



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**Washtenaw County
Michigan**

For the Biennium Beginning

January 1, 2006

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Washtenaw County, Michigan for its biennial budget for the biennium beginning January 1, 2006. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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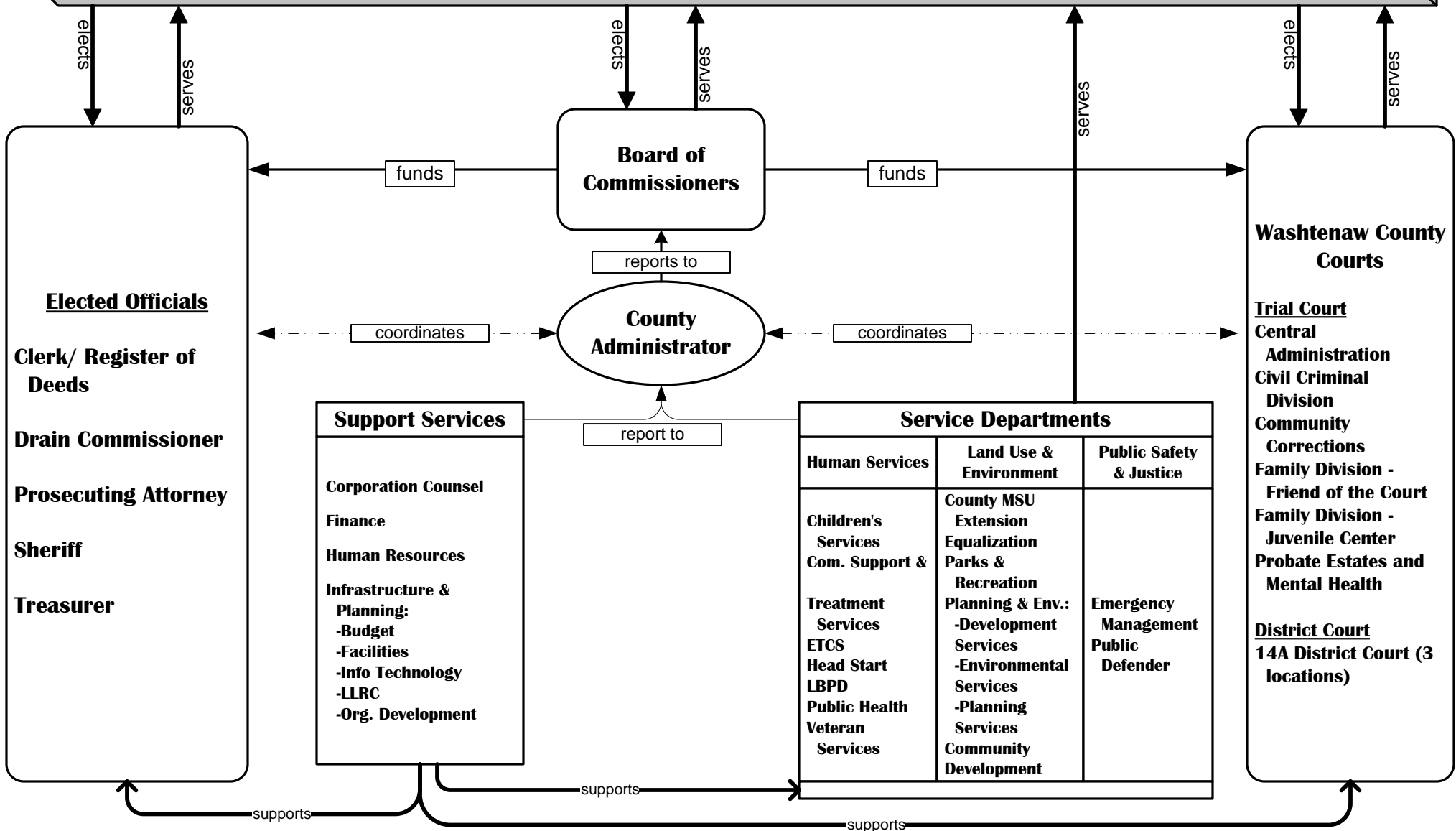


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WASHTENAW COUNTY

2008/2009 BUDGET

COVERING FISCAL YEAR JANUARY 1, 2008 – DECEMBER 31, 2008

AND FISCAL YEAR JANUARY 1, 2009 – DECEMBER 31, 2009



ROBERT E. GUENZEL
COUNTY ADMINISTRATOR

VERNA MCDANIEL
DEPUTY COUNTY ADMINISTRATOR

DAVID BEHEN
DEPUTY COUNTY ADMINISTRATOR

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READER'S GUIDE TO BUDGET SUMMARY

This budget document has been prepared with two goals in mind. One is to present a document outlining the services and resource allocation decisions that the average citizen can read and understand. The second is to present a financial plan that the County Board of Commissioners and County Administration can utilize to meet their goals and objectives to provide world-class quality service at the lowest cost to citizens.

Washtenaw County's 2008/2009 budget document has also been designed to meet the standards set by the Government Finance Officer's Association (GFOA) to receive the Award for Distinguished Budget Presentation. By meeting these standards, this budget document will achieve the two goals stated above. To accomplish this, it should encompass the following:

- A Policy Document
- An Operations Guide
- A Financial Plan
- A Communication Device

Washtenaw County is proud to be a recipient of the Award for Distinguished Budget Presentation for the past 14 years. Suggestions and comments provided by the GFOA reviewers were given serious consideration and were implemented where possible in the continued effort to improve upon the presentation of the 2008/2009 Budget Summary.

POLICY DOCUMENT

As a policy document, each service or function division is presented individually in the "DEPARTMENTAL SUMMARIES" section. This section outlines each department's operating business plan including their vision, mission, programs, processes, and measures of success. For 2008/2009, there was an added emphasis on the department's goals for the next two years. These goals outline the action steps the departments are making as a means to provide better service and move towards their departmental visions as outlined in their business plans.

The "COMMUNITIES OF INTEREST" section highlights each department's role within a Community of Interest. Communities of Interest have been a major initiative of the county's over the past few years to identify how the county should coordinate efforts internally and with other key members of the community to better meet the needs of our common customers. The Communities of Interest section includes a "Community Impact Plan" for each Community of Interest that outlines the vision and goals that the group is working towards as a means to ensure the citizens are being provided the best possible results, the mandated and discretionary services underway for the common customers, as well as a financial summary of resources being allocated towards the services being provided by the Community of Interest. New for 2008/09 is a breakdown of the funding source for each county program. This allows county officials and citizens to see where county General Fund dollars are being allocated as well as dependence on outside revenue. As discussed on these overview pages and in the Budget Preparation and Policies section of the book, the efforts made by these Communities of Interests will continue to be a major discussion during the 2008/2009 fiscal years to set policy and ensure the work of the organization is accomplishing the needs of the community as efficiently and effectively as possible.

The official policies governing the implementation of the 2008/2009 budgets are detailed in "BUDGET RESOLUTION" and major issues impacting 2008/2009 budgetary policy are discussed in "BUDGET PREPARATION, POLICY AND ISSUES".

OPERATIONS GUIDE

As an operations guide, under the DEPARTMENTAL SUMMARIES section of this document, the operations for each department are outlined and the resources to carry out these operations are presented by program in numeric fashion by total FTE and total operating budget. In addition, listed for each division is the 2006 actual expenditures, the 2007 adopted budget, and the newly adopted 2008 and 2009 budgets by the following major categories:

- Personal Services - Salaries and fringe benefits;
- Supplies - Office, maintenance, and janitorial supplies, etc.;
- Other Services and Charges - Outside professional/contractual services, consulting, etc.;
- Internal Service Charges - Capital leases and indirect cost allocation;
- Capital Outlay - Machinery and equipment, office furniture, data processing equipment, etc.;
- Transfers Out - Appropriations to other funds.

Also displayed is a listing of performance/workload measurements for 2006 actuals and projections for 2007, 2008 and 2009. Shown separately is a listing of each division's position counts by classification for 2006 through 2009. Summary discussion and presentation of the County's General Fund and All Funds budgets are given in the BUDGET SUMMARY section.

FINANCIAL PLAN

As a financial plan, major operating revenues are presented under the REVENUE DISCUSSION section of this document, which contains an analysis of the past years of actual revenues and the rationale used for the 2008/2009 projections. Key trends are presented in chart or graph form showing prior actual receipts and projected receipts for 2007 through 2009. An analysis of all governmental funds is provided in the BUDGET SUMMARY section, with an overview of each major fund type provided in the APPENDIX. The BUDGET SUMMARY section also provides a thorough review of the General Fund, a detailed accounting of all appropriations provided to the various other funds.

Washtenaw County financial accounting records for general governmental operations are maintained on a modified accrual basis with the measurable revenues recorded when they become available to finance expenditures of the current fiscal year. Available means collectible within the period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long term debt, are recognized in the accounting period in which the fund liability is incurred. This is discussed in greater detail in the APPENDIX.

The County prepares a five year Capital Improvement Plan as part of the annual budget process. Details and policies governing this plan are presented in the CAPITAL IMPROVEMENTS section as well as listings of major capital purchases for 2008.

Under the DEBT SERVICE section of this document is an overview of the County's long term debt with a comprehensive list of 2008 debt. Also included are a listing of major bond type, a description of use of bond proceeds and a summary of how bond debt is repaid.

COMMUNICATION DEVICE

As a communication device, the BUDGET PREPARATION, POLICY & ISSUES section of the book clearly articulates the entire planning process used to develop the goals and policies that will govern the county through the next two years, the major issues affecting the availability of resources for conducting county business, and the decisions that were made and incorporated into the 2008/2009 Budget. Throughout each section, conscious decisions were made as to the best way to display information so it was as clear as possible for the reader. In addition, efforts were made to present information in multiple formats whenever possible due to the diverse group of readers of this publication. The proposed budget was made available for public review at the offices of the County Clerk/Register and County Administration prior to the public hearing and adoption. The final printed budget document is available to the public electronically on the website or in print form by contacting the Budget Office. For additional information concerning the budget document or Washtenaw County government, please call the Budget office at (734) 222-3737 or visit our website at:

www.eWashtenaw.org



COUNTY ADMINISTRATOR



September 19, 2007

TO: Jeff Irwin, Chair
Honorable Members of the Board of Commissioners
Department and Agency Heads of the County
Washtenaw County Employees
Citizens of Washtenaw County

FROM: Robert E. Guenzel, County Administrator

SUBJECT: 2008/2009 Budget

Every two years I have the privilege of working with an outstanding organization and community to bring forth a recommended budget and strategic plan that strive to make the lives of all Washtenaw County citizens better. This year has been especially challenging for me, as it has for so many others in the community, as the public need and demand for services continue to increase as a result of the economic realities of the State of Michigan. I am reminded during these tough times of why I entered this profession in the first place. It is all about making a difference, about being a public servant, about doing the hard work to solve the critical problems that others wish would go away on their own.

Washtenaw County as an organization has faced many formidable fiscal challenges in the past, and we learn so much with each encounter. Take, for example, the near crisis mode for County finances in the mid-90s that led to our creation of the County's Guiding Principles. Those Principles have helped us through the past decade of fiscal ups and downs but even more importantly, they have allowed this organization to grow stronger, grow together and create the framework for much greater community impact. As a reminder to us all who attempt to live these principles every day, and for those of you who are being introduced to Washtenaw County for the first time, our Guiding Principles include:

1. Ensure long term fiscal stability for the County.
2. Reduce the cost of conducting the County's business.
3. Enhance customer service.
4. Provide the necessary knowledge, skills and resources to County employees to carry out these principles.
5. Ensure adequate provision of mandated services.
6. Focus on the root causes of problems that affect the quality of life of County citizens by aggressively pursuing prevention strategies.
7. Provide leadership on intragovernmental, intergovernmental and intersectoral cooperation and collaboration aimed at improving services to County citizens.

In addition to our Guiding Principles, we pressed further and created the County's Business Improvement Process to find ways to achieve more for our citizens while reducing the cost of doing business. This process aimed at changing the very culture of our organization to one of continuous improvement - to bring every employee into this effort to provide World Class public service for Washtenaw County citizens.

Even the development of our biennial budget - rather than an annual budget process - was a decision based on our adherence to the Guiding Principles. It became clear that we needed to devote the time necessary for more strategic rather than reactive fiscal policies. Making decisions based on Guiding Principle #1, always staying focused on long-term fiscal stability, has been the backbone to our success. In recent years, the Board of Commissioners has made hard decisions to structurally reduce the budget. The organization lost more than 132 FTE during 2002 – 2005 when we felt the first impact of the State's budget troubles. It was in fact our long term strategic decisions that resulted in the County's bond rating being raised twice, along with the doubling of our reserves. All the while, this organization has continued to provide more services, smarter services and in a more customer focused way.

Our Vision

All of our Guiding Principles are important to the success of Washtenaw County government, but I believe the final principle is the future:

Provide leadership on intragovernmental, intergovernmental and intersectoral cooperation and collaboration aimed at improving services to County citizens.

Governments within the State of Michigan cannot continue along the same path as they have in the past. We must **change the way government works** and rethink how we do business. It is clear that collaboration is the key to the future. We must come together and collaborate to provide similar services to similar citizens. We must demonstrate to our constituents that we are using their tax dollars in the most efficient manner possible across all government lines, and beyond. This collaboration must reach across sectors as well: Governments working with Governments, Governments working with Non Profits, and Governments working with Private Business. We need to be open to change, to transform our services so that we are providing the best services, the right services, in the most cost effective manner possible. This will mean looking at root causes and focusing on outcomes – and it will mean working together. A World Class Community consists of leaders who put the good of the community first. We must be community leaders.

2008/09 Budget Major Issues

A theme of the 2006/07 budget was the tension between increasing community needs and diminishing resources. That gap has only increased over the past two fiscal years. County revenues are being constrained, primarily due to the declining housing market. Based on the latest indicators, the budget includes a revision of the property tax revenue growth assumptions. In the past, the County frequently realized growth of more than 6% annually. There had been an early assumption that the impact of the housing market decline would be delayed due to the gap between our SEV (State Equalized Value) and taxable value. However, in many instances, both the SEV and taxable value are decreasing, resulting in a projected smaller growth in our total taxable value for the County as a whole. This recommended budget is based on an assumed 3.5% growth which needs to be monitored very closely over the next few years. The slow housing market is also reducing revenue fee generation for the County Clerk / Register of Deeds Office, as well as in our Building Services and Environmental Health programs. A long-term policy strategy must be determined shortly as to the future of Building Services. I believe strongly that these are valuable services to the community, but I also believe that these mounting pressures offer an opportunity for new intergovernmental collaboration.

The non-profit community is also struggling to maintain much needed services as both their private and public funding has been greatly reduced. This is partially due to the realities of the state budget, the loss of Pfizer as a significant community leader and contributor, and a general reduction in gifts from citizens who find their resources more limited today. The County has depended on these non-profit agencies to provide services which we are not

equipped to offer, nor are we the appropriate entity to offer them. In many cases, the non-profits are the first course of action for a citizen in need. Without the non-profit services being fulfilled, their customers will become ours putting even greater demand on county services and often with a higher need and cost. It should be noted that we see a community coming together more every day with innovative ideas and new programs to more effectively and efficiently meet citizen needs. But all good ideas need funding. We cannot move this community forward in a positive direction without both the ideas and the funding coming together, along with leadership and community support. With this understanding, the 2008/09 recommended budget includes an increase in allocations to outside agencies as outlined in the Budget Preparation, Policy and Issues section of our budget publication. Some examples of these initiatives and agencies include:

- Child Abuse Prevention (in collaboration with the Department of Human Services)
- Success by Six Child Medicaid Eligibility
- SPARK
- Eastern County Incubator
- Aerotropolis
- Community Housing Initiative
- North South Commuter Rail
- Washtenaw County Literacy Initiative

The focus internally with all of our County departments was equally focused on innovation and root causes. Each of our eight declared Communities of Interest went before the Board of Commissioners to present the desired future for its customer base (*please see the Community of Interest goals and work plans in the Community of Interest section of our Budget Summary*). These information packed presentations revealed wonderful services already provided, and many more efforts already underway that leverage existing staff time with our valuable partnerships in every sector of the community. This across-the-board demonstration of collaborative leadership in this organization has allowed departmental budgets to remain relatively flat. For the most part, budget enhancement requests were included in the recommended budget only if they were supported by outside revenue, or clearly indicated a critical investment in the future of the community. The primary suggested modifications to County operations include:

- Successful Communities Initiative – Addition of 1.0 FTE
- Community Communications Strategy – Addition of 1.0 FTE
- Contract Administrator for Outside Agency Allocations – Creation of 1.0 FTE with an offsetting reduction to make it cost neutral
- District Court Jail Diversion Efforts – Addition of 2.0 FTE (revenue generating)
- Prosecuting Attorney Victim Witness – Addition of 1.0 FTE
- Home Hazardous Waste Days – County funding of \$40K annually for 2008/09
- Expansion of Medical Examiner – One time space renovation of \$150K

In any budget there are issues that must be managed effectively to stay focused on long-term fiscal stability. Several issues for the County have been on the radar for the past year or so impacting our current budget, and they are projected to continue into the future. As a result, the 2008/09 recommended budget includes adjustments in response to these concerns. For instance, a national trend is being seen with juvenile crime and residential placements. This is unfortunately true in Washtenaw County as well resulting in an increase General Fund allocation to our Child Care Fund Juvenile Center Division, part of the Washtenaw County Trial Court. There is also an increase in costs for statutory obligations including attorney fees and jury fees within our Public Safety & Justice agencies. In our Drain's Office there is a need to expand county owned equipment to provide the best customer services and adequately equip our employees. And lastly, one of the largest changes in our 2008/09 budget is the implementation of the revised Police Services methodology as approved by the Board of Commissioners in 2006 (resolution 06-0047).

Balancing the Budget

When looking at the 10-year budget projections during the 2006/07 budget development, the County had identified a projected shortfall for the 2008/09 fiscal years of about \$3 million. There were several plans identified to bring the budget back into balance:

- Realizing the savings from the new Police Services methodology;
- Re-evaluating the commitment to the Human Services departments for personnel costs;
- Determining if the policy to freeze/waive the Cost Allocation Plan for Human Services and County grants can continue; and
- Savings in salary, medical and pension costs through negotiated labor contracts.

Since the 2006/07 budget, the projected deficit increased as we reduced our property tax and other revenue assumptions and added the enhancements and operating budget adjustments described above. All of the budget balancing options previously identified were reviewed and considered during the past year to determine the best approach to the 2008/09 budget. As mentioned above, the recommended budget does include the new Police Services methodology; however, the savings to the County have been revised from a projected \$2.4 million to just about \$2 million, and all of this savings plus more is being offset by the costs of the Jail Expansion Space Project and Jail Diversion Programs.

Given the realities of the demands of the community, especially as they relate to Human Services, it is not recommended at this time to alter the General Fund contribution to the Non General Fund departments for personnel cost increases or the Cost Allocation Plan. I do believe it is critical that we continue to monitor these contributions and balance the General Fund support to these Non General Fund departments in light of customer service but also fiscal stability of the organization as a whole.

The final strategy was based on the timing of our labor negotiations. Our current contracts expire on December 31, 2007. As the labor process is underway, I cannot discuss specific assumptions incorporated into the budget. Needless to say, the 2008/09 recommended budget was balanced with projected personnel savings. These savings are spread to all County funds with personnel, and impacts the General Fund through reduced personnel expenditures as well as reduced appropriations.

The approach taken in the recommended budget is to use these projected labor savings in the following manner:

1. Balancing the General Fund
2. Moving towards full funding of GASB 45 for Retiree Medical due to a change in reporting requirements
3. Increasing our reserves

Balancing the budget is the first and foremost priority. With the adoption of GASB 45, the county's liability for retiree health care grew dramatically. Although not a requirement at this time, it is recommended that we begin to fund this liability so it doesn't become a crisis in the future. And while the county has been very focused on long-term fiscal stability, the past couple of years resulted in the use of Non General Fund reserves to help balance our budgets. The organization realized so much stress during the 2002-2005 reductions that we needed to allow time to regroup and stabilize. It is recommended that we begin to rebuild these reserves, with a consistent policy of 8% of total budget, net of indirect costs. This level is reasonable and appropriate given the significant variables on the horizon. It will take time to get to this level, just as it did to build our General Fund reserves, but it is a needed commitment for our future.

At the same time, I am recommending that during 2008 we go back to our organization and identify further enhancements that will result in cost savings. The 2009 budget was also balanced with an assumed reduction of personnel costs of \$1.38 million. This organization thrives on continuous improvement. It is through our creative strategic thinking, our thinking outside of the box, and our discussions with all of our partners that this will become possible. We need to identify and maximize every opportunity to change the way we operate that will in turn set the course for the future and develop a balanced budget for years to come.

Supporting Our Employees

As I've communicated many times before, I believe our employees are our number one asset. The foundation of our balanced scorecard includes equipping employees with all they need to reach their fullest potential. The county uses an interest based bargaining approach to our labor negotiations as a means to understand and fulfill employee needs when possible. Obviously, to realize the cost savings needed to balance the budget, employee compensation and benefits will change. However, the commitment to our employees, to their professional development, to providing them a safe and appropriate work space, to equipping them with technology that allows them to do their job efficiently and effectively must be retained. I am proud that this organization has come together to identify ways of enhancing the support to our employees through existing capital resources. The Board of Commissioners has made a significant commitment over the past several years to maintain and grow our infrastructure, and it is that past and continued commitment that is allowing us to persevere in these times.

Having said that, 2008/09 brings the opportunity to review and make decisions on our remaining critical space needs. The Board of Commissioners approved in November 2006 an updated 20 year space plan. They subsequently approved bonds and the use of our Capital Reserves and General Fund savings from the Police Services methodology change to take the first expansion efforts in our chronically overcrowded Jail. This action was absolutely needed for the Public Safety & Justice system as a whole. This was phase 1 of the 20 year space plan, with project scopes and funding to be identified for our 14A-1 District Court, our downtown Ann Arbor Courthouse and our Juvenile Center. During 2008/09 we must resolve all of the space needs of our Public Safety & Justice facilities and identify funding to do so.

Long-Term Projections

We complete 10-year budget projections in each budget cycle, and often look at them more frequently than that to ensure we understand the full impact of decisions made. This time these projections are proving to be more challenging than ever before. The county is faced with significant variables in the future that are difficult to predict. In most instances, our budgeting practices use an assumption of past practice being the best indication of the future. For matters such as property taxes and state revenue, it is more intuition than data driving the assumptions.

For the 2008/09 budget, we have completed two sets of long-term projections looking at the six fiscal years following the 2008/09 budget years. Both sets of projections are identical except for one variance – State Revenue Sharing. The county is assuming as should all local governments that the State will honor its commitment to reinstate revenue sharing once our individual "Revenue Sharing Reserve Fund" balances have been depleted. For Washtenaw County, this is scheduled for 2013. This assumes, however, that no other uses of these funds materialize. The State has discussed the possibility of discontinuing their allocation of Substance Abuse funding and instead allowing counties to use their Revenue Sharing Reserve Fund to offset this revenue loss. If that were to happen, the county would deplete its reserve in fiscal year 2012.

The first set of projections assumes Revenue Sharing returns as a direct revenue from the State beginning in 2013. These also assume the projected 3.5% property tax growth assumption continues for 2008 – 2010 fiscal years, followed by growth of an estimated 5.5% annually starting in 2011. Our property tax budget and assumptions for the future must be closely monitored. If property tax collections do not appear to increase over the next few years, or if our assumption of 3.5% for 2008 – 2010 do not materialize, the organization will need to take more significant actions to reduce operating costs to bring about a long-term sustainable budget on a reduced revenue level.

WASHTENAW COUNTY MICHIGAN

	2008	2009	2010	2011	2012	2013	2014	2015
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
REVENUES:								
Taxes & Penalties	\$72,344,441	\$74,908,207	\$77,529,994	\$81,794,144	\$86,292,822	\$91,038,927	\$96,046,068	\$101,328,602
Licenses & Permits	\$136,200	\$136,200	\$140,286	\$144,495	\$148,829	\$153,294	\$157,893	\$162,630
State & Local Revenues	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562
Fees & Services	\$19,059,975	\$19,501,642	\$20,262,206	\$21,052,432	\$21,873,477	\$22,726,543	\$23,612,878	\$24,533,780
Fines & Forfeits	\$1,262,100	\$1,262,100	\$1,299,963	\$1,338,962	\$1,379,131	\$1,420,505	\$1,463,120	\$1,507,013
Interest Income	\$754,400	\$754,400	\$777,032	\$800,343	\$824,353	\$849,084	\$874,556	\$900,793
Other Revenue	\$1,740,811	\$1,740,811	\$1,573,035	\$1,620,226	\$1,668,833	\$1,718,898	\$1,770,465	\$1,823,579
Transfers In	\$7,172,040	\$7,378,917	\$7,600,285	\$7,828,293	\$8,063,142	\$8,305,036	\$8,554,187	\$8,810,813
TOTAL	\$107,552,529	\$110,764,839	\$114,265,363	\$119,661,457	\$125,333,149	\$131,294,849	\$137,561,729	\$144,149,772
EXPENDITURES:								
Personal Services	\$61,569,798	\$63,123,205	\$66,197,554	\$69,192,095	\$72,323,721	\$75,598,765	\$79,023,853	\$82,605,920
Supplies	\$1,639,936	\$1,452,936	\$1,689,134	\$1,496,524	\$1,739,808	\$1,541,420	\$1,792,002	\$1,587,662
Other Svcs. & Charges	\$13,232,381	\$13,279,082	\$13,777,454	\$14,055,778	\$14,492,451	\$14,942,225	\$15,405,492	\$15,882,656
Internal Service Charges	\$3,023,515	\$3,198,940	\$3,294,908	\$3,393,755	\$3,495,568	\$3,600,435	\$3,708,448	\$3,819,702
Capital Outlay	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275
Contingencies	\$900,000	\$900,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
Appropriations/Transfers Out	\$27,172,624	\$28,796,401	\$30,502,965	\$32,282,229	\$34,137,432	\$36,071,962	\$38,089,366	\$40,193,352
TOTAL	\$107,552,529	\$110,764,839	\$116,126,291	\$121,084,656	\$126,853,256	\$132,419,083	\$138,683,437	\$144,753,567
SURPLUS (DEFICIT)	\$0	\$0	(\$1,860,928)	(\$1,423,200)	(\$1,520,107)	(\$1,124,234)	(\$1,121,707)	(\$603,795)
Deficit as % of Total Revenue			-1.63%	-1.19%	-1.21%	-0.86%	-0.82%	-0.42%

With these assumptions, you can see that the county is still projecting a deficit beginning in 2010. This includes my commitment to the Board of Commissioners to identify over \$1.3 million in savings during 2008 for the 2009 budget. The strategy to balance future budgets needs to include:

- Re-evaluating the policy and fiscal commitment to the Human Services departments for personnel costs;
- Re-evaluating the policy to freeze/waive the Cost Allocation Plan for some departments/programs; and
- Identification of regional, intergovernmental and intersectoral initiatives that will reduce the cost of doing business.

It would not be prudent, especially given the realities of the State budget, to simply assume that the State will begin to provide the county \$7 million in funding once our reserve fund has been depleted. It is recommended that we review this over the next year to understand the possibilities and impact on county services this would have. In addition, it is critical that all efforts be made to keep this in front of the State legislature and executive bodies so they are fully aware of the further devastation to the local communities and its citizens if such a decision were to be made. The long-term projections assuming the end of Revenue Sharing is provided on the following page.

WASHTENAW COUNTY MICHIGAN

	2008	2009	2010	2011	2012	2013	2014	2015
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
REVENUES:								
Taxes & Penalties	\$72,344,441	\$74,908,207	\$77,529,994	\$81,794,144	\$86,292,822	\$91,038,927	\$96,046,068	\$101,328,602
Licenses & Permits	\$136,200	\$136,200	\$140,286	\$144,495	\$148,829	\$153,294	\$157,893	\$162,630
State & Local Revenues	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562	\$5,082,562
Fees & Services	\$19,059,975	\$19,501,642	\$20,262,206	\$21,052,432	\$21,873,477	\$22,726,543	\$23,612,878	\$24,533,780
Fines & Forfeits	\$1,262,100	\$1,262,100	\$1,299,963	\$1,338,962	\$1,379,131	\$1,420,505	\$1,463,120	\$1,507,013
Interest Income	\$754,400	\$754,400	\$777,032	\$800,343	\$824,353	\$849,084	\$874,556	\$900,793
Other Revenue	\$1,740,811	\$1,740,811	\$1,573,035	\$1,620,226	\$1,668,833	\$1,718,898	\$1,770,465	\$1,823,579
Transfers In	\$7,172,040	\$7,378,917	\$7,600,285	\$7,828,293	\$8,063,142	\$7,955,131	\$948,543	\$976,999
TOTAL	\$107,552,529	\$110,764,839	\$114,265,363	\$119,661,457	\$125,333,149	\$130,944,944	\$129,956,085	\$136,315,959
EXPENDITURES:								
Personal Services	\$61,569,798	\$63,123,205	\$66,197,554	\$69,192,095	\$72,323,721	\$75,598,765	\$79,023,853	\$82,605,920
Supplies	\$1,639,936	\$1,452,936	\$1,689,134	\$1,496,524	\$1,739,808	\$1,541,420	\$1,792,002	\$1,587,662
Other Svcs. & Charges	\$13,232,381	\$13,279,082	\$13,777,454	\$14,055,778	\$14,492,451	\$14,942,225	\$15,405,492	\$15,882,656
Internal Service Charges	\$3,023,515	\$3,198,940	\$3,294,908	\$3,393,755	\$3,495,568	\$3,600,435	\$3,708,448	\$3,819,702
Capital Outlay	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275	\$14,275
Contingencies	\$900,000	\$900,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
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TOTAL	\$107,552,529	\$110,764,839	\$116,126,291	\$121,084,656	\$126,853,256	\$132,419,083	\$138,683,437	\$144,753,567
SURPLUS (DEFICIT)	\$0	\$0	(\$1,860,928)	(\$1,423,200)	(\$1,520,107)	(\$1,474,139)	(\$8,727,351)	(\$8,437,609)
Deficit as % of Total Revenue	0.00%	0.00%	-1.63%	-1.19%	-1.21%	-1.13%	-6.72%	-6.19%

Summary

The organization has worked very hard over the past year to bring forth this guide for 2008, 2009 and beyond. I appreciate all of their efforts as community leaders and look forward to working with them to implement this plan. I'd also like to thank our union leadership for continued partnership and staying true to the values of Interest Based Bargaining. It is efforts like these that set us apart from so many others. I have no doubt that this organization will continue to amaze me with its innovation and success. It will be in collaboration with our partners that we make the critical decisions to truly make Washtenaw County a World Class Community, all within our financial constraints.

I want to end this message the same way as I did in 2006/07 as I think we must always keep this in front of us, especially in these challenging economic times.

Public service is never easy; however, it is a noble and rewarding endeavor particularly when one witnesses the result: improved quality of life for all our citizens.