

## Preliminary Financial State of the County Executive Summary Message from County Administrator Gregory Dill



The new normal of our economy has forced Washtenaw County to maintain fiscal stability by operating within our financial means within an eye on the future framework. As we focus on Community Impacts and Investments it is important to continue providing the best possible services to residents. As stewards of Washtenaw County, we are all responsible for its fiscal stability and helping to leave a strong legacy for future generations of residents and employees alike.

### Washtenaw County is Financially Sustainable

- **Budget Priorities & Principles determine strategic investments and allocations**
- **The Board of Commissioners Adopted Washtenaw County's 9<sup>th</sup> Award Winning Quadrennial (2022-2025) Budget**
- **Long-term labor agreements that eliminated legacy costs, ensured pension and healthcare funding, and contained costs for better and realistic cost projections**
- **AAA Bond Rating from Standard & Poor's, Aaa from Moody's, and AA+ from Fitch**
- **Fund Balance above 20% of General Fund expenditures**
- **Low Debt Ratio less than .5% with an allowable level of 10%**
- **Providing the best services, the right services, in the most cost-effective manner**
- **There is a need to right size government services**

#### 2022 GENERAL FUND REVENUES

**Property Taxes** – growth recognized since 2012

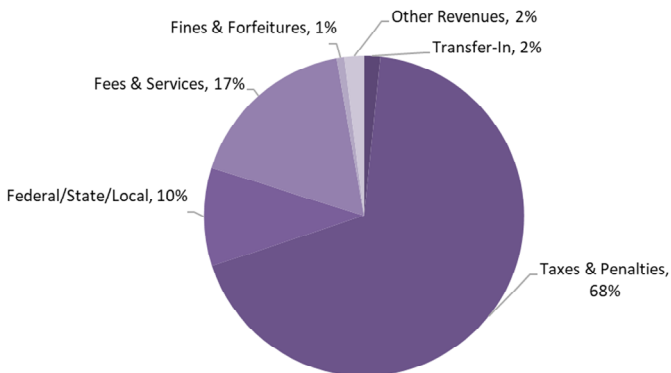
Projected revenues of \$89.5M for 2022 and includes public safety millage of \$6.9M

**Fees & Services** – \$22.8M partially based on **Clerk/Register of Deeds** document processing, **Court** case filing and includes **Sheriff's** police services revenue

**Police Services** – contract road patrol provided to local agencies, an important community service, and one of largest BOC policy considerations with pricing set through 2022

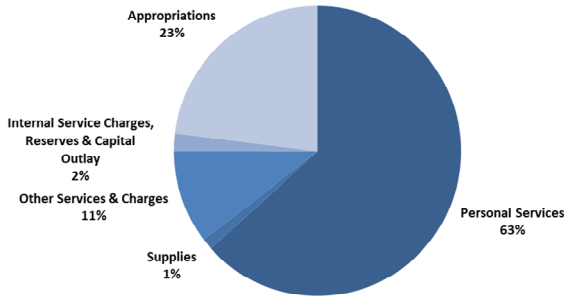
**Revenue Sharing/County Incentive Program** – held flat at \$7.2M

Revenues by Source \$130,981,803

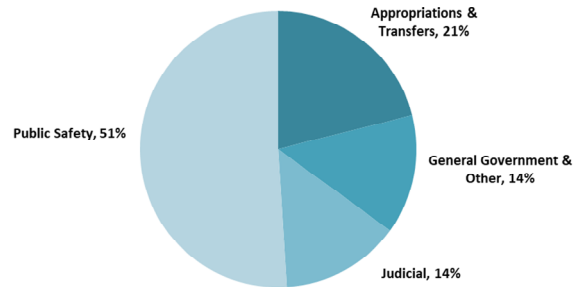


**2022 GENERAL FUND EXPENDITURES & LIABILITIES**

**2022 Expenditures by Category**  
\$130,981,803



**2022 Expenditures by Function**  
\$130,981,803



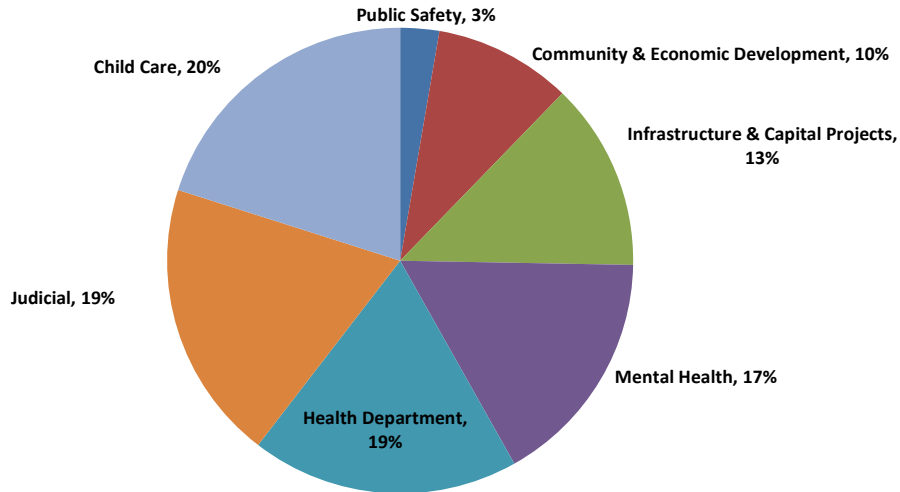
<b>Public Safety &amp; Justice</b>	65% (\$85M) of General Fund to our largest mandated service areas
<b>Appropriations &amp; Transfers</b>	21% (\$26.9M) - Allocations to non-General Fund programs; recent annual fluctuations are a result of non-structural allocations for health and human services and critical capital needs
<b>General Government &amp; Other</b>	14% (\$17.8M) - Board of Commissioners, County Extension, Support Services (Administration, Corporation Counsel, Finance, Human Resources, and Information Technology Services), Equalization, Public Works, Treasurer, and Water Resources activities
<b>Personnel Services</b>	63% (\$82.8M) - Long-term labor agreements provide better cost projections for our largest expenditure category; includes allocations for compensation study implementation
<b>Other Services &amp; Charges</b>	11% (\$13.7M) - includes consultants & contracts, software/hardware maintenance, jail food and medical services, undesignated allocation, and tax refunds

**2022 - 2025 Quadrennial General Fund Budgets**

	2022	2023	2024	2025
<b>Adopted Revenue Budget</b>	\$130,981,803	\$132,310,216	\$133,657,399	\$135,025,662
<b>Adopted Expense Budget</b>	\$130,638,746	\$132,599,886	\$133,098,731	\$135,637,716
<b>Planned Contribution/(Use) of Fund Balance</b>	\$343,057	(\$289,670)	\$558,668	(\$612,054)
<b>Budgeted FTE Supported</b>	653.98	653.98	653.98	653.98

	Major Assumptions
<b>Property Tax Revenue</b>	Assumes 1.5% growth for 2022 and beyond to absorb the impact of a potential Headlee reduction fraction, increased support TIFAs and PPT reform;
<b>Revenue Sharing/County Incentive Program</b>	Assumes fully reinstates and held flat at \$7.2M per year for 2022 - 2025;
<b>Police Services</b>	2022 contract price of \$165,503 with existing contracts and 0% increase for 2023 and beyond;
<b>Fees &amp; Services</b>	Clerk/Register of Deeds revenue projections in line with current trends and fee structure;
<b>Personnel Services</b>	In alignment with settled labor agreements, includes allocations for implementation of the compensation study and the closure of VEBA and WCERS plans;
<b>Other</b>	Departmental operating costs remain neutral; Capital reductions remain at current levels; Other appropriations to NGF remain flat except where mandated and additional nonstructural allocations were approved; There is a need to right size government services;
<b>Planned Contribution/(Use) of Fund Balance</b>	To balance the budget planned contributions to fund balance are included for 2022 and 2024 and planned uses of fund balance are included for 2023 and 2025;

**2022 General Fund  
Appropriations & Transfers  
\$26,904,490**



Includes appropriations/transfers budgets in central charges only. Excludes transfers budgeted as part of departmental operations i.e. Courts, Information Technology, Sheriff’s Office, and Water Resources Commissioner.

Function	Allocation	% of Total	Includes
Infrastructure Replacements & Capital Projects	\$ 3,619,211	13%	Capital Projects including non-structural allocations, Facilities and Information Technology Replacements appropriations, and Jail Renovation Debt Service Payment;
Mental Health	\$ 3,765,278	14%	Includes Local Required Contribution, Jail Services and Emergency Shelter Administration and additional nonstructural allocation for Debt Elimination Plan filed with the State of Michigan;
Health Department	\$ 5,152,835	19%	Includes County Health Care, Indigent Transport, Medical Examiner, DSH Transfers, Dental Fund allocations and an additional nonstructural allocation;
Community & Economic Development	\$ 2,647,896	10%	Includes Coordinated Funding for human services and children's well being, CCWC-Barrier Busters (including additional allocations specifically for Immigrants), Eviction Prevention, Economic Development & Agriculture, Historic District Commission, and Summer Employers allocations;
Child Care	\$ 5,572,053	21%	Includes all three CCF components Trial Court - Juvenile, Children Services and Department of Human Services; and DHS Social Welfare Fund
Public Safety	\$ 747,502	3%	Includes Community Corrections, Prosecuting Attorney -Cooperative Reimbursement Program and Local Emergency Planning allocations;
Judicial	\$ 5,399,715	20%	Includes Public Defender - Michigan Indigent Defense Commission, Friend of the Court and Law Library allocations;
<b>Total</b>	<b>\$ 26,904,490</b>		