

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

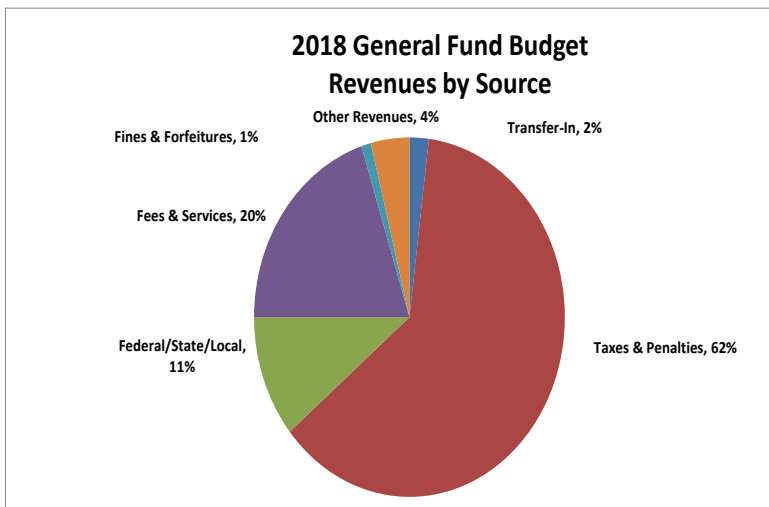


The new normal of our economy has forced Washtenaw County to continue on the path of fiscal stability by operating within our financial means within an eye on the future framework. As we focus on Community Impacts and Investments it's important to continue providing the best possible services to citizens.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

Washtenaw County is Financially Sustainable

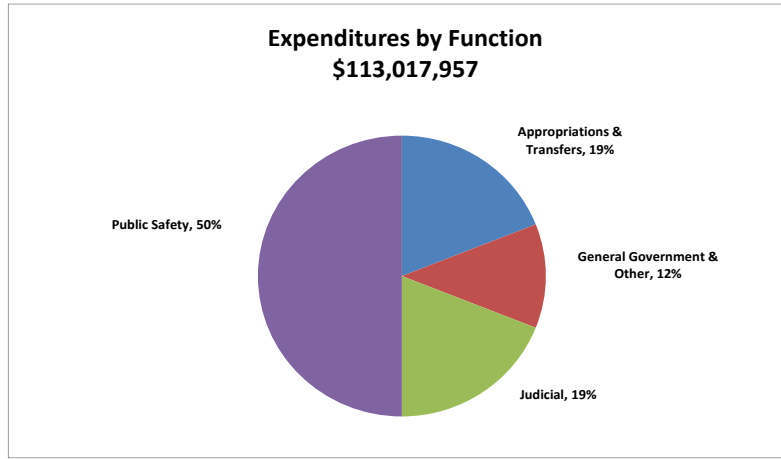
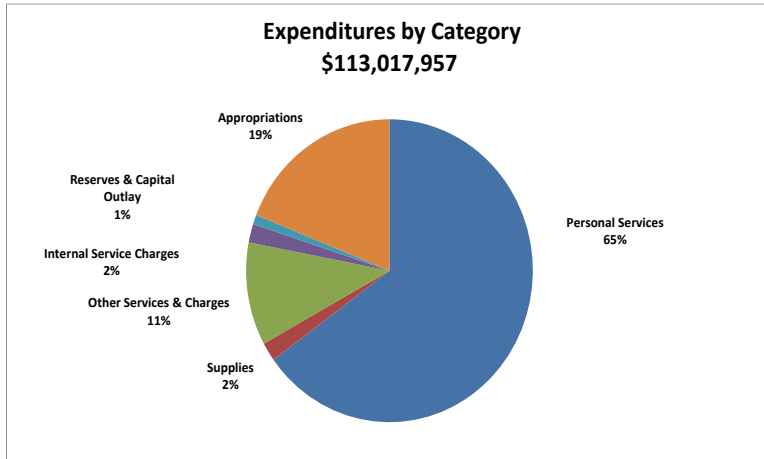
- **New strategic investments have been made for the third consecutive year**
- **The Board of Commissioners Adopted Washtenaw County's Award Winning Quadrennial (2018-2021) Budget for the 5th time**
- **Long-term labor agreements that eliminated legacy costs, ensured pension funding and secured union security also provide 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 1% with an allowable level of 10%**
- **Providing the best services, the right services, in the most cost effective manner**

REVENUES



- **Property Taxes** – growth recognized since 2012; Projected revenues of \$72.2M for 2018;
- **Fees & Services** – partially based on **Clerk/Register of Deeds** document processing and **Court** case filings; \$22.6M; includes police services revenues;
- **Police Services** –contract road patrol provided to local agencies; one of largest BOC policy considerations; important community service; pricing set through 2022;
- **Revenue Sharing/County Incentive Program**– reinstated at 100% of previous levels; \$6.9M;

EXPENDITURES & LIABILITIES 2018 GENERAL FUND EXPENDITURES



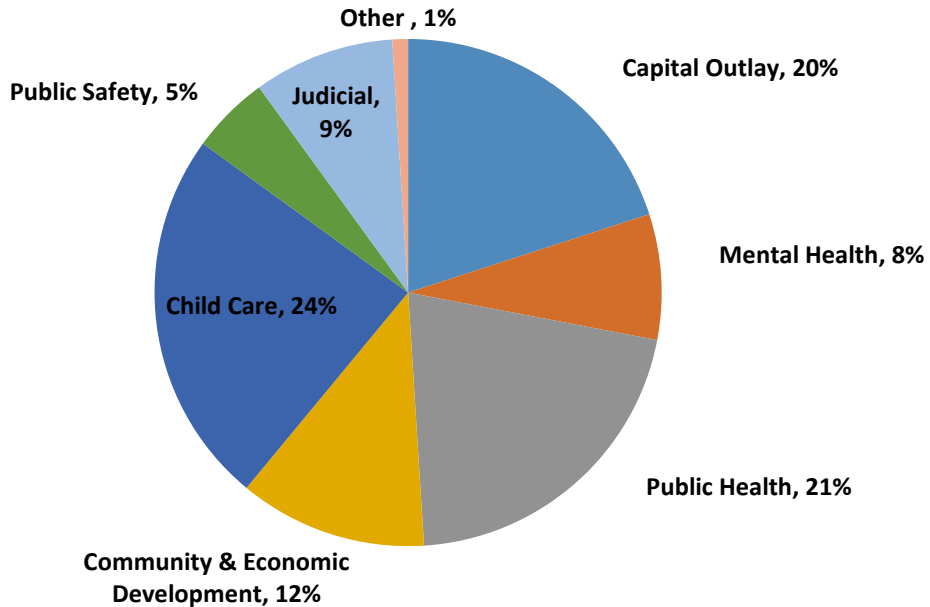
- **Public Safety & Justice** – 69% of General Fund to our largest mandated service areas; \$77.9M;
- **Personnel Services** - long-term labor agreements provide better cost projections for our largest expenditure category; \$73.7M;
- **Appropriations & Transfers** – structural allocations to non General Fund programs have been substantially reduced; recent annual fluctuations are a result of non-structural allocations for critical capital needs; \$21.6M;
- **General Government & Other** - have been substantially reduced; \$12.8M;
- **Other Services & Charges** – includes consultants & contracts, software/hardware maintenance, health services and tax refunds (tax appeals liability declining due to less board of review cases and State tax tribunals); \$12.0M;

2018 - 2021 Quadrennial General Fund Budgets

	2018	2019	2020	2021
Adopted Revenue Budget	\$111,138,959	\$111,860,231	\$112,803,849	\$113,724,862
Adopted Expense Budget	\$112,568,787	\$111,942,609	\$114,017,650	\$113,044,923
Planned Contribution/(Use) of Fund Balance	(\$1,429,828)	(\$82,378)	(\$1,213,801)	\$679,939
FTE Supported	643.22	643.22	643.22	643.22

	Major Assumptions
Property Tax Revenue	2018 = 5.23% taxable value increase, but Headlee reduction fraction applicable and increased TIFAs resulting in a revenue increase of 4.22%; Assumes 1% growth each year 2019 - 2021 to absorb the impact of PPT reform;
Revenue Sharing	Assumes fully reinstated at \$6.9M per year for 2018–2021;
Police Services	2018 contract price of \$160,650 with all existing contracts, and held flat for 2019 – 2020 and 1.5% increase each year for 2021 and 2022.
Fees & Services	Clerk/ROD revenue projections in line with updated fee structure approved by the State;
Personnel	In alignment with settled labor agreements and the closure of VEBA and WCERS plans;
Other	Departmental operating costs remain neutral; Capital reductions remain at current levels; other appropriations to NGF remain flat except where mandated; 2018 includes \$1.9M in one-time non-structural allocations for economic development, public safety, specific safety-net services, and critical infrastructure needs;

**2018 General Fund
Appropriations & Transfers
\$21,622,676**



Function	Allocation	% of Total	Includes
Capital Outlay	\$ 4,296,199	20%	Capital Projects including non-structural allocations for Special Projects i.e. BOC technology/space updates and FOC renovation, Capital Equipment, 1/8 Mill, and Technology Plan allocations, and Jail Renovation Debt Service Payment;
Mental Health	\$ 1,737,786	8%	Includes Local Required Contribution, Jail Services and Emergency Shelter Administration;
Public Health	\$ 4,576,688	21%	Includes County Health Care, Indigent Transport, Medical Examiner, DSH Transfers and Dental Clinic allocations;
Community & Economic Development	\$ 2,643,471	12%	Includes Coordinated Funding for human services and children's well being, CCWC-Barrier Busters (including additional specific for Immigrants), Eviction Prevention, Economic Development & Agriculture, Historic District Commission and Habitat for Humanity allocations;
Child Care	\$ 5,276,696	24%	
Public Safety	\$ 974,800	5%	Includes Community Corrections, Sheriff's Office prior year Revenue Surplus Prosecuting Attorney -Cooperative Reimbursement Program and LEPC allocations;
Judicial	\$ 1,917,036	9%	Includes Friend of the Court and Law Library allocations;
Other	\$ 200,000	1%	Includes UAAL supplemental allocations;
Total	\$ 21,622,676		