,378
All other governmental funds										
Reserved	\$ 10,023	\$ 10,500	\$ 8,491	\$ 37,500	\$ 34,883	\$ 33,045	\$ 93,540	\$ 72,964	\$ 109,062	\$ 121,622
Nonspendable	120,159	106,977	98,223	161,435	220,292	294,318	-	-	-	-
Restricted	-	-	-	-	-	6,232	-	-	-	-
Committed	61,450	54,387	51,328	51,100	51,010	21,062	-	-	-	-
Assigned	(9,059)	(9,649)	(10,755)	(17,886)	(16,616)	(18,722)	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	14,000	(289)	(6,507)	33,025
Total all other governmental funds	\$ 182,573	\$ 162,215	\$ 147,287	\$ 232,149	\$ 289,569	\$ 335,935	\$ 107,540	\$ 72,675	\$ 102,555	\$ 154,647

(a) - In fiscal year 2011, the County adopted GASB 54 which changed the fund balance classification. Prior balances have not been restated to reflect GASB 54.

Source: Balance Sheet - Governmental Funds

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 4

Changes in Fund Balance - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

(in thousands)

	2016	2015	2014	2013	2012
Revenues					
Taxes	\$ 366,890	\$ 395,970	\$ 362,485	\$ 335,922	\$ 351,205
Licenses and permits	1,063	720	705	758	657
Federal grants	66,221	73,440	93,005	94,137	85,549
State grants and contracts	216,807	198,125	209,844	833,150	817,220
Local grants and contracts	23,634	25,110	27,466	36,895	21,422
Charges for services	188,712	166,114	169,449	164,955	164,108
Investment earnings	38,570	38,419	29,723	28,526	27,079
Other	26,089	20,478	22,584	16,928	18,923
Total revenues	927,986	918,376	915,261	1,511,271	1,486,163
Expenditures					
Legislative	8,198	8,527	8,417	8,768	8,792
Judicial	144,793	142,372	141,044	140,274	99,522
General government	179,084	213,007	169,934	139,384	132,803
Public safety	151,101	162,887	159,140	167,986	158,761
Public works	408	592	432	379	660
Highways, streets and bridges	101,448	86,281	82,409	71,895	68,575
Health and welfare	233,351	238,225	263,463	931,114	944,966
Recreation and cultural	23,199	24,191	24,475	24,268	25,994
Community and economic development	8,738	12,871	32,616	21,748	29,354
Capital outlay	18,446	17,910	22,218	69,507	67,091
Debt service:					
Principal	22,128	24,007	22,437	28,430	24,770
Interest	28,073	29,291	30,933	28,058	28,058
Other	-	-	-	-	-
Total expenditures	918,967	960,161	957,518	1,631,811	1,589,346
Revenues over (under) expenditures	9,019	(41,785)	(42,257)	(120,540)	(103,183)
Other financing sources (uses)					
Transfers in	162,265	276,950	76,996	183,583	150,718
Transfers out	(97,845)	(94,964)	20,521	(133,187)	(132,779)
Chargeback recovery	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Bond issuance	-	-	-	-	16,036
Bond premium	-	-	-	-	55
Bond discount	-	-	-	-	-
Proceeds from sale of capital assets	343	3,144	380	1	80
Total other financing sources (uses)	64,763	185,130	97,897	50,397	34,110
Net change before special item	73,782	143,345	55,640	(70,143)	(69,073)
Special item	-	-	(68,729)	-	(30,444)
Net change in fund balances	\$ 73,782	\$ 143,345	\$ (13,089)	\$ (70,143)	\$ (99,517)
Debt service as a percentage of noncapital expenditures	5.6%	5.7%	5.7%	3.6%	3.5%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 4

Changes in Fund Balance - Governmental Funds

Last Ten Fiscal Years

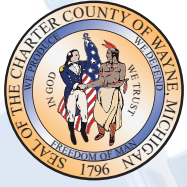
(modified accrual basis of accounting)

(Unaudited)

(in thousands)

	2011	2010	2009	2008	2007
Revenues					
Taxes	\$ 383,851	\$ 403,582	\$ 395,446	\$ 432,714	\$ 498,060
Licenses and permits	602	587	480	274	431
Federal grants	107,288	90,395	72,988	81,062	72,779
State grants and contracts	822,212	819,310	792,731	793,348	795,048
Local grants and contracts	16,336	14,634	15,141	17,306	19,008
Charges for services	155,087	115,724	94,594	100,410	98,636
Investment earnings	20,540	19,754	19,873	25,285	33,371
Other	8,665	8,870	24,333	24,917	32,382
Total revenues	1,514,581	1,472,856	1,415,586	1,475,316	1,549,715
Expenditures					
Legislative	8,805	8,865	10,697	11,629	11,807
Judicial	102,776	107,464	89,615	100,370	98,130
General government	137,061	114,967	127,117	124,885	134,865
Public safety	142,316	145,476	156,011	167,469	161,972
Public works	708	786	1,217	1,098	1,051
Highways, streets and bridges	64,029	73,583	83,631	89,833	87,022
Health and welfare	937,002	946,259	938,830	985,003	955,338
Recreation and cultural	22,336	23,907	28,268	29,821	20,921
Community and economic development	3,384	5,856	5,407	12,802	1,800
Capital outlay	44,233	54,267	23,553	47,688	12,954
Debt service:					
Principal	21,305	19,208	20,519	27,756	20,293
Interest	21,564	13,365	8,568	9,671	17,912
Other	959	494	915	2,159	578
Total expenditures	1,506,478	1,514,497	1,494,348	1,610,184	1,524,643
Revenues over (under) expenditures	8,103	(41,641)	(78,762)	(134,868)	25,072
Other financing sources (uses)					
Transfers in	145,088	141,747	209,589	249,506	318,947
Transfers out	(130,428)	(138,747)	(211,838)	(231,988)	(304,769)
Chargeback recovery	4,783	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(90,278)
Bond issuance	210,026	39,840	31,944	64,045	66,395
Bond premium	-	46	462	1,158	1,583
Bond discount	-	(187)	-	-	-
Proceeds from sale of capital assets	2,132	25	89	176	839
Total other financing sources (uses)	231,601	42,724	30,246	82,897	(7,283)
Net change before special item	239,704	1,083	(48,516)	(51,971)	17,789
Special item	(43,057)	-	-	-	-
Net change in fund balances	\$ 196,647	\$ 1,083	\$ (48,516)	\$ (51,971)	\$ 17,789
Debt service as a percentage of noncapital expenditures	2.9%	2.2%	2.0%	2.4%	2.5%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

REVENUE CAPACITY

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CHARTER COUNTY OF WAYNE, MICHIGAN
 Taxable Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (Unaudited)

Year	Residential Property					Commercial Property	Industrial Property	Developmental Property	Agricultural Property	Personal Property	(1) (2) Total Taxable Value	General Operating Direct Tax Rate	(3) Estimated Actual Value	Taxable Value as a Percentage of Estimated Actual Value
	2007	\$ 35,348,119,661	\$ 7,711,741,307	\$ 4,071,361,238	\$ 54,478,431	\$ 17,351,454	\$ 5,793,352,706	\$ 52,996,404,797	7.8220	\$ 132,254,579,368	40.07%			
2008	35,071,782,855	8,123,588,100	4,089,688,255	54,599,620	17,185,476	5,562,061,827	52,918,906,133	7.8220	127,441,315,314	41.52%				
2009	32,889,033,263	8,276,471,682	4,092,418,840	54,757,162	18,233,322	5,658,628,433	50,989,562,702	7.8220	114,693,804,624	44.46%				
2010	29,572,602,004	7,895,948,318	3,826,614,479	8,416,870	17,491,534	5,261,408,874	46,582,482,079	7.8220	101,296,707,068	45.99%				
2011	27,509,235,231	7,811,532,677	3,392,393,971	6,768,953	17,976,585	4,867,569,724	43,605,427,141	7.8220	92,828,383,320	46.97%				
2012	25,916,204,229	7,419,783,282	2,981,495,811	18,770,783	19,878,809	5,067,481,829	41,423,614,743	7.8220	87,115,013,336	47.55%				
2013	25,509,633,413	7,084,252,055	2,869,041,087	18,426,262	19,669,958	5,438,055,570	40,939,078,345	7.8220	85,751,843,028	47.74%				
2014	24,981,468,204	6,975,057,439	2,776,390,599	10,451,319	18,746,129	5,281,572,162	40,043,685,852	7.8220	85,003,495,792	47.11%				
2015	25,225,794,264	7,025,577,805	2,738,963,909	11,181,311	18,951,519	5,225,624,195	40,246,093,003	7.8220	88,861,857,900	45.29%				
2016	25,119,428,233	7,053,737,824	2,736,671,675	11,342,641	18,792,716	4,222,101,302	39,162,074,391	7.8220	89,768,476,752	43.63%				

- (1) The Taxable Valuation against which the tax levy is applied to is determined as of the December 31 prior to the July 1 or December 1 on which the taxes are levied. Taxable value is a result of a ballot proposal passed by the electorate in the state of Michigan in 1994. Taxable value increases are limited to (following adjustment for additions or losses) the rate of inflation or 5% whichever is less. The taxable value limit does not apply to a property in the year following a transfer of ownership (sale).
- (2) Beginning in fiscal year 1996, the ad valorem millage is based on the Taxable Value rather than the State Equalized Valuation. "SEV" represents 50% of the true cash value, in accordance with Michigan Public Act 409 of 1965, and Article IX, Section 3 of the Michigan Constitution.
- (3) The County assesses property annually. Estimated actual value is the State Equalized Valuation multiplied by two.

Source: Wayne County Assessment and Equalization Division

CHARTER COUNTY OF WAYNE, MICHIGAN
Direct and Overlapping Property Tax Rates
Last Ten Years
(Unaudited)

Table 6

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
County direct rates										
General	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012
Soldiers Relief	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368
Parks	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459
Jail	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381
Judgment	-	0.9761	-	-	-	-	-	-	-	-
Total direct rate	7.8220	8.7981	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220
Overlapping rates										
Huron-Clinton Metro Authority	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146
Wayne County Transit Authority	1.0000	1.0000	1.0000	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900
^ Wayne County Zoological Authority	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	-
& Cities (34)										
Low	13.5579	13.5579	13.0780	13.0780	13.9613	12.1537	11.4365	11.4353	11.4351	11.5149
High	46.8758	46.8758	53.1063	49.2758	50.1355	48.7258	42.9414	38.9496	35.4641	34.2434
& Village (0)										
	-	-	-	-	-	-	-	-	14.3000	14.3000
& Townships (9)										
Low	1.3660	1.3660	4.0000	4.0000	2.3660	4.0000	2.3660	2.3660	0.5908	0.5943
High	17.6558	17.6558	24.4058	24.8019	17.3979	17.7079	16.9349	14.0429	13.6179	13.6179
School Districts (39)										
Low	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
High	36.0000	32.8500	36.0000	34.1645	36.8556	33.5000	33.5000	33.5000	33.5000	33.5000
Intermediate School Districts (4)										
Monroe	3.7675	3.7675	4.7541	3.7675	3.7675	3.7675	4.7541	4.7541	4.7541	4.7541
Oakland	3.3633	3.3633	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690
Washtenaw	3.9745	3.9694	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745
Wayne	3.4643	3.4643	3.4643	2.3465	3.4643	3.4643	3.4643	3.4643	3.4643	3.4643
Community Colleges (3)										
Henry Ford	4.1800	4.1800	4.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Schoolcraft	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967
Wayne County	3.2408	3.2408	3.2408	3.2408	2.2408	2.2408	2.4769	2.4769	2.4769	2.4769
DDAs (5)										
Detroit	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887
Hamtramck	1.8251	1.8251	1.8251	1.8251	1.8251	1.8251	1.8251	1.8251	1.8251	1.8380
Northville	1.8255	1.8255	1.8255	1.8255	1.8255	1.8255	1.8360	1.8360	1.8360	1.8406
Livonia(Plymouth Road)	2.0000	2.0000	2.0000	-	-	-	-	-	-	-
* Wyandotte	-	-	-	-	-	-	-	-	-	-
Library (8)										
Bacon Memorial (Wyandotte)	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362
Belleville	0.7000	0.7000	0.7000	0.7000	0.7000	0.7000	0.7000	-	-	-
Canton	1.5437	1.5437	1.5437	1.5437	1.5437	1.5437	1.5437	1.4980	1.4980	1.5437
Grosse PTE	2.0712	2.0712	2.0512	2.0412	2.0012	1.5412	1.5412	1.5412	1.5412	1.5412
Inkster	2.0000	2.0000	2.0000	2.0000	-	-	-	-	-	-
Northville	1.1530	1.1530	1.1556	1.1573	1.1573	1.1573	1.1573	0.9573	0.9573	0.9573
Plymouth	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656
Redford	2.3233	2.3233	2.3233	0.9233	0.9233	0.9233	0.9233	0.9233	0.9233	0.9233

Source: Wayne County Assessment and Equalization Division

* Elected not to levy the millage tax year 2006 - 2015

^ The Wayne County Zoological Authority was established pursuant to Public Act 49 of 2008, and formed to allow for continuing zoological services for the students, residents and visitors of the County of Wayne.

& Grosse Pointe Township was a civil township that included the Village of Grosse Pointe Shores. On February 24, 2009, the residents of the Village of Grosse Pointe Shores voted to incorporate as a city.

Millage is rate per \$1,000 of taxable value

CHARTER COUNTY OF WAYNE, MICHIGAN
Principal Property Taxpayers
Fiscal Year 2016 and Nine Years Ago
(Unaudited)

Company	Line of Business	2016			2007		
		(2)		Percentage State Equalized Value	(2)		Percentage State Equalized Value
		Total Assessment	Rank		Total Assessment	Rank	
Detroit Edison Company	Utility	\$ 879,247,395	1	\$ 1,009,871,003	2	1.96%	1.91%
Ford Motor Company	Automotive	802,129,713	2	1,560,809,660	1	1.79%	2.95%
Marathon Petroleum Company	Petroleum	344,060,160	3	157,376,388	7	0.77%	0.30%
Michigan Consolidated Gas	Utility	307,291,512	4			0.68%	
Vanguard Health Systems-Hospitals	Health	277,429,414	5			0.62%	
MGM Grand Detroit LLC	Casino	207,731,800	6	164,692,964	6	0.46%	0.31%
AK Steel Corporation	Steel	205,827,161	7			0.46%	
International Transmission Company	Automotive	150,400,165	8			0.34%	
Riverfront Holdings, LLC	Real estate investment	109,594,850	9			0.24%	
Comcast Cablevision	Telecommunications	87,500,096	10			0.19%	
* FCA US LLC (f/k/a Dailmer Chrysler Corp)	Automotive			425,214,864	3		0.80%
General Motors Corp.	Automotive			298,624,472	4		0.56%
United States Steel	Steel			213,766,632	5		0.40%
Auto Alliance Int'l Inc.	Automotive			136,153,300	8		0.26%
Severstal Steel Company	Steel			114,684,000	9		0.22%
ATT Mobility LLC (f/k/a Cingular)	Telecommunications			88,934,491	10		0.17%
Total		\$ 3,371,212,266		\$ 4,170,127,774		7.51%	7.87%
Total State Equalized Value (S.E.V.) (1)		\$ 44,884,238,376		\$ 52,996,404,797			

(1) The State Equalized Value (SEV) for the County's fiscal year 2016, which commenced on October 1, 2015 was determined as of December 31, 2014. SEV for fiscal year 2007 was determined as of December 31, 2005.

(2) Total assessments do not include abated properties.

* FCA US LLC (f/k/a Dailmer Chrysler Corp) and below were top ten property taxpayers in 2007, but not in 2016.

Source: Wayne County Assessment and Equalization Division.

CHARTER COUNTY OF WAYNE, MICHIGAN

Property Tax Levies and Collections

Last Ten Fiscal Years
(Unaudited)

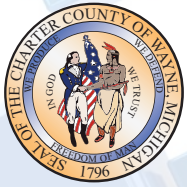
Fiscal Year	Total Tax Levy	Current Tax Collection	Percent of Tax Levy Collected		Reimbursed From Delinquent Tax Fund (1)	Total Tax Collection **	Ratio of Total Collection to Levy		Delinquent Personal Taxes
			Before Delinquent	Delinquent			Collection to Levy	Personal Taxes	
2007	\$ 443,695,139	\$ 405,063,448	91.29	91.29	\$ 36,270,954	\$ 441,334,402	99.47	\$	1,889,525
2008	375,130,317	339,498,889	90.50	90.50	32,903,137	372,402,026	99.27		1,933,553
2009	364,855,073	327,989,158	89.90	89.90	29,602,625	357,591,783	98.01		1,924,673
2010	338,946,739	301,284,991	88.89	88.89	30,932,123	332,217,114	98.01		2,654,434
2011	314,997,058	279,156,448	88.62	88.62	29,541,295	308,697,743	98.00		1,033,445
2012	303,818,274	273,465,358	90.01	90.01	27,615,625	301,080,983	99.10		1,538,688
2013	289,693,733	261,845,471	90.39	90.39	25,044,384	286,889,855	99.03		1,430,688
2014	284,101,085	259,145,768	91.22	91.22	20,988,645	280,134,413	98.60		1,257,516
2015	282,858,473	260,897,906	92.24	92.24	16,950,776	277,848,682	98.23		1,300,931
2016	277,467,420	234,157,675	84.39	84.39	5,389,391	239,547,066	86.33		377,118 *

Source: Wayne County Treasurer's Office

(1) Reimbursement from delinquent tax fund includes Current tax year recovery amounts beginning with the 2009 Tax Year.

* The July 1, 2016 levy becomes delinquent on March 1, 2017.

** Starting in 2014, businesses with personal property having a true cash value of less than \$80,000 in a particular assessing jurisdiction could claim a personal property exemption. In 2016, a phase out of the personal property tax on Eligible Manufacturing Personal Property (EMPP) for personal property placed into service after December 31, 2012 began. Going forward, any EMPP in place for at least 10 years also will be exempt. As a result, in each tax year after 2016 a new vintage year of EMPP will become exempt until all EMPP is exempt by 2023.



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

DEBT CAPACITY

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CHARTER COUNTY OF WAYNE, MICHIGAN

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Unaudited)

(in thousands)

Fiscal year	Governmental Activities										Business-Type Activities					Total Debt Per Capita		
	General Obligation Bonds					Delinquent Tax					Revenue Bonds						Total Personal Income	Percentage of Personal Income
	Revenue Bonds	Notes Payable	Capital Leases	Sewer Bonds	Revenue Bonds	Capital Leases	Sewer Bonds	Revenue Bonds	Primary Government	Total Personal Income	Percentage of Personal Income	Total Debt Per Capita						
2007	\$ 132,949	\$ -	\$ 180,000	\$ 11,639	\$ 211,233	\$ 3,605	\$ 539,426	\$ 61,793,069	0.87%	\$ 268.50								
2008	170,973	-	319,000	10,540	196,193	7,429	704,135	62,865,991	1.12%	355.26								
2009	183,450	-	376,560	-	178,844	26,479	765,333	62,581,021	1.22%	392.48								
2010	199,188	-	131,060	6,098	161,783	33,714	531,843	73,675,241	0.72%	276.14								
2011	389,924	-	355,355	3,545	152,302	35,229	936,355	40,280,421	2.32%	514.20								
2012	367,675	14,983	315,802	5,156	137,727	40,060	881,403	39,559,500	2.23%	492.95								
2013	346,055	72,965	255,287	3,328	108,173	55,916	841,724	39,606,938	2.13%	472.01								
2014 *	329,833	74,187	302,713	2,253	90,333	62,825	862,144	39,265,092	2.20%	489.82								
2015	310,631	70,178	290,264	1,128	71,819	72,097	816,117	39,151,410	2.08%	463.67								
2016	292,575	61,800	285,045	-	56,141	76,041	771,602	40,174,870	1.92%	439.76								

Source: Wayne County Department of Management and Budget.

* In FYE 9/30/2014, the County implemented GASB Statement No. 65, where deferred loss on refunding is reported as deferred outflow and no longer reported as part of long-term debt.

CHARTER COUNTY OF WAYNE, MICHIGAN

Ratio of Net General Bonded Debt to Taxable Value and
 Net Bonded Debt Per Capita
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Population	Taxable Value To Fund		Net Bonded Debt	Net Bonded Debt as a Percentage of Taxable Value		Net Bonded Debt Per Capita
		Operations in Fiscal Year			Debt		
2007	1,981,654	\$ 50,572,359,004	\$	737,510,822	1.46%	\$	372.17
2008	1,949,929	52,996,404,797		897,026,602	1.69%		104.66
2009	1,938,141	52,918,906,133		1,022,477,000	1.93%		527.56
2010	1,897,499	50,989,562,702		718,669,000	1.41%		378.75
2011	1,797,901	46,582,482,079		1,118,181,000	2.40%		621.94
2012	1,787,920	43,605,427,141		1,136,560,000	2.61%		635.69
2013	1,783,293	41,423,614,743		1,004,645,000	2.43%		563.37
2014	1,760,135	40,939,078,345		995,725,000	2.43%		565.71
2015	1,755,039	40,259,646,616		906,009,000	2.25%		516.23
2016	1,754,591	40,277,599,494		641,915,643	1.59%		365.85

Source: SEMCOG and Wayne County Department of Management and Budget.

* Taxable value is as of December valuation for that fiscal year. For example, fiscal year 2016 taxable value shown above is as of December 31, 2015.

CHARTER COUNTY OF WAYNE, MICHIGAN
Direct and Overlapping Governmental Activities Debt
September 30, 2016
(Unaudited)

Table 11

		<u>Net Debt Outstanding</u>	
Direct debt			
Debt carrying the County's limited tax general obligation:			
Building Authority Bonds		\$202,450,000	
Capital Improvement Bonds		90,125,000	
Business-type Activities - Sewers		<u>76,041,170</u>	
Total direct debt		<u>368,616,170</u>	
	<u>Net Debt Outstanding</u>	<u>Estimated Applicable Percentage</u>	<u>Estimated Share of Debt</u>
Overlapping debt			
Cities and townships	\$ 3,531,634	99.97%	\$ 3,530,588
School districts	3,389,895	94.91%	3,217,251
Community colleges	23,055	92.50%	21,326
Libraries	<u>15,940</u>	100.00%	<u>15,940</u>
Total overlapping debt	<u>\$ 6,960,524</u>		<u>6,785,105</u>
Total direct and overlapping debt			<u><u>\$375,401,275</u></u>

Overlapping Debt - The issuer's proportionate share of the debt of other local governmental units that overlap with it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is generally apportioned based upon relative assessed values of property.

Source: Wayne County Department of Management and Budget, Financial Reporting Division and Municipal Advisory Council of Michigan.

CHARTER COUNTY OF WAYNE, MICHIGAN
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (Unaudited)

Tax Year	State Equalized Valuation (SEV)	General Purpose		Tax-Supported Debt Outstanding	Legal Debt Margin	Percent of Debt Outstanding to SEV
		Debt Limit (10% of SEV)	Debt Limit			
2007	\$ 66,127,289,684	\$ 6,612,728,968	\$ 737,510,822	\$ 5,875,218,146	1.12%	
2008	63,720,657,657	6,372,065,766	897,026,602	5,475,039,164	1.41%	
2009	57,346,902,312	5,734,690,231	1,022,477,000	4,712,213,231	1.78%	
2010	50,648,353,534	5,064,835,353	718,669,000	4,346,166,353	1.42%	
2011	46,414,191,660	4,641,419,166	1,118,181,000	3,523,238,166	2.41%	
2012	43,557,506,668	4,355,750,667	1,136,559,130	3,219,191,537	2.61%	
2013	42,875,921,514	4,287,592,151	1,004,645,000	3,282,947,151	2.34%	
2014	42,501,747,896	4,250,174,790	995,725,000	3,254,449,790	2.34%	
2015	44,430,928,950	4,443,092,895	906,009,000	3,537,083,895	2.04%	
2016	44,884,066,562	4,488,406,656	641,915,643	3,846,491,013	1.43%	

Source: Wayne County Department of Management and Budget.

CHARTER COUNTY OF WAYNE, MICHIGAN

Pledged-Revenue Coverage

Last Ten Fiscal Years

(Unaudited)

(in thousands)

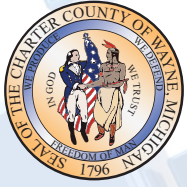
Fiscal year	Water and Sewer Revenue Bonds				Special Assessment Bonds				
	[1] Gross Revenues	[2] Operating Expenses	Net Revenue	Debt Service Principal Interest	Coverage	Special Assessment	Debt Service Principal Interest	Coverage	
2007	\$ 15,659	\$ 15,408	\$ 251	\$ 475	\$ 116	\$ 2,042	\$ 1,750	\$ 292	1.00
2008	38,354	34,513	3,841	490	269	2,050	1,805	242	1.00
2009	39,603	36,138	3,465	630	458	2,045	1,850	195	1.00
2010	34,945	32,115	2,830	1,000	864	2,049	1,905	144	1.00
2011	84,903	82,681	2,222	1,925	1,090	2,325	2,100	225	1.00
2012	95,815	85,877	9,939	1,960	1,210	2,292	2,120	172	1.00
2013	94,426	83,695	10,731	2,485	1,845	298	180	118	1.00
2014	96,999	92,085	4,914	2,905	1,486	1,256	774	482	1.00
2015	101,116	94,195	6,921	2,580	1,726	1,512	1,011	501	1.00
2016	107,438	94,093	13,345	3,570	1,758	1,504	1,026	478	1.00

[1] Gross revenues are calculated based on total operating revenues.

[2] Operating expenses are calculated based on total operating expenses less non-cash items (i.e. depreciation).

Source: Department of Public Service.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

**DEMOGRAPHIC AND
ECONOMIC INFORMATION**

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CHARTER COUNTY OF WAYNE, MICHIGAN
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Year	Population			Change			Per Capita Personal Income				Wayne County Average Unemployment Rate
	Michigan	Wayne County	Wayne County	From Prior Period	From Prior Period	From Prior Period	U.S.	Michigan	Wayne County	Michigan Median Age	
2006	10,036,081	1,932,490	1,932,490	-0.15%	-1.42%	-1.42%	\$ 37,725	\$ 33,365	\$ 30,166	36.8	8.4%
2007	10,001,284	1,900,992	1,900,992	-0.35%	-1.63%	-1.63%	39,506	34,419	31,566	37.2	8.6%
2008	9,946,889	1,865,058	1,865,058	-0.55%	-1.89%	-1.89%	40,947	38,288	32,427	38.0	9.9%
2009	9,901,591	1,837,536	1,837,536	-0.46%	-1.48%	-1.48%	38,637	33,221	34,199	38.5	16.1%
2010	9,883,640	1,820,584	1,820,584	-0.18%	-0.92%	-0.92%	40,277	35,199	32,296	38.9	14.8%
2011	9,876,801	1,802,096	1,802,096	-0.07%	-1.02%	-1.02%	42,453	37,343	34,363	38.9	13.5%
2012	9,886,879	1,792,365	1,792,365	0.10%	-0.54%	-0.54%	44,266	38,652	34,876	38.8	11.7%
2013	9,900,506	1,775,273	1,775,273	0.14%	-0.95%	-0.95%	44,438	39,197	35,332	39.6	11.6%
2014	9,916,306	1,764,804	1,764,804	0.16%	-0.59%	-0.59%	46,049	40,740	36,844	39.3	10.0%
2015	9,922,576	1,759,335	1,759,335	0.06%	-0.31%	-0.31%	48,112	42,812	38,512	39.5	7.3%

Source: U.S. Census Bureau, SEMCOG and Michigan Department of Labor and Economic Growth-Bureau of Labor Market Information & Strategic Initiatives

Fiscal year 2016 statistics are not available

CHARTER COUNTY OF WAYNE, MICHIGAN

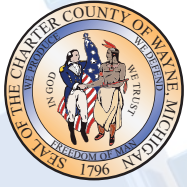
Principal Employers

Current Year and Nine Years Ago
(Unaudited)

	2015 *			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Ford Motor Company	39,696	1	5.70%	45,283	2	5.47%
Ilitch Companies	15,931	2	2.29%			
Rock Ventures	13,445	3	1.93%			
Detroit Medical Center	9,317	4	1.34%			
City of Detroit	8,956	5	1.29%	13,554	9	1.64%
Henry Ford Health System	8,941	6	1.28%	14,299	8	1.73%
U.S. Government	8,257	7	1.19%	14,825	7	1.79%
FCA US LLC (f/k/a Dailmer Chrysler)	7,854	8	1.13%			
Beaumont Health	7,368	9	1.06%			
Detroit Public Schools	5,862	10	0.84%	14,913	6	1.80%
General Motors Corp				46,399	1	5.61%
Chrysler Group				34,403	3	4.16%
Oakwood Healthcare Inc.				15,899	5	1.92%
University Of Michigan				16,578	4	2.00%
St. John Health				13,097	10	1.58%
Total	<u>125,627</u>		<u>18.05%</u>	<u>229,250</u>		<u>27.70%</u>
Total for county	<u>696,033</u>			<u>827,726</u>		

* The information for 2016 will not be available until 2017. As such, the information in this table will be reported on a one year lag.

Source: Michigan Labor Market Information: Labor & Economic Growth, Crain's Detroit Business: Book of Lists January 2007 and December 2016 Edition (Employee totals are based on full-time equivalents.)



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

STATISTICAL

OPERATING INFORMATION

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CHARTER COUNTY OF WAYNE, MICHIGAN
Full-time County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Wayne County Employees ⁽⁴⁾									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Legislative										
Board of Commissioners	35	36	36	36	36	36	42	42	48	29
Auditor General's Office	7	9	11	11	11	12	15	15	18	16
Judicial (3)										
All court and court related actives	673	702	725	732	689	696	650	687	712	751
General government										
Treasurer's Office (4)	55	64	68	72	68	72	69	34	39	80
Tax Assessment	14	6	3	7	23	32	37	44	47	45
Tax Billings/collections (4)	17	13	14	12	4	4	5	35	40	7
Budgeting	5	6	4	3	6	10	9	9	11	18
Purchasing	10	11	11	13	14	15	18	21	22	23
Central Accounting	13	14	21	27	25	29	36	36	40	44
Central Administration	24	31	57	68	41	55	52	66	66	63
Other Financial Administration	78	73	57	55	77	85	94	119	114	103
Data Processing	26	24	27	26	29	32	34	48	35	49
Building Maintenance	6	55	53	70	78	88	87	107	120	122
County Clerk	256	262	266	240	247	256	264	251	262	276
Retirement	19	15	21	-	-	-	-	-	-	-
Register of Deeds	47	56	62	60	55	65	78	85	91	90
Prosecuting Attorney	260	255	260	281	291	284	244	268	292	295
Corporation Counsel	42	45	45	48	51	53	68	84	89	90
Public safety										
Homeland Security (5)	4	4	1	4	4	5	5	10	10	10
Sheriff's Department										
Arresting Powers (1)	239	265	250	206	229	235	194	286	330	367
Civilian	13	48	37	56	60	58	50	64	75	93
Jails & Detention Facilities (1) (2)	654	593	664	961	932	962	1,057	1,098	1,250	879
Public works										
Public works	27	39	42	78	92	107	80	82	88	108
Sewage Disposal	72	86	84	59	59	66	70	73	79	114
Highways, streets and bridges										
Administration	96	40	15	14	15	20	16	15	16	14
Engineering	67	76	72	79	80	87	91	121	126	130
Maintenance	288	301	325	327	322	329	351	371	414	447
Health and welfare (2)	183	228	382	276	283	358	462	471	474	623
Recreation and cultural										
Parks	54	64	60	60	61	60	65	70	66	76
Libraries	-	6	20	20	20	24	33	37	37	38
Community and economic development	171	207	214	65	69	75	33	37	40	35
Other (5)	-	-	-	-	-	-	-	-	-	202
Total	<u>3,455</u>	<u>3,634</u>	<u>3,907</u>	<u>3,966</u>	<u>3,971</u>	<u>4,210</u>	<u>4,309</u>	<u>4,686</u>	<u>5,051</u>	<u>5,237</u>

- (1) In 2007, all Sheriff's Deputies (including those who worked in corrections facilities) were reported in Arresting Powers only, in error. For 2008, and future years deputies working in corrections have been accumulated in Jails & Detention Facilities.
- (2) In 2007 and prior years, all Juvenile Detention Facility employees were included in Health and Welfare. In 2008, and future years they are reported in Jails & Detention Facilities.
- (3) Number of full-time active employees as of March 2016. Excludes Probate and Third Circuit Court Judges, as they are considered employees of the State of Michigan.
- (4) Prior to 2008, the tax billing and collections division of the Treasurer's Office were included in the Treasurer's office line.
- (5) Prior to 2007, the community and economic development and homeland security functions were included in "Other".

Source: Wayne County Department of Management & Budget

CHARTER COUNTY OF WAYNE, MICHIGAN
 Operating Indicators by Function
 Last Ten Fiscal Years
 (Unaudited)

Function/Program	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Police										
Physical arrests	2,035	1,809	1,327	2,062	2,696	1,415	961	662	1,869	2,219
Bookings	2,035	1,809	1,327	2,062	2,696	1,415	961	662	1,869	2,219
Parking violations	575	29	44	50	146	193	147	51	51	23
Traffic violations	11,963	19,532	22,203	18,487	33,103	23,083	23,730	20,908	22,926	18,930
Incidents	1,774	1,639	1,842	3,054	2,652	4,337	4,443	3,282	7,089	6,987
Crash reports	155	151	126	141	70	62	60	57	95	331
Culture and recreation (1)										
Rounds of golf - Warren Valley	41,489	41,352	35,997	40,469	37,409	31,658	44,463	55,220	61,479	42,154
Picnic permits	990	959	949	899	909	944	952	940	986	1,019
Aquatic center attendance	37,481	26,506	20,366	18,525	21,465	40,502	56,516	42,107	48,588	45,879
Nankin mills center - (program attendance)	10,265	13,463	9,154	9,384	8,628	8,502	12,760	14,503	13,207	13,239
Crosswinds marsh (program attendance)	4,888	4,815	3,997	1,832	3,053	2,819	4,559	5,437	3,951	3,518
Highways, streets and bridges										
Street resurfacing asphalt (tons)	46,554	57,935	84,600	11,287	84,235	48,305	11,942	1,852	26,202	44,658
Street resurfacing (miles)	7	11	20	12	9	29	26	19	17	16
Snow removing salt (tons)	67,228	77,953	109,766	68,139	39,997	94,966	52,570	74,131	191,748	98,243
Ditching program (linear feet)	22,212	33,920	24,787	46,972	44,175	21,163	48,291	46,653	53,402	55,433
Ditching program (miles)	4	6	5	9	8	4	9	9	10	11
Emergency road repairs (tons)	2,876	6,679	8,283	4,153	3,506	4,389	3,155	4,111	4,345	3,122
Forestry Section										
Tree removal	1,430	3,923	1,788	6,439	9,528	6,745	9,389	6,839	5,497	1,947
Tree planting & trimming	974	638	647	2,635	2,745	1,881	2,093	1,746	2,133	1,183

(1) Statistics prior to 2008 are based on a calendar year. Statistics accumulated for 2008 and subsequent years are based on the fiscal year, with the exception of the Aquatic Center that is based on fiscal year in all ten years presented.

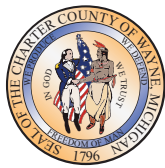
Source: Various county departments

CHARTER COUNTY OF WAYNE, MICHIGAN
 Capital Asset Statistics by Function
 Last Ten Fiscal years
 (Unaudited)

Function	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public safety										
Stations - road patrol	1	1	1	1	1	1	1	1	1	1
Police services automobiles	46	44	44	44	44	44	50	48	53	59
Marine safety (boats and vans)	15	16	16	18	18	20	20	22	15	14
Jail automobiles	28	18	18	20	18	23	23	23	26	12
Motorcycles (1)	11	11	11	11	11	11	5	5	3	25
Culture and recreation										
Pavilions	22	22	22	22	22	20	16	14	14	14
Golf courses	2	2	2	2	2	2	2	2	2	2
Playscapes	20	20	20	20	20	19	16	14	14	13
Soccer fields	20	20	20	20	17	23	25	25	25	25
Picnic areas	4	4	4	4	4	5	7	9	9	9
Baseball diamonds	22	22	22	23	-	25	26	26	26	26
Highways, streets and bridges										
Traffic signal (maintained)	100	332	120	76	114	130	90	138	141	97
Traffic signs (installed)	3,489	2,918	2,625	2,653	1,979	2,028	2,244	2,818	2,824	2,708

(1) Secondary Roads decreased the number of Motorcycles leased after 2007. In the past the County leased these items for one year terms.

Source: Various County departments



CHARTER COUNTY OF
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