CHARTER COUNTY OF WAYNE, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

ROBERT A. FICANO
COUNTY EXECUTIVE

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

2010

"Managing for the Future"

CHARTER COUNTY OF WAYNE, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

PREPARED BY:
DEPARTMENT OF MANAGEMENT & BUDGET

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CHARTER COUNTY OF WAYNE, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

INTRODUCTORY

The Introductory Section Contains:

LETTER OF TRANSMITTAL

LIST OF PRINCIPAL COUNTY OFFICIALS

WAYNE COUNTY COMMISSIONERS

ORGANIZATIONAL CHART

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Robert A. Ficano
County Executive

Office of the County Executive
500 Griswold
Detroit, Michigan 48226
(313) 224-0286
Fax (313) 967-6558

March 31, 2011

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

State law requires that every general-purpose local 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, 2010.

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 control 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.

Plante & Moran, PLLC has issued an unqualified ("clean") opinion on the Charter County of Wayne, Michigan's (the County) financial statements for the year ended September 30, 2010. 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 letter of transmittal and should be read in conjunction with it.

Profile of the Government

The County is located in southeastern Michigan, encompassing approximately 623 square miles. It is made up of 34 cities, including the City of Detroit, 9 townships, and 41 public school districts. Its population of approximately 1.8 million makes it the most populous County in the State of Michigan and the 15th most populous County in the nation.

The County was incorporated under Act No. 293, Public Acts of Michigan, 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 of the County to supervise, coordinate, direct and control all 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 County also elects the following officials on an at-large basis for four-year terms: County Clerk, Register of Deeds, Prosecuting Attorney, Sheriff and County Treasurer. The County Clerk and the Register of Deeds are responsible for the general recording of official records. The Prosecuting Attorney and Sheriff are responsible for providing quality criminal justice services to all people of the County. The Treasurer is responsible for the receipt, custody, and investment of all County funds and the collection of taxes.

In 1996, the State of Michigan passed along primary funding responsibility for the Third Circuit and Probate Courts to Wayne County, although both are legally separate entities and are reported as discrete component units. The Courts are responsible for judicial proceedings within the County. There are three separate divisions of Third Circuit Court: civil, criminal, and family court. The civil division is assigned 14 judges for the resolution of general civil cases. The criminal division is assigned 28 judges and has sole jurisdiction over

felonies and high misdemeanors. The family court division (19 judges) has responsibility for hearing both domestic relations and juvenile cases. 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 in the Department of Management and Budget on or before March 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 1st. After public hearings to obtain citizen input, the Commission legally enacts the budget through the passage of the appropriations ordinance. The appropriated budget for the General Fund is adopted by function (e.g., general government, public safety, public works, etc). Amendments to appropriations that change the County's appropriations ordinance require the approval of the Commission. Certain transfers within line items that do not affect aggregate departmental appropriations may be made without the Commission's approval.

Local Economy

The era of deficit denial may have ended, but the period of deficit reduction has not started at the state level. The politicians of each party ignored the inevitable, knowing that something needed to done. Therefore, bold deficit action in 2010 did not occur at the state level. We expect the sluggish pace of economic recovery that characterized the last two quarters of Fiscal 2010 to continue in the near term. Many of the impediments to more rapid growth will eventually work themselves out, but that will take time. For now, the economy continues to struggle with the impact on consumer spending of poor job prospects and ongoing debt reduction, the belt-tightening within state and local units of government, and the aftermath of the housing collapse. The impact of the fiscal stimulus on economic activity is dwindling, and any stimulus from the Federal government second stage of quantitative easing will take time to develop. The fact remains that something must be done and before too much longer.

The North American International Auto Show (NAIAS) provides a huge annual economic boost to this region, benefiting hotels, restaurants, exhibit companies, and retail throughout the metro area. Many businesses and families reap the benefit of this show year in and year out. The goal is to keep that revenue stable and here in Michigan for the continued benefit to our economy. As part of this effort, the Governor for the State of Michigan signed legislation on January 16, 2009 that cleared the way for the expansion and renovation of Detroit's Cobo. The legislation transfers the ownership and operation of Cobo from the city of Detroit to a new regional authority and provides funding to pay for the expansion. Short term improvements were made, approximately $3 million during 2009 and the Auto Show kicked off with the annual black tie Charity Preview on January 15, 2010 and January 14, 2011 as usual. It is one of the last, biggest and longest parts of NAIAS. The event has raised more than $79 million since 1989 and has remained one of the top single-night fundraising events in the country.

The Cobo expansion not only marks a new chapter for one of Detroit's iconic meeting places, but this renovation will mark a new chapter for Detroit and will breathe new life, create new jobs, and attract new visitors into the Motor City. The growth and revitalization of Detroit is critical to the growth and revitalization of Michigan and our economy. Keeping the NAIAS's prominent place in Detroit preserves Michigan's trademark and brand.

The $221 million expansion will add a 40,000 square foot ballroom space which will seat an additional 2,600 people for dining and 5,000 for general sessions. The plan will also add an atrium which will open up views from the main level concourse and create a walking route to the Detroit Riverfront. The expansion was approved by a five-member governing authority board comprised of appointees of the governor, the Detroit mayor, the Oakland and Wayne county executives, and the chair of the Macomb County board of commissioners. All five have individual veto power over decisions regarding both the construction and the operation of Cobo. Funding for the expansion extends taxes on statewide liquor sales and metro Detroit hotel-

motel rooms until 2039 unless bonds to finance the project can be repaid before then. Although work will begin in the summer of 2011 it will not be completed until 2014.

An economic development strategy for the 21st century now includes the planned Aerotropolis, an aviation linked urban area consisting of an airport surrounded by tens of thousands of acres of light industrial space, office space, upscale retail mix, business-class hotel accommodations, restaurants, entertainment, recreation, golf courses, and single and multiple-family housing. One of the County's greatest assets is the combination of Detroit Metropolitan Airport and Willow Run Airport (the Airports) and the fact that there is ample land between the two airports for business attraction. This means that the Airports are uniquely positioned to serve as the catalyst for major economic activity providing employment, shopping, entertainment, and business meeting destinations. The creation of an Aerotropolis provides a region with the ability to attract corporations that rely on time and location-sensitive manufacturing, e-commerce fulfillment, and telecommunications, in addition to serving air-travel intensive professionals by providing convenient access to air travel transport to national and international destinations.

In December 2010, The Michigan legislature passed the Next Michigan Development Act (NMDA) with overwhelming bipartisan support. The legislation is designed to provide regional economic development entities and projects like the Aerotropolis with the tools to attract businesses engaged in trade and multi-modal commerce. Support was received from other government partners, from labor leaders and groups, businesses, nonprofits, trade associations, and citizens. The Act moved to the desk of outgoing Governor Jennifer Granholm who signed the bill into law before the end of her term. The Aerotropolis partners are also planning to engage Michigan's newly elected governor, Rick Snyder, to ensure that his administration feels ownership in the goals of this legislation and the Aerotropolis initiative. This process is well underway with the Michigan Strategic Fund Board voting in February to recognize the Aerotropolis as the State's first Next Michigan Development Corporation.

Once a Next Michigan Development Corporation has been established, the Corporation becomes eligible to apply for and create renaissance zones for businesses that are deemed an eligible Next Michigan Business. The legislation allows for the creation of up to 10 new renaissance zones up to 200 acres each per Corporation with a maximum of 25 businesses statewide that can receive a zone if they meet the definition of an eligible Next Michigan Business.

In practice, local governments and counties that are members of a certified Next Michigan Development Corporation can request a renaissance zone designation for a new business to the Corporation's board and, if approved, the zone and the corresponding business will be sent to the Michigan Strategic Fund Board for consideration and approval. Any application not acted upon within 49 days translates into deemed approval of the zone for the business.

An 'anti-poaching' provision will protect local interests and ensure that companies are NOT eligible for incentives if they simply relocate within Michigan. Incentives will only be available to new companies coming into Michigan, or to existing Michigan companies that are materially expanding their operations within the state.

Over the next several months, the Aerotropolis partners hope to expand its outreach to businesses, nonprofits, and other governmental entities that have a vested stake in the goal to transform the region into a world-class Aerotropolis. It will also explore new ways to connect the Aerotropolis region to the established central business districts including Detroit, Ann Arbor, and Oakland County. The goal is to make sure the Aerotropolis becomes an integrated component of the economy of our region and the state.

Property tax is the County's largest revenue source, representing sixty-two percent of total General Fund revenue. However, lower home values means reduced assessments therefore, County property tax collections declined by 8% this year. Revenue sharing, representing 7% is the next largest source. Funding for the State Revenue Sharing program consists of the following dedicated tax revenues:

- Constitutional - 15% of the 4% gross collections of the state sales tax;
- Statutory - 21.3% of the 4% gross collections of the state sales

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%. Payments are apportioned among the 83 counties on a per capita basis, and are distributed each February, April, June, August, October, and December. Despite the State of Michigan budgeting Wayne County to receive $45 million, the County only received approximately $39 million in revenue sharing for fiscal year 2010.

The 2010 Census was conducted on April 1, 2010. The actual population count was released by the Michigan census March 21, 2011. According to the census Detroit has experienced a 25% decline in the number of residents since 2000. The statistics show that the population fell to 713,777 from 951,270. The total Fiscal 2011 revenue sharing payment each local unit will receive will be based on the actual 2010 Census population count. However, the October 2010 through April 2011 payments will be based on the 2000 Census population count; and the June and August 2011 payments will be adjusted so that the total amount each local unit receives for Fiscal 2011 (October 2010 to September 2011) is based on the actual 2010 Census population count. As the County's population has declined since 2000, it is expected that the amount of revenue sharing will be adjusted downward.

Managing for Results

Despite the current economic situation, all is not doom and gloom for the County. There are alternatives to cuts across the board, laying off employees and slashing services. Managing for Results (MFR) is a comprehensive and integrated management system that focuses on achieving results for the customer and makes it possible for departments to demonstrate accountability to the taxpayers of Wayne County. Beginning in November 2006, a draft set of nine strategic priorities and goals were developed by the County Executive (CEO) and the strategic planning team (Corporate Review Committee). In subsequent strategic planning sessions, the CEO reviewed and discussed the strategic priorities with all executive branch departments and identified areas where the County would need to focus its attention and resources over the next three to five years to ensure the successful, sound, and stable delivery of County services to a rapidly growing and changing community. County departments met with their customers, employees, community boards, and other stakeholders to identify issues and trends for consideration by the Corporate Review Committee. The Corporate Review Committee reviewed submissions from County departments and grouped them into like categories for consideration by the CEO. In January 2008, the County implemented its first five-year plan under the MFR system. The County will utilize its MFR principles to ensure successful updating and implementation of its strategic plan. In order to facilitate this tool, the County entered into a partnership with GovMax. Developed by Sarasota County, GovMax is a web-based application that integrates strategic planning, business planning, performance management and budgeting. In addition, this application is supplemented with the Performance Management Information System (PMIS). This system, at the most basic level, will be the repository for departmental strategic plans, (mission, programs and services, etc.) as well as performance metric data. It will interface with GovMax and provide reports so that the Office of the CEO, the Commission, staff and citizens can quickly and easily access information about the services provided by the County. Implementation of these systems began in July 2007. Continuous enhancements were implemented during fiscal years 2008-09 and 2009-10. Phase two of this technological transition will utilize the MFR services and PMIS performance measures as the basis for implementation of an e-government transformation throughout the County.

In 2009, the County began its budgeting for results efforts by requiring forecasts as part of the budgeting process. This process allowed the County to better align resources with need. In addition, it will help to identify efficiencies, which will ultimately allow for resources to be relocated to other areas. The County hopes that the other elected officials will come online with MFR in FY 2011. Once it is fully adopted, the plan will be sent out to every County employee and made available on the website.

Long-Term Financial Planning

Balancing a budget requires more than just cutting back on expenditures, and because the current revenue picture is a result of unprecedented economic conditions, the current state of doing business can no longer be based on past practices. Faced with downward pressures on property values, increasing expenditures, shifting demographics, as well as a host of other complex challenges, the County needs a new approach to planning. Traditional County planning, the annual budget is not well suited to address such challenges due to its inherent tactical and short-term nature. This makes long-term financial planning an indispensable complement to traditional budgeting and an invaluable piece of the County's overall strategic planning framework. It provides a more comprehensive financial perspective that is not available through other County planning processes. The Department of Management and Budget's Strategic Business Plan identifies the development and implementation of a formal long-term financial plan as Strategic Result #1. In the short-term, the County continues to focus on the following seven issues discussed more fully below:

- Maintain Reserves and Reserve Funds at Appropriate Levels
- Ensure Long-Term Financial Sustainability; Deliver Services in a Cost-Effective and Efficient Manner
- Ensure Operating Revenues are Sustainable and Consider Community-wide and Individual Benefits (taxes versus user charges)
- Meet Social Equity Objectives through Specific Programs
- Manage the County's Capital Assets to Maximize Long-term Community Benefit
- Recognize that Funding from Senior Governments is a Crucial Element of Financial Sustainability
- Use Debt Financing where Appropriate

With that goal in mind, the County entered into a consulting services contract with Government Finance Officers Association (GFOA) to assist in implementing the Long Term Financial Plan (LTFP). To date, County staff and other stakeholders have been interviewed to get their perspectives on strategic financial issues facing the County. A summary of these issues has been completed and compiled in a report. This report will form the centerpiece for prioritizing the issues for further study. It is anticipated that the LTFP will be completed in fiscal year 2010-2011 and it is expected to be substantially completed for the County's major funds for use in the 2011-12 budget process. In the short-term, as revenue growth is projected to be lower than expenditure growth in several funds, including the General Fund, certain corrective measures will be taken or have been taken, as described below.

In fiscal 2008-09, the County began transforming the way it manages technology (IT) operations. In prior years, every department, including those headed by an elected official had its own in - service IT staff. This staff in some cases, decided what hardware, software, networking infrastructure, the County would buy and deploy. During the last fiscal year, the County started combining those various systems and services under one umbrella operation. When IT is fully centralized, departments will be able to share services, such as a help desk, a data center, networking and security, eliminating redundancies and streamlining functions.

In 2009-10, serious commitment to e-government including a paperless initiative was made that, combined, will have some cost savings by freeing up additional resources to support key, citizen-level services. At the most simple level, "paperless government" involves minimizing the use of paper in County government. Because every dollar spent on paper can be linked to approximately $24 in secondary costs (storage, printing, postage, etc.), the savings from reducing paper use are amplified many times over.

More broadly, e-government lets County employees shift their focus from pushing paperwork to more substantive work serving citizens, resulting in better use of County resources, fewer mistakes, and faster services. This effort is underway in the Executive Departments. The departments of Management and Budget, Corporation Counsel, Personnel, Technology, Human Relations, Department of Public Services, Homeland Security, Economic Development Growth Engine, Health and Human Services administration and the Chief Executive Office are in the process of implementing the document management system. It is anticipated that this initiative alone will halve application processing time, increase efficiency, and significantly reduce staffing

needs by using imaging technology. Replicating this type of initiative across the County will reduce costs, increase efficiency, and improve service quality.

As part of an office space consolidation project, the County began moving its operations from the Old Wayne County Building (600 Randolph) and 415 Clifford to the renovated Guardian Building (the Guardian), a National Historic Landmark. The Guardian, owned and operated by the County, is one of the most innovative structures erected in the City of Detroit between World War I and the economic collapse of 1929. This move provided the County with a once in a lifetime opportunity to reshape the landscape of Wayne County Government while increasing internal efficiencies and saving approximately $2.8 million annually. The County will continue its efforts to "smarten" up its office space and achieve real energy efficiency and higher performance in its facilities during 2011.

The General Fund has an unreserved, undesignated fund deficit of $116 million at September 30, 2010, which falls below the policy guidelines set by the GFOA and the fund balance policy (between 5 and 15% of expenditures) issued by the Department of Management and Budget. The deficiency is due, in part, to increased health care costs, cuts in State revenue sharing and cost overruns in other General Fund supported services run by departments outside of the County Executive's jurisdiction. The County spends approximately 75% of its General Fund, General Purpose budget on Criminal Justice which includes the Sheriff, The Third Circuit Court, the Prosecutor and the Department of Children and Family Services. The Third Circuit Court is the single biggest challenge facing the financial stability of the County. While the County has made progress in reducing the accumulated deficit in the juvenile justice fund, the deficit in the Circuit Court fund has proven more difficult to contain. Management's attempts to reduce Circuit Court costs are further hindered by a recent adverse court decision that mandated the hiring of 110 additional Circuit Court employees, estimated to cost an additional $10 million per year, and obligating the County to fund capital improvements to court facilities. In March 2011, the Michigan Supreme Court issued a Stay of implementing the lower court ruling pending the appeal.

Over the last six years the County has instituted a number of major cost-cutting measures to address declining revenues and increasing expenditures, including a 14% reduction in executive and appointee salaries, a hiring freeze, a reduction of 1360 positions through a combination of attrition and layoffs since 2008, reducing staffing in most County departments without reducing county services and departmental budget cuts that total more than $40 million from county executive operations. Other cost saving measures include:

- Implementation of a new health plan with increased cost sharing for both active and retired employees, saving appropriately $24 million annually;
- Closed the County's defined benefit health plan and established a Retiree Health Care Trust with fixed contributions to fund and administer retiree health care costs for new hires after mid 2008. No contributions have been made to the trust as of September 30, 2010. The plan redesign and establishment of the trust resulted in substantial savings to the County. Once the County uses the trust to fully fund the other post-employment benefits cost, the County's unfunded actuarial liability will be reduced from $1.5 billion to under $0.9 billion;
- Instituted an early retirement incentive program for eligible employees and offered buyout incentives for employees that were not eligible;
- Put into practice performance management and budgeting principles to better align county goals and objectives and to streamline operations;
- Reorganized County operations resulting in the elimination of two executive departments;
- Invested in cutting edge technology including E-Government, VOIP phone systems, and a state-of-the-art data center in order to improve workflow and optimize efficiency, savings for the phone system alone is estimated at $500,000 annually.

The County's cost containment effort has been noted in a study performed by the accounting firm of Plante Moran in February 2010 that analyzed the cost of government services and number of employees required to

operate the government, where it compared peer counties both nationally and locally. The analysis concluded the following:

- Wayne County had the lowest number of County employees per 1,000 of population ratio for the second consecutive year at 2.68 (2007) and 2.77 (2008);
- Wayne County's ratio of number of employees per 1,000 of population in 2008 is 45% lower than the average and 51% lower than the median ratios as identified from CAFR statistical data;
- 2009 and 2010 year FTE County employee data was not available for all Counties, however, according to the most up to date full-time employee data received from Wayne County, the County reduced the number of full-time employees to 4,903 (2.51 per 1,000 population) in 2009, and continued full-time employee reductions down to 4,373 (2.24 per 1,000 population) in 2010.

In addition, the study indicated that the County fared well against its peers based on per capita and per household expenses, consistently scoring better than the comparison entities. Overall, the County costs were well contained from 2008 to 2009 increasing at a rate below that of its peer counties.

According to full time equivalent (FTE) employee data, Wayne County has the lowest ratio of number of employees per 1,000 of population and the number of FTE employees within the County has been reduced consistently over the last five to ten years. The cost of government services for the County appears to be comparable, and in many instances less expensive, than its peer counties nationally.

The County will continue to restructure its operations during the next five years to strengthen its financial position and ensure long-term sustainability. The goal is to build a self-sustaining government, with a sound infrastructure, providing its citizens with an excellent quality of life.

Ensure Long-Term Financial Sustainability

Recognizing that the County can only count on the revenues over which it has control and that state shared revenues may diminish in the future, the financial requirements for the County's operating and capital needs will be determined on a multi-year basis. Management will identify the funding gap between revenues and expenditures and include in the annual budget process a detailed one-year budget, a three-year budget forecast, and an annual update of the 10-year projection, including identification of the long-term funding gap and the County's progress in addressing that gap. The County will need to raise sufficient revenue to meet long-term operating and financial requirements, recognizing that inflation increases the cost of both operating and capital programs. Additionally, the County will annually identify and provide for capital from current funding, annual debt servicing costs, and for changes to operating costs arising from new/replaced infrastructure. Finally, the plan for the replacement of infrastructure through the use of life cycle costing and the development of replacement reserves will be examined.

Deliver Services in a Cost-Effective and Efficient Manner

As part of the LTFP, the County envisions undertaking regular service level reviews giving consideration to its demographic profile and other relevant factors. A review of the County's programs on a regular, rotating basis, through the use of value-for-money audits, will need to occur to ensure services are delivered in a cost-effective and efficient manner.

Consistent with National Advisory Council on State and Local Budgeting (NACSLB) principles, the County is beginning its transition to performance-based management. Rather than reporting performance results, performance-based management is focused on linking performance measurement to strategic planning and using the results as a lever for cultural change. By creating learning environments in which performance measures are regularly reviewed and discussed, the County can improve the timing of learning and decision-making, improve performance, and facilitate broader cultural change.

Ensure Operating Revenues are Sustainable and Consider Community-wide and Individual Benefits (taxes versus user charges)

The County will look critically at all the services it provides on an annual basis. No longer will the County be able to finance services or programs that are not self-sustaining. Financing for these services will depend on the ongoing, sustainable revenue sources. This will be accomplished by aligning source and application of revenue after considering community-wide and individual benefits and by targeting proportions of program costs to be raised through user charges based on reviews of benefits received. User charges at rates that will yield the target proportions will be established and those rates will be increased at the same (or greater) rate as increases in program operating costs. The County will strive to increase user fees as a percentage of overall funding by identifying new areas where user fees can be implemented ensuring that both operating and capital costs are considered when establishing user fees (full program costing). Programs, which are driven entirely by individual benefit, should be fully self-supporting through user fees. User fees should cover all operating and capital costs. New programs will only be implemented if fully financed from user fees and program reserves.

The County completed its County wide fee study in 2011. It has been determined that the County subsidizes approximately $11 million annually to individuals and other governments when providing a service. During the next fiscal year, the summary of the study along with a Fee policy will be submitted to the Wayne County Commission with a request to amend the fee ordinance to increase fees.

Meet Social Equity Objectives through Specific Programs

Financial planning policies should be applied on the basis of their benefit to the community as a whole. Following the course of this objective, in 2005, the County Executive, Robert Ficano, announced an initiative to spur economic development activities throughout the County. The County entered into an intergovernmental agreement with the State's Land Bank Fast Track Authority to create a five-member Land Bank Authority, which includes the County Treasurer, one County Commissioner who resides in the City of Detroit, and three additional board members named by the County Executive. The County's Land Bank "banks" tax-reverted properties and helps redevelop the properties. As part of the Land Bank Program, a TURBO (Transforming Underdeveloped Residential and Business Opportunities) Program was established. (TURBO) in its simplest form will grant tax relief for new construction and rehabilitation of residential, retail and other commercial activity. The County, in partnership with the local communities will target areas and underdeveloped parcels of land in need of economic revitalization. Investors will enter into development agreements with the County that describe the development plan, the amount of eligible expenses to be reimbursed along with the intended completion date of the project. Eligible expenses may include infrastructure costs (sewerage, sidewalks, etc.), demolition costs, environmental remediation and soft costs such as title, survey fees and permits. The advantage of this initiative for the County is an increase in the tax base of the County and other local municipalities and taxing entities, including school districts. At the same time, investors receive one year of free property taxes. Up to 50% of property taxes will be used to refund eligible expenses and the tax benefit coincides with the land thus benefiting the developer and the purchaser. In addition, the flexibility of the initiative may be tailored on a case-by-case basis to fit project needs. In just a few short years, TURBO has generated more than $500 million in new investment and over 2,000 new jobs for the County. While some other governmental entities doubted the legality of the TURBO program, the Michigan Attorney General put an end to all doubt by issuing an opinion in December 2010 concluding that TURBO is legal.

There are signs that positive economic change is on the horizon. Southeast Michigan Council of Governments (SEMCOG) reported in 2009 that Wayne County led the region with almost 11 million square feet of nonresidential development. That total represents 34 percent of the entire region and two million more square feet than Oakland County. A123, an American company that specializes in high-tech lithium-ion battery technology will double the size of its battery production call center to power future electric vehicles and is opening new headquarters in Livonia, Michigan. Production is scheduled to begin at the 291,000 square foot plant in the second half of this year. The plant will have an annual capacity of 320,000 batteries for hybrid

vehicles and 24,000 batteries for plug-ins. Additionally, it will hire up to 540 skilled workers through 2012 at the Livonia and Romulus facilities.

In May 2009, Ford Motor Company stated that it will invest $550 million to retool the plant for the next-generation Focus. The cars, which will include a battery-electric version, are expected to begin production in 2010. Two to four thousand jobs are expected to be retained in the future.

In June 2009, General Motor Electric announced plans to develop an Advanced Manufacturing facility in Van Buren Township and created approximately,1,500 new jobs. The new facility occupies a portion of the Visteon Village facility. General Electric will use the facility to research, develop and manufacture wind turbines and other green technology. Work at the facility will focus on software, IT and manufacturing. Upon seeing the success of relocating its Advance Manufacturing facility to Van Buren Township, GE decided to expand its operations in September 2010, by acquiring additional 130,000 square feet in Van Buren Township and relocating its Aviation Manufacturing operations. The expansion of the GE's operations will create up to an additional 200 jobs high paying engineering jobs.

Manage the County's Capital Assets to Maximize Long-term Community Benefit

The County must maintain its required infrastructure in a 'state of good repair' by implementing life cycle costing to provide for the future rehabilitation/replacement of assets. In order to accomplish this, regular reviews of remaining life and condition of assets will have to occur to determine required annual reserve contributions sufficient to ensure that 90 percent of approved infrastructure rehabilitation/replacement schedules can be met at the required time. Assets and facilities should be regularly reviewed and rationalized based on service demand and service level benchmarks. Facilities that do not achieve approved revenue/cost targets should be considered for closure.

In December 2010, the County sold $200 million recovery zone economic development bonds for the purpose of building a consolidated jail facility. Wayne County operates the largest jail system in the State of Michigan, which includes three major facilities with an average daily population of about 2,600 people. The facilities house pretrial felons, as well as sentenced felons and misdemeanants. The Old Wayne County Jail (Division II) built in 1929, is the oldest. The Andrew C. Baird Detention Facility (Division I) was built in 1982.

The William Dickerson Detention Facility also known as Division III was opened in 1991. The jail has 804 beds and employs direct supervision. It provides laundry and food services to the entire Wayne County jail system. The Dickerson facility occupies 16.7 acres and is approximately 500,000 square feet in size. The consolidated facility will be approximately 640,000 square feet and will have 2,000 beds. It is expected that the consolidation will save the County's General Fund $26 million.

The County will dispose of capital assets, which are not required for long-term community purposes. Finally, a capital-funding plan will be implemented to address the County's infrastructure renewal requirements.

Recognize that Funding from Senior Governments is a Crucial Element of Financial Sustainability

The County must seek additional sustainable revenues from the federal and state governments and senior government funding sufficient to bridge the funding gap between net required program costs and affordable tax and user charge rates/revenues.

The County will participate in grant/subsidy programs only if programs/projects to be supported are required or can be justified independently of the provisions of the grant/subsidy. In keeping with this principle, the County eliminated or reduced any grant programs that was supported more than its required subsidy.

Use Debt Financing where Appropriate

Debt financing should only be considered for:

- Programs and facilities which are self-supporting
- Projects where the cost of deferring expenditures exceeds debt servicing costs, and
- New, non-recurring infrastructure requirements.

In addition, the County will be continuously looking at its existing debt to take advantage of lower interest rates and other opportunities.

Under Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions (OPEB), public agencies across the country will have to begin reporting and recording a liability for future OPEB obligations. As noted previously, the County implemented this standard in fiscal year 2008. This standard required the County to calculate its OPEB liability, establish the Annual Required Contribution (ARC) and record a difference between the ARC and current year payments for OPEB benefits. The County is in the process of establishing a Trust Fund, and as discussed earlier, intends to prefund approximately 75% of its actuarial accrued liability of $839 million, using a funded rate of 8.0%. OPEB bonds totaling $629.3 million are anticipated to be issued during fiscal year ended September 30, 2011. The actuarial accrued liability as of September 30, 2011, using an unfunded rate of 4% is approximately $1.5 billion.

In addition to the OPEB debt undertaking, the County is also considering a long-term, managed program of debt financing to address the County's current infrastructure deficiency and to reduce further deterioration of the County's infrastructure in 2011. For debt charges declining due to retirement of debt, the County will apply savings to accelerate achievement of full life cycle costing for County infrastructure. Finally, the County will continuously review its debt and fund balance policies and other tools towards attainment of improved bond ratings from the bond rating agencies.

Maintain Reserves and Reserve Funds at Appropriate Levels

The accumulation of adequate reserves and reserve fund balances is critical to the County's long-term financial sustainability primarily for three reasons. First, certain liabilities, although incurred in the current period, are not paid until future periods, as is the case with workers' compensation and retiree health obligations. Reserves are necessary to fund these future payments. Without these reserves, a significant unfunded liability could accumulate, negatively impacting operations in the year of the payment. Second, reserves and reserve fund contributions are necessary to provide for the repair and replacement of resources that are being consumed in current operations. For example, as mentioned above, as County infrastructure wears out or is "consumed" in the current year, the County should contribute to replacement reserves or reserve funds so that funds are available when needed in the future for replacement. Over the next few years, the County will be giving highest priority to restoring and maintaining the County's infrastructure. To conduct essential business and deliver expected services, the County must devote resources to its roads, parks and other facilities. An infrastructure reserve will be created to address this top priority and ensure future project funding. Of course, funds could be borrowed for future requirements but this alternative is more expensive, leaving the County vulnerable to future interest rate fluctuations and shifting the burden of funding to the future, rather than the present. Finally, the existence of adequate reserves and reserve funds can provide a buffer or "safety net" against significant negative financial developments.

The County is currently in a period of prolonged financial restraint that has been created by successive years of funding cutbacks and shifting of financial responsibilities by the State of Michigan. As a result, the strategy of contributing to reserves and reserve funds is one of the few reliable ways to ensure that future requirements for service will be met or that additional negative developments will not curtail the County's ability to deliver services needed by its residents. Reserves are used as a financial yardstick to determine a County's credit

worthiness and credit rating. A strong bond rating position allows flexibility to the County in capital financing and becomes a part of a positive cycle. A stronger reserve and reserve fund position contributes to a stronger credit position, which in turn allows the County to issue long-term debt at a lower cost. The lower cost contributes to a lower debt burden per capita. In addition, and perhaps more importantly, stronger reserve balances also mean that there will be less reliance on long-term debt funding for future projects, further reducing our debt burden.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada awarded a Certificate for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2009. 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 2009 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 sixteenth year in a row, the County received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2009. 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 County also received the GFOA's Award for Outstanding Achievement in Popular Financial Reporting for the year ended September 30, 2009. The popular annual financial report (PAFR) is a condensed version of the CAFR, available to all residents of the County. The PAFR highlights County services and provides summarized financial information.

In addition to the GFOA awards, the County received awards from the National Association of Counties (NACo) annual achievement award program. This program is a non-competitive award program that recognizes innovative county government initiatives. Each application is judged on its own merits and not against other applications received. Awards are given in 21 different categories including children and youth, criminal justice, county administration, environmental protection, information technology, health, to name a few. For the second year in a row, the County received this national recognition.

The preparation of the comprehensive annual financial report was made 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.

Respectively submitted,

Carla E. Sledge
Chief Financial Officer

Jenilyn Norman
Director of Financial Reporting

LIST OF PRINCIPAL COUNTY OFFICIALS

COUNTY EXECUTIVE
Robert A. Ficano

DEPUTY COUNTY EXECUTIVE
Azzam E. Elder

CHIEF OPERATING OFFICER
Bella I. Marshall

CHIEF FINANCIAL OFFICER
Carla E. Sledge, CPA, CGFM

CHIEF OF STAFF
Matthew Schenk

DEPARTMENT HEADS

Children and Family Services
Tadarial Sturdivant

Corporation Counsel
Marianne Talon

Economic Development Growth Engine
Turkia Awada Mullin

Health and Human Services
Edith Killins

Homeland Security/Emergency Management
James P. Buford

Management and Budget
Carla E. Sledge, CPA, CGFM

Personnel/Human Resources
Timothy R. Taylor

Public Services
Butler Benton/Hassan A. Saab

Senior and Veteran Services
Kevin F. Kelley

Technology
Tahir Kazmi

OTHER ELECTED OFFICIALS

Circuit Court
Chief Judge Virgil Smith

County Clerk
Cathy M. Garrett

Probate Court
Chief Judge Milton L. Mack, Jr.

Prosecuting Attorney
Kym L. Worthy

Register of Deeds
Bernard J. Youngblood

Sheriff
Benny N. Napoleon

Treasurer
Raymond J. Wojtowicz

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM

Director
Robert Grden

WAYNE COUNTY COMMISSIONERS

Gary Woronchak
Chairman
13th District

Alisha R. Bell
Vice Chair
8th District

Laura Cox
Vice Chair Pro Tempore
10th District

Timothy P. Killeen
1st District

Bernard Parker
2nd District

Martha Scott
3rd District

Jewel C. Ware
4th District

Ilona Varga
5th District

Irma Clark-Coleman
6th District

Burton Leland
7th District

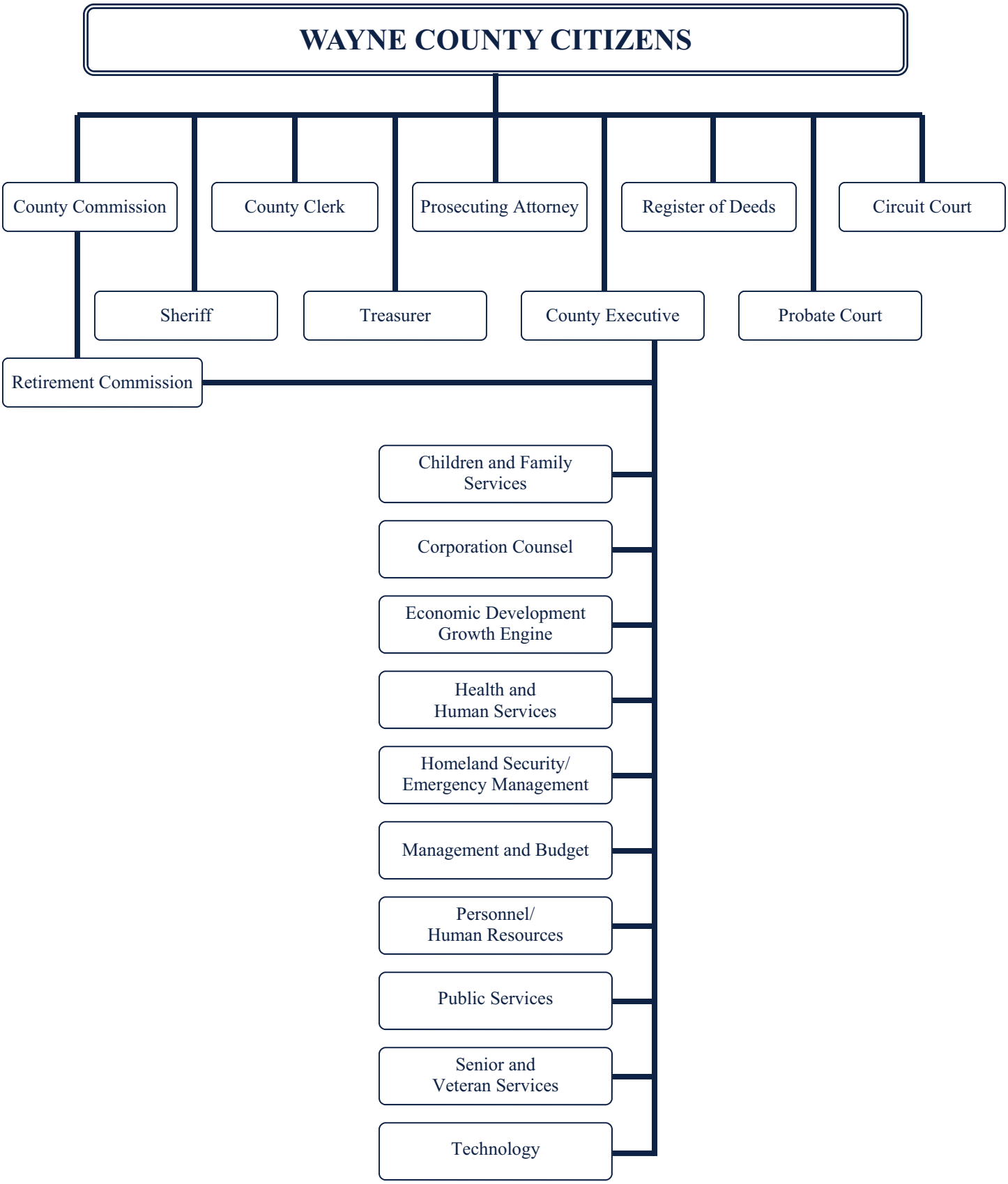
Diane Webb
9th District

Kevin McNamara
11th District

Joan Gebhardt
12th District

Joseph Palamara
14th District

Raymond E. Basham
15th District


WAYNE COUNTY CITIZENS
County Commission
County Clerk
Prosecuting Attorney
Register of Deeds
Circuit Court
Sheriff
Treasurer
County Executive
Probate Court
Retirement Commission
Children and Family Services
Corporation Counsel
Economic Development Growth Engine
Health and Human Services
Homeland Security/ Emergency Management
Management and Budget
Personnel/ Human Resources
Public Services
Senior and Veteran Services
Technology

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, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

CHARTER COUNTY OF WAYNE, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FINANCIAL

The Financial Section Contains:

Independent Auditor's Report

Management's Discussion and Analysis (MD&A)

Basic Financial Statements

Notes To The Basic Financial Statements

Required Supplementary Information (other than MD&A)

Other Supplementary Information - Combining and Individual Fund Statements/Schedules

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

Independent Auditor's Report

To the Board of Commissioners
and the County Executive
Charter County of Wayne, Michigan

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, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We did not audit the financial statements of the Mental Health Fund, a major governmental fund, which represents 4.83 and 37.21 percent of the assets and revenue, respectively, of the governmental activities. We also did not audit the financial statements of the following entities, which represent the following percentages of total aggregate discretely presented component unit assets and revenue:

	Percent of Assets	Percent of Revenue
Wayne County-Detroit Community Development Entity, Inc.	0.01%	0.02%
Greater Wayne County Economic Development Corporation	0.02%	0.10%
Health Choice of Michigan	0.24%	3.19%
Regional Jobs and Economic Growth	0.01%	0.01%
Development Corporation of Wayne County	0.03%	0.19%

We also did not audit the financial statements of the Pension Trust Funds, which represent 72.54 and 33.64 percent of the assets and revenue, respectively, of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Mental Health Fund, Wayne County-Detroit Community Development Entity, Inc., Greater Wayne County Economic Development Corporation, Health Choice of Michigan, Wayne County Regional Jobs and Economic Growth, Development Corporation of Wayne County, and the Pension Trust Funds are based on the reports of the other auditors.

Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

To the Board of Commissioners
and the County Executive
Charter County of Wayne, Michigan

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 following entities were not audited in accordance with *Government Auditing Standards*:

- Wayne County Employees' Retirement System Defined Benefit Plan
- Wayne County Employees' Retirement System Defined Contribution Plan
- Wayne County Circuit Court Commissioners Bailiffs' Retirement System
- Wayne County Regional Jobs and Economic Growth Foundation
- Development Corporation of Wayne County
- Wayne County - Detroit CDE, Inc.
- Detroit - Wayne County Stadium Authority

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of 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, 2010 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2011 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, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the Board of Commissioners
and the County Executive
Charter County of Wayne, Michigan

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The management's discussion and analysis, retirement system schedules of funding progress and schedules of employer contributions, and the major fund budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements, but are supplemental information required by the Governmental Accounting Standards Board. The introductory section, other supplementary information, and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The major fund budgetary comparison schedules and the other supplementary information, as identified in the table of contents, have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We have applied certain limited procedures to the management's discussion and analysis and retirement system schedules of funding progress and schedules of employer contributions, which consisted principally of inquiries of management regarding the methods of measurement and the presentation of the required supplemental information. However, we did not audit the information and express no opinion on it. The introductory section and statistical section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

As described in Note 18, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets,* during the year. As a result, beginning net assets of the Airport Authority were restated by $50,958,860.

Plante & Moran, PLLC

March 31, 2011

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages I-1 to I-11 of this report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

FINANCIAL HIGHLIGHTS

Government-Wide Highlights:

- The assets of the County exceeded its liabilities at September 30, 2010, by $1.4 billion (net assets). The entire net asset balance is either restricted for specific purposes or related to the County's investment in capital assets and is not available for spending.
- The County's total net assets decreased by $14.5 million (1.0%) for the fiscal year ended September 30, 2010. Net assets of governmental activities decreased by $8.7 million (0.8 percent), while net assets of the business-type activities decreased by $5.8 million (1.6 percent decrease). At September 30, 2010, the County's governmental funds reported combined ending fund balances of $81.0 million**,** an increase of $1.1 million in comparison to the prior year.
- At the end of the year, the General Fund had an unreserved, undesignated fund deficit of $116.0 million.

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 s*tatement of net assets* presents all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The s*tatement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 legislative, judicial, general government, public safety, public works, highways, streets and bridges, health and welfare, recreation and cultural, community and economic development and non-departmental operations. The business-type activities of the County include the operations of the sewage disposal systems, jail commissary, parking lots, the wetlands mitigation project and the copy center.

The government-wide financial statements include not only the County itself (known as the primary government), but also sixteen legally separate organizations for which the County has financial accountability or other financial interest. These entities operate as governmental entities similar to the governmental activities described above except for the Wayne County Airport Authority, which operates like the business-type activities. The County's discretely presented component units are presented in two categories, major and non-major. 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 two discretely presented major component units are the Wayne County Airport Authority and Third Circuit Court.

There are thirteen discretely presented non-major component units that are combined into a single column for reporting in the fund financial statements. These non-major component units include:

Detroit-Wayne County Stadium Authority
Chapter 8 Drainage District
Chapter 20 Drainage Districts
Chapter 21 Drainage District
Probate Court
Economic Development Corporation of Wayne County
Wayne County-Detroit CDE, Inc.
Greater Wayne County Economic Development Corporation
Brownfield Redevelopment Authority
HealthChoice of Michigan
Wayne Regional Jobs and Economic Growth Foundation
Development Corporation of Wayne County
Wayne County Land Bank Corporation

Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages II-19 to II-22 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain 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 funds, proprietary funds, 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 33 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 Fund, Roads, Mental Health, Health, and Juvenile Justice and Abuse/Neglect, all of which are considered to be major funds. Data from the other 28 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

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.

The basic governmental funds financial statements can be found on pages II-23 to II-28 of this report.

Proprietary funds. The County maintains two different types of proprietary 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 Fund, the Downriver Sewage Disposal System, the Rouge Valley Sewage Disposal System, the Combined Sewer Overflow (CSO) Basins, and the Northeast Sewage Disposal System, 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 central services, Department of Environment administrative costs, risk management services (self insurance), health insurance, long-term disability, equipment lease financing, 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 nine enterprise funds, three of which are considered to be major funds of the County. Major funds include the operations of the Delinquent Tax Revolving Fund, the Downriver Sewage Disposal System and the Rouge Valley Sewage Disposal System. Data from the six non-major enterprise funds are combined into a single aggregated presentation.

The proprietary fund basic financial statements can be found on pages II-29 to II-32.

Individual fund data for the internal service funds is provided in the form of combining statements and can be found on pages II-186 to II-191.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the 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.

The fiduciary fund financial statements can be found on pages II-33 to II-34 and pages II-192 to II-198 of this report.

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. The notes to the financial statements can be found on pages II-39 to II-133 of this report.

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 benefits to its employees and budgetary comparison schedules. Required supplementary information can be found on pages II-134 to II-142 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information, and begin on page II-143.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $1.4 billion at September 30, 2010.

Charter County of Wayne, Michigan
Net Assets - Primary Government
As of September 30 (in thousands)

	Governmental Activities		Business-type Activities		Totals Primary Government	
	2010	2009	2010	2009	2010	2009
Current assets	$ 423,453	$ 583,707	$ 43,345	$ 40,499	$ 466,798	$ 624,206
Capital assets, net	1,132,388	1,122,612	341,158	340,134	1,473,546	1,462,746
Other non-current assets	193,116	339,928	193,265	209,211	386,381	549,139
Total assets	1,748,957	2,046,247	577,768	589,844	2,326,725	2,636,091
Current liabilities	360,038	486,721	37,034	33,270	397,072	519,991
Non-current liabilities	329,985	492,298	194,047	203,670	524,032	695,968
Total liabilities	690,023	979,019	231,081	236,940	921,104	1,215,959
Net assets:						
Invested in capital assets, net of related debt	950,521	974,539	167,770	159,735	1,118,291	1,134,274
Restricted	257,459	159,581	172,408	185,445	429,867	345,026
Unrestricted	(149,046)	(66,892)	6,509	7,274	(142,537)	(59,618)
Total net assets	$ 1,058,934	$ 1,067,228	$ 346,687	$ 352,454	$ 1,405,621	$ 1,419,682

By far the largest portion of the County's net assets for Governmental Activities and Business-type Activities combined ($1.1 billion or 79.6 percent) 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 decrease of $16 million in net assets invested in capital assets, net of related debt, which was primarily due to depreciation on County capital assets of $80.5 million offset by capital asset additions of $91.3 million. In addition, there was an increase in capital related debt of $27 million (net of unexpended proceeds).

An additional portion of the County's net assets ($429.9 million, or 30.6 percent) represents resources that are subject to external restrictions on how they may be used. Restricted net assets reported in connection with the County's governmental activities increased $97.9 million (61.3 percent) compared to prior year. Amounts restricted for delinquent tax administration increased by $52.5 million in connection with the timing of collection of delinquent taxes and repayment of notes. Health and welfare restricted assets increased $32.5 million, a majority of which is related to Mental Health ($22.5 million and $10 million for amounts required to be spent on indigent health care. $8.2 million of the increase is restricted for Roads projects. Restricted net assets for business-type activities decreased by $13.0 million (7.0 percent) due to a reduction in the amount restricted for repayment of debt.

Unrestricted net assets have a deficit balance of ($142.5 million) and are not available to meet ongoing obligations to citizens and creditors. Overall, net assets decreased by $14.1 million, however unrestricted net assets decreased by $82.9 million primarily due to the increase in restricted net assets for governmental activities discussed above. See discussion on the change in net assets below.

Charter County of Wayne, Michigan
Change in Net Assets - Primary Government
For the Year Ended September 30 (in thousands)

	Governmental Activities		Business-type Activities		Totals Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	$ 191,308	$ 197,182	$ 76,846	$ 72,755	$ 268,154	$ 269,937
Operating grants and contributions	926,294	873,408	13,154	6,569	939,448	879,977
Capital grants and contributions	20,762	17,232	-	58	20,762	17,290
General revenues:						
Property taxes	349,385	381,351	-	-	349,385	381,351
Sales taxes	43,966	5,455	-	-	43,966	5,455
Excise taxes	6,522	6,454	-	-	6,522	6,454
Airport parking taxes	9,333	12,553	-	-	9,333	12,553
Investment earnings	20,875	21,525	305	612	21,180	22,137
Other revenue and amortization of bond issuance costs	9,969	12,378	-	-	9,969	12,378
Gain on reduction in note payable	-	52,716	-	-	-	52,716
Transfers in (out)	(100)	(87)	100	87	-	-
Total revenues	1,578,314	1,580,167	90,405	80,081	1,668,719	1,660,248
Expenses:						
Legislative	9,736	10,938	-	-	9,736	10,938
Judicial	126,507	109,282	-	-	126,507	109,282
General government	133,484	147,670	-	-	133,484	147,670
Public safety	165,646	168,494	-	-	165,646	168,494
Public works	6,021	7,353	-	-	6,021	7,353
Highways, streets and bridges	129,005	136,775	-	-	129,005	136,775
Health and welfare	944,892	956,033	-	-	944,892	956,033
Recreation and cultural	23,005	27,006	-	-	23,005	27,006
Community and economic			-	-	-	
development	27,105	20,338	-	-	27,105	20,338
Interest on long-term debt	21,610	17,880	-	-	21,610	17,880
Sewage Disposal Systems	-	-	93,217	100,010	93,217	100,010
Jail Commissary	-	-	2,224	2,230	2,224	2,230
Parking Lots	-	-	71	143	71	143
Wetlands Mitigation	-	-	-	3	-	3
Copy Center	-	-	660	762	660	762
Total expenses	1,587,011	1,601,769	96,172	103,148	1,683,183	1,704,917
Change in net assets	(8,697)	(21,602)	(5,767)	(23,067)	(14,464)	(44,669)
Net assets at October 1	1,067,631	1,089,233	352,454	375,521	1,420,085	1,464,754
Net assets at September 30	$ 1,058,934	$ 1,067,631	$ 346,687	$ 352,454	$ 1,405,621	$ 1,420,085

Governmental activities. Governmental activities decreased the County's net assets by $8.7 million. Key fluctuations from the prior year are as follows:

- *Charges for Services* decreased by $5.9 million, predominantly due to a decrease in Board of Prisoners revenue ($4.9 million) and Pinnacle reduction in excess tourist tax ($2.2 million).
- *Operating and Capital Grants* increased by $52.9 million due to the following:

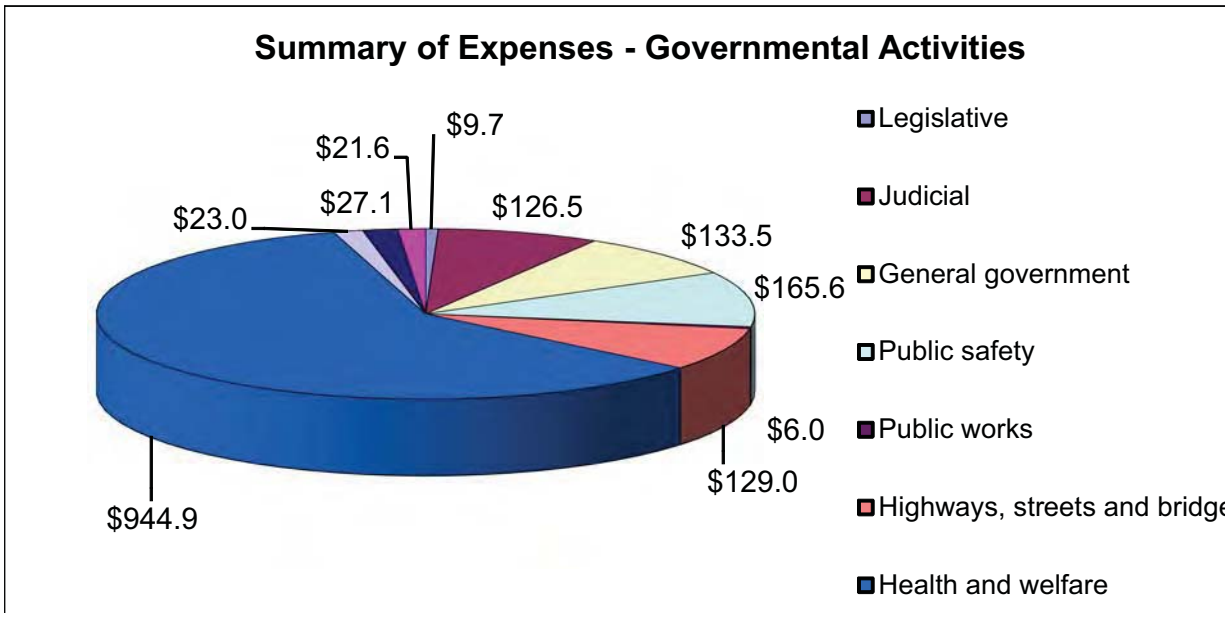
- Mental Health state ($38.1 million) and federal ($3.6 million) grants and contracts,
- $6.3 million increase in community development block grants passed through to local municipalities and other sub-recipients,
- Health and Human Services grant program revenues increased $3 million, and
- $2.7 million federal grants increase for Head Start.

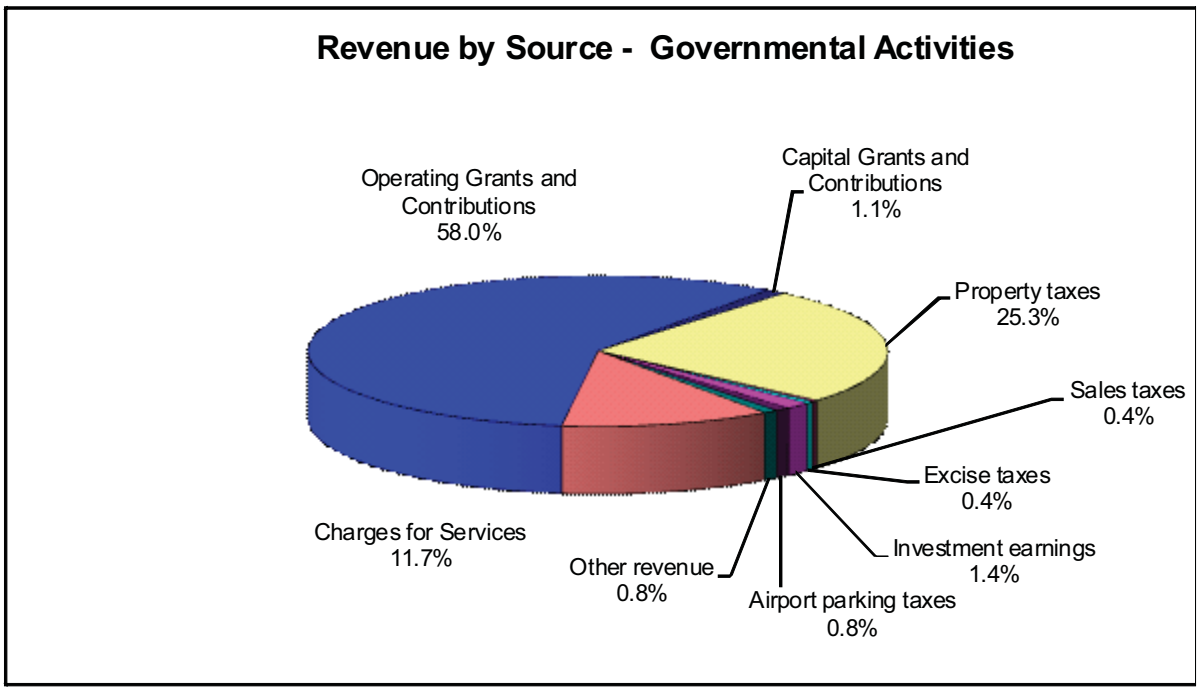
- *Capital Grants and Contributions* increased $3.5 million as a result of Roads construction projects funded by federal grant dollars.
- *Sales Tax* - Sales tax revenue increased $38.5 million, attributable to the reinstatement of state revenue sharing. See additional discussion below under General Fund fluctuations.
- *Legislative expenses* decreased $1.2 million as a result of $1.6 million of reduced internal costs allocated to the legislative function and $0.2 million in salary and fringe savings, offset by an increase of $0.9 million of retiree healthcare expense.
- *General Government* expenses decreased $14.2 million. Several factors contribute to the overall net decrease including: $13 million of savings related to salary and fringes (other than cost of retiree healthcare) from workforce reduction and wage concessions. Depreciation expense decreased $1.2 million; building rental decreased $1.5 million, $10 million decrease in internal costs allocated to General Government due to cost cutting measures. Offsetting the decreasing were the following: contractual legal expenses increased nearly $1 million, as did capital expense related to software development. In addition, debt service on tax anticipation notes in fiscal year 2010 amounted to $3.2 million. The most significant increase was for retiree healthcare allocated to general government of $5.1 million.
- *Public Safety* expenses decreased $2.8 million mainly due to reduced personnel and fringe costs of $12.4 million, offset by $8.0 increase in unpaid retiree healthcare expense.
- Expenses for the *public works* function decreased by $1.3 million over the prior year.
- *Highways, Streets and Bridges* expenses decreased $7.8 million, of which $5.1 million was salary and related fringe reductions, $1.8 was internal cost allocation charged to the highways, streets and bridges function, and $4.4 million decrease in road construction contracts. These savings were offset by an increase in the unpaid current year required contribution to retirees' health care allocated to this function of $3.5 million.
- *Health and welfare expenses* declined $11.1 million mainly due to $13.8 million negotiated savings with care management organization providers and personnel reductions offset by an increase in the unpaid current year required contribution to retirees' health care allocated to this function of $6.6 million.
- *Recreation and Culture* expenses declined $4.0 million due to a reduction of personnel and fringe costs of $1.7 million and $3.2 million decrease in reimbursements to communities for community completed park projects. These reductions were offset by an increase in the unpaid current year required contribution to retirees' health care allocated to this function of nearly $0.6 million.
- $12.6 million decrease in hospitalization expense (spread across county functions.)

The above favorable variances are off-set by the following revenue reductions or increases in expenses.

- *Property Tax* revenue decreased $32 million due to a decline in the taxable value of real and personal property of nearly 9 percent.
- *Airport Parking Taxes* decreased $3.2 million compared to prior year.
- *Other revenue* decreased $2.4 million due to revenue deferrals of $3.2 million netted against $896,000 in revenue associated with an increase in a receivable from Third Circuit Court on 2009 equipment bond proceeds spent in 2010.
- Removal of a loan due to the State of Michigan of $52.7 million in fiscal year 2009 created a one-time revenue source in that year.
- *Judicial* expenses increased $17.2 million due to additional appropriation to the Third Circuit Court.

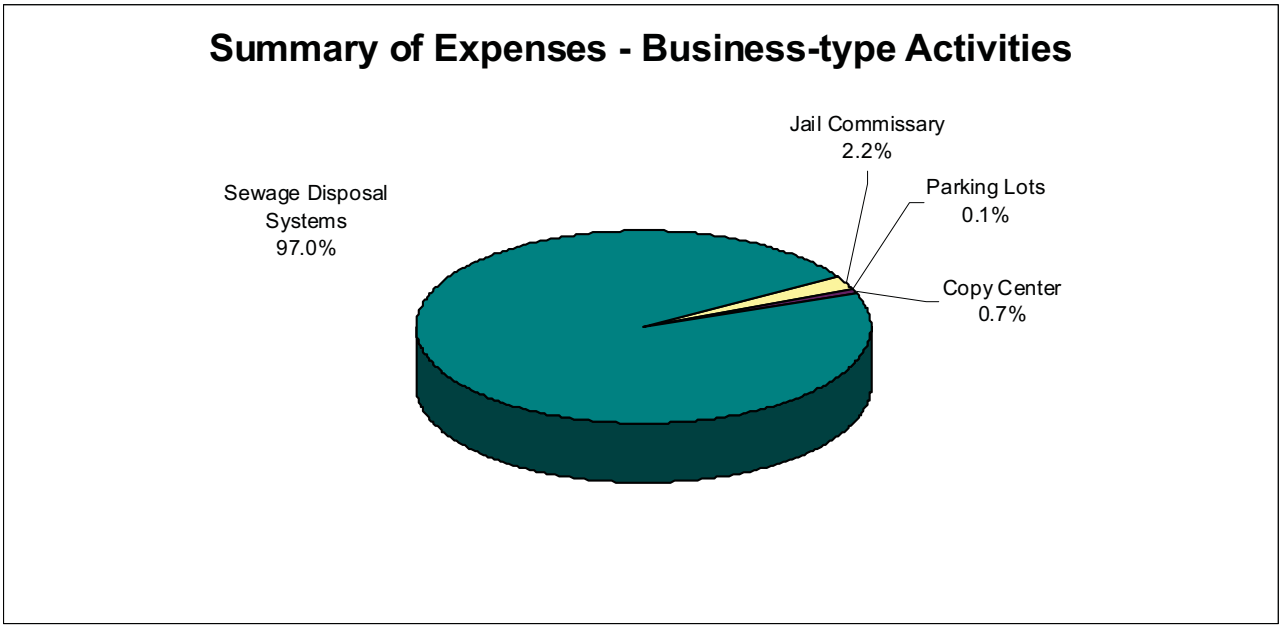
- *Community and Economic Development* expense increased $6.8 million due to (1) additional expenses and grants to communities and entities in Wayne County to promote economic development initiatives ($6.5 million) and increase in unpaid required contribution to retirees' health care of $300,000.
- *Interest on long-term debt* increased $3.7 million, mainly associated with delinquent tax anticipation notes, $3.3 million increase.
- Expense for the unpaid current year required contribution to retirees' health care benefits was $41.8 million and is spread among all functions.

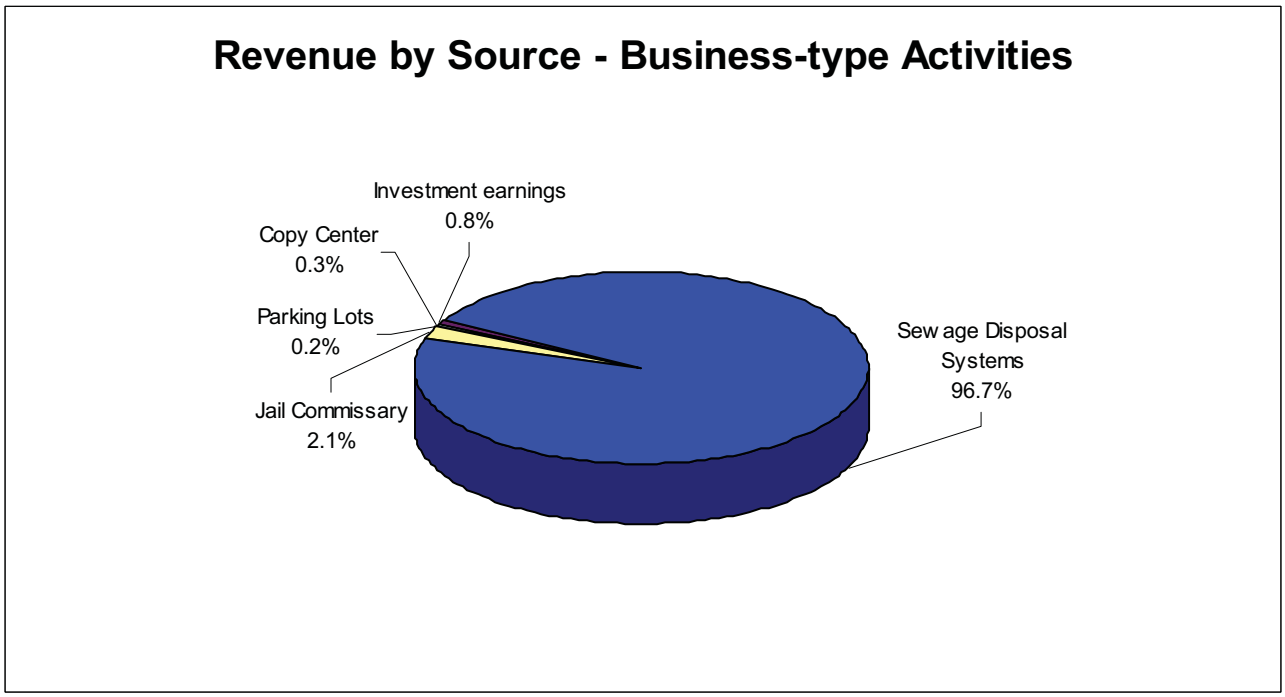




Business-type activities. The business-type activities decreased the County's net assets by $5.8 million for the year. This decrease resulted primarily from the following:

- *Depreciation expense* of $15.4 million, which was not recouped through sewage disposal rates.
- *Sewage disposal charges* in the Rouge Valley Sewage Disposal System were increased in fiscal year 2010 to recoup losses in fiscal year 2009. This amounted to nearly $3 million in additional revenue.
- *Federal grants,* American Recovery and Reinvestment Act (ARRA) funding from the federal government of $7.8 million, also related to the Rouge Valley System.





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, *unreserved 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 $81.0 million, an increase of $1.5 million in comparison with the prior year. However, reserved fund balances total $183.1 million (an increase of $34.3 million). Approximately, 44.0 percent of this amount ($81.0 million) is reserved for long-term assets; mainly the negative equity in the County's pooled cash accounts, accumulated by certain funds with deficit fund balances. The remainder of fund balance is reserved to indicate that it is not available for new spending as it has already been committed (1) to liquidate inventory purchased in prior periods ($7.8 million); (2) to pay debt service ($8.7 million); (3) to pay for capital projects and improvements, ($46.1 million); (4) for inpatient hospitalization services ($10.1 million); (5) for risk financing ($14.7 million); (6) long-term receivables ($0.3 million); and (6) for prepayments and deposits ($14.4 million).

The General Fund is the chief operating fund of the County. At the end of the fiscal year, total fund balance amounted to an accumulated deficit of $26.5 million. The unreserved/undesignated deficit is $116.0 million (an increase of $47.1 million). This resulted from an increase in reservation of fund balance and a current year operating loss of $33.4 million. The largest reservation ($78.0 million) is for long-term assets. This reservation is required because the General Fund in essence has provided a "loan" to funds with negative equity in pooled cash/deficits, which is not expected to be repaid within a year and is considered long-term.

The fund balance of the General Fund decreased by $33.4 million over the prior year. Significant fluctuations from the prior year are discussed below.

- Property taxes decreased $29.6 million due to a decline in the taxable value of real and personal property of nearly 9 percent.
- Sales tax revenue increased $38.5 million which is attributable to revenue sharing payments from the State of Michigan. The State had previously suspended revenue sharing payments to counties and created an alternative funding mechanism by shifting the levy date for the County's operating levy and created the Revenue Sharing Reserve Fund ("RSRF"). However, the RSRF was depleted in fiscal year 2009 and revenue sharing payments were reinstated in fiscal year 2010.
    - This increase in sales tax revenue is offset by a decrease in the transfers in line item of $40.6 million. In fiscal year 2009, $34.1 was transferred from the RSRF to the General fund.
    - In fiscal year 2009, a transfer in was made from taxable bond proceeds from a capital projects fund of $5.1 million.
    - In fiscal year 2010, the Delinquent Tax Revolving Fund transferred $4 million in excess delinquent tax collections to the General Fund.
    - These two fluctuations – sales tax and transfers in – offset each other for a net decrease of $2.1 million.
- Charges for services and other revenue increased and decreased by $14-15 million respectively due to a reclassification of revenue related to services provided by the Sheriff's Office to other communities in Wayne County.

- Increase in Judicial expense of $18.0 million is due to increased funding to the Circuit Court and Friend of the Court Funds for Court, County Clerk and Sheriff personnel required by the Temporary Restraining Order (TRO) against the County from the litigation between the Third Circuit Court and the County, $19.8 million. Partially offsetting this variance is a reduction in funding to the Probate Court, $1.4 million, and lower indigent attorney fees, $0.5 million as compared to the prior year.

The decreases noted above were offset by the following increases in revenue or reduction in expenses:

- Decrease in General Government expenditures of $11.5 million resulting from a decrease in indirect cost allocation due to cost cutting measures county-wide of $3.7 million and $6.7 million decrease in salary and related fringe items.
- Public Safety expenditures went down $9 million mainly as a result of personnel and related fringe items through reduction in the number of positions and wage concessions.
- Health and Welfare expenditures decreased $3 million, again related to personnel and fringe reductions.
- Decrease in transfers to other funds totaling $12.8 million due to reduced funding to the Child Care Fund, $6.8 million, the County Health Fund, $3.9 million, Nutrition Fund, $1.0 million and net reductions to transfers to various other funds, $1.1 million.

The Roads' fund balance increased by a net $11.1 million. This increase resulted primarily from a reduction in personnel costs of $5.1 million and contractual services of $3 million. In addition, the Department of Public Services entered into a capital lease arrangement for the purchase of heavy equipment totaling $4.99 million. This revenue source was offset by capital outlay expense.

The Mental Health fund balance increased by $26.6 million due to increased revenue from the State of Michigan of $38 million. The Mental Health fund receives the majority of its revenue from the State through Medicaid and State general fund contracts. As of September 30, 2010, $23.5 million of the Mental Health fund balance was reserved. The remaining $8.8 million was unreserved.

The Health fund balance decreased by $867,000. Decreases in general fund appropriations of nearly $4 million were offset by personnel cost reductions of $3 million.

The Juvenile Justice fund balance increased $4.1 million in accordance with the deficit elimination plan from fiscal year 2009.

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 assets for the two major sewage disposal systems at the end of the year amounted to the following:

- *Downriver System*. $10.7 million; net assets decreased by $11.6 million over the prior year as the result of depreciation expense of $13.0 million.

- *Rouge Valley System*. ($2.9) million unrestricted net assets; net assets increased by $6.0 million over the prior year due to American Recovery and Reinvestment Act (ARRA) funding from the federal government of $7.8 million offset by depreciation expense of $2 million. Sewage disposal charges for services in fiscal year 2010 of $37.5 million covered cost of sewage treatment of $36.2 million.

Unrestricted net assets for the Delinquent Tax Revolving Fund amounted to $17.3 million. The decrease in unrestricted net assets is a result of fines and forfeiture revenue in excess of operating expenses of $31.9 million, offset by an increase in the reserve requirements on outstanding debt of $52.5 million. 2009 delinquent tax notes of $131.1 million were still outstanding as of September 30, 2010. In addition, 2010 delinquent tax notes of $193.6 million were issued in fiscal year 2011. As a result, amounts restricted for delinquent tax administration increased.

General Fund Budgetary Highlights

During the year, there were several significant changes from the original to the final amended budget. The changes are as follows:

- The budget for miscellaneous contractual services expenditures was decreased by $34.1 million, which was partially offset by a budget increase of $30.1 million in funding to the Circuit Court.
- The Delinquent Tax Revolving fund's budgeted transfer of excess collections was reduced by $14.9 million.
- The Adult Benefit Waiver Program budget was increased by $6.8 million in state grant revenue and related expenditures.
- The budget was increased by $6.1 million in federal grant revenue and related expenditures for the Department of Homeland Security.
- The budgeted salaries and fringe amounts for County Clerk and Sheriff were increased by $3.2 million, and 6.8 million, respectively, due to temporary restraining orders against personnel reductions in those departments.
- The budgeted salaries and benefits for the Prosecuting Attorney increased $3.4 million as a result of increased funding from federal grants awarded under ARRA.
- Public Safety's budget for revenues generated through contractual police services was increased by $5 million.
- The budget for Health and Welfare airport parking tax revenue for jail medical was increased by $4.3 million.

In addition, there were several significant differences between the final amended budget and actual results. The changes are as follows:

- Property tax revenue was $2.5 million under budget due to a decline in taxable value above what was anticipated.
- State sales tax revenue was $7.2 million less than expected.
- The Department of Homeland Security received $4.7 million less in federal grant revenues than what was budgeted and incurred related expenditures of $6 million less than the budgeted amount.
- Actual salaries and fringe benefits for the County Jail exceeded the budgeted amount by $16.8 million as staff reductions did not occur during the year as initially planned.
- Budgeted miscellaneous contractual services expenditures for the general government exceeded actual costs by $8 million.
- Public Safety Board of Prisoner revenue was $6.7 million less than the budgeted amount due to federal and state agencies' decreased usage of the Wayne County jails to house their prisoners.
- Transfers from the Delinquent Tax Revolving fund exceeded the budget by $4 million due to excess collections.
- Homeland Security capital assets of $3.6 million and revenue of $2.3 million related to a simulcast radio communications system capital lease were not budgeted during the year.

- Debt principal and interest payments totaling $3.8 million on tax anticipation notes and Homeland Security's capital lease were not budgeted during the year.

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, 2010, amounted to $1.5 billion, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. The change in the County's gross investment in capital assets for the current fiscal year was negligible. The decrease caused by depreciation in governmental and business-type activities was offset by capital acquisitions and improvements.

Major capital asset additions for governmental activities, $74.9 million, during the fiscal year ended September 30, 2010 included the following:

- Numerous road construction projects, including widening and expansion projects for existing roads and bridges; construction and land acquisition costs for the current fiscal year amounted to $23.5 million. In addition, heavy equipment, machinery and vehicles for the use of the Department of Public Services were purchased totaling $6.7 million.
- Improvements to and equipment purchases for the Guardian Building, the County's administrative headquarters, of $25.2 million.
- Approximately $3.5 million in improvements to other County-owned buildings.
- $3.3 million for a simulcast radio system to improve radio communications coverage for public safety and emergency management personnel.
- $1.7 million for parks improvement projects.

Major acquisitions for business-type activities of $16.4 million, included various infrastructure additions and improvements for the Downriver ($8.7 million) and Rouge Valley ($7.7 million) Sewage Disposal Systems.

Charter County of Wayne, Michigan
Capital Assets, Net - Government-wide Financial Statements
As of September 30 (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land and improvements	$ 536,837	$ 537,176	$ 6,417	$ 6,483	$ 543,254	$ 543,659
Buildings and improvements	147,618	127,738	8,058	8,792	155,676	136,530
Machinery, equipment and vehicles	26,274	13,783	592	686	26,866	14,469
Infrastructure	384,361	421,170	294,811	295,426	679,172	716,596
Construction in progress	37,298	22,745	31,280	28,747	68,578	51,492
Total	$ 1,132,388	$ 1,122,612	$ 341,158	$ 340,134	$ 1,473,546	$ 1,462,746

Additional information on the County's capital assets can be found in Note 8 on pages II-74 to II-81 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of $525.7 million. Of this amount, $361.0 million comprised debt backed by the full faith and credit of the County. The remainder of the County's debt, $164.7 million represented bonds secured solely by specified revenue sources (i.e., revenue bonds).

During the current fiscal year, the County's total bonded debt decreased by a net $239.6 million (31.3 percent). Debt for governmental activities made up most of the decrease ($229.8 million), due to the timing of issuance of delinquent tax anticipation notes. Typically, notes are issued each fiscal year in June or July to purchase the delinquent taxes of participating local communities. However, in fiscal year 2010 delinquent tax anticipation notes were not issued until October through December of 2010 (fiscal year 2011). Please refer to Note 9 for additional information. Notes issued subsequent to year-end totaled $229 million. In addition, governmental activities debt was issued for the renovations of buildings and equipment totaling $32.6 million, offset by payments on bonded debt of $18.0 million. Business-type activities debt decreased overall by $9.8 million (4.8 percent) as a result of issuance of new debt of $8.2 million net of debt payments and amortization of $18.0 million.

Charter County of Wayne, Michigan
Outstanding Bonded Debt as of September 30
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
General obligation bonds (backed by the County):	$ 201,730	$ 186,319	$ 161,868	$ 179,077	$ 363,598	$ 365,396
Deferred loss on refunding	(4,660)	(5,225)	(1,083)	(1,289)	(5,743)	(6,514)
Bond discount	(530)	(459)	-	-	(530)	(459)
Bond premium	2,648	2,815	998	1,056	3,646	3,871
Total general obligation bonds, net of bond discount and loss on refunding	199,188	183,450	161,783	178,844	360,971	362,294
Revenue bonds and notes (backed by specific tax and fee revenues)	131,060	376,560	33,771	26,550	164,831	403,110
Deferred loss on refunding	-	-	(57)	(71)	(57)	(71)
Total revenue bonds, net of loss on refunding	131,060	376,560	33,714	26,479	164,774	403,039
Total bonds and notes payable, net of bond discounts and loss on refundings	$ 330,248	$ 560,010	$ 195,497	$ 205,323	$ 525,745	$ 765,333

The County maintains an "A-" rating from Standard & Poor's, an "A3" rating from Moody's Investors Service and an "A-" rating from Fitch Ratings for uninsured debt issues. Each of these ratings carries a negative outlook.

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 $719,000, which is significantly less than the County's $5.1 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 12 on pages II-88 to II-114 of this report.

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

- The County's 2010 Equalization Report indicates that the total State Equalized Valuation for the County declined to $50.6 billion, a decrease of 11.7 percent over the prior year. Additionally, the total taxable valuation of the County, which serves as the basis for current and future tax levies, declined $4.4 billion, 8.7 percent.

- The County projects balanced operations for the General Fund for the next fiscal year. Significant budget items include the following:
  - The budget totals $2.1 billion which represents almost no growth from fiscal year 2009-2010. It includes personnel reductions, program eliminations, fee increases, and cost avoidances across the entire County.
  - The General fund budget increased by $21.4 million as a result of the transfer of Corporation Counsel, Personnel and Management and Budget departments from internal service funds to the General fund.
  - Personnel costs make up one-third of the County's General Fund budget. The County was required to increase staffing, to comply with temporary restraining orders (TRO) issued in connection with Third Circuit Court litigation. As a result, 293 positions have been added to the Sheriff, Clerk and Court operations budgets. All other County departments reduced staffing by a total of 191 positions.
  - The amortization period for funding the unfunded pension liabilities was increased from twenty to thirty years, saving the County approximately $6.1 million per year.
  - Amended Retirement Ordinance, Charter County of Wayne Ordinance No. 2010-514 to allow the County to reclassify certain assets within the Retirement System to offset a portion of the County's obligation to make pension contributions. The Retirement Commission filed a complaint in Wayne County Circuit Court. Refer to Note 16, Commitments and Contingencies for further discussion. The net benefit to the County is $32 million, of which, approximately $16 million is attributable to the General fund.

- The average annual unemployment rate for Wayne County, according to the Michigan Department of Labor and Economic Growth, at January 2011 decreased to 12.7 percent, compared to the January 2010 rate of 16.4 percent. The labor force at January 2011 compared to January 2010 increased by approximately 2.7%.

The consumer price index for all urban customers (CPI-U) for the Detroit metropolitan area showed a slight increase of 1.2 percent from 203.880 in December of 2009 to 206.384 in December of 2010.

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, 20th Floor, Detroit, Michigan 48226.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

BASIC FINANCIAL STATEMENTS

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF NET ASSETS
As of September 30, 2010
(in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS:				
Current assets:				
Equity in pooled cash and investments (Note 4)	$ 17,951	7,338	$ 25,289	$ -
Other cash and investments (Note 4)	671	59	730	123,336
Due from component units (Note 10)	2,570	15	2,585	-
Due from primary government (Note 10)	-	-	-	644
Internal balances	(100)	100	-	-
Receivables:				
Current property taxes	94,447	-	94,447	-
Delinquent property taxes	29,978	-	29,978	-
Accounts	25,642	834	26,476	15,322
Special assessments	-	-	-	3,282
Due from other governmental units (Note 10)	96,825	14,826	111,651	26,140
Less allowance for uncollectible accounts	(5,464)	(401)	(5,865)	(358)
Inventory	7,919	-	7,919	222
Prepayments and deposits	14,737	144	14,881	2,341
Restricted assets:				
Equity in pooled cash and investments (Notes 4 and 5)	-	20,430	20,430	-
Other cash and investments (Notes 4 and 5)	-	-	-	105,600
Delinquent property taxes	133,831	-	133,831	-
Accounts receivable	-	-	-	10,723
Due from component units (Notes 5 and 10)	4,446	-	4,446	-
Total current assets	423,453	43,345	466,798	287,252
Non-current assets:				
Restricted assets:				
Equity in pooled cash and investments (Notes 4 and 5)	156,860	19,916	176,776	596
Other cash and investments (Notes 4 and 5)	8,328	4,752	13,080	343,952
Delinquent property taxes	21,630	-	21,630	-
Accounts receivable (Notes 4 and 5)	-	17,061	17,061	-
Bond principal due from municipalities (Notes 4 and 5)	-	150,696	150,696	-
Capital assets (Note 8)				
Non-depreciable	572,042	36,590	608,632	322,083
Depreciable, net	560,346	304,568	864,914	1,996,781
Bond issuance costs, net of amortization	3,750	840	4,590	25,059
Long-term receivable from component unit (Note 10)	1,668	-	1,668	-
Long-term receivable from primary government (Note 10)	-	-	-	67,725
Long-term receivables (Note 7)	880	-	880	90
Special assessments receivable	-	-	-	7,588
Other assets	-	-	-	3,074
Total non-current assets	1,325,504	534,423	1,859,927	2,766,948
Total assets	$ 1,748,957	577,768	$2,326,725	$ 3,054,200

See accompanying notes to the basic financial statements.

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN

STATEMENT OF NET ASSETS

As of September 30, 2010

(in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
LIABILITIES:				
Current liabilities:				
Negative equity in pooled cash	$ -	-	$ -	$ 34,877
Accounts and contracts payable	46,910	2,988	49,898	51,791
Accrued wages and benefits	8,445	94	8,539	3,105
Due to fiduciary funds (Note 10)	-	-	-	12
Due to component units (Note 10)	644	-	644	-
Due to primary government (Note 10)	-	-	-	7,031
Due to other governmental units (Note 10)	13,775	-	13,775	1,158
Current portion of long-term obligations (Note 12)	45,271	491	45,762	13,715
Accrued interest	3,185	-	3,185	818
Unearned revenue	36,672	-	36,672	12,872
Other liabilities	71,305	13,031	84,336	45,045
Payable from restricted assets:				
Other liabilities	580	-	580	-
Current portion of notes payable (Note 12)	131,060	-	131,060	-
Current portion of long-term obligations (Note 12)	-	19,479	19,479	71,044
Accrued interest	2,191	951	3,142	32,855
Unearned revenue	-	-	-	1,701
Total current liabilities	360,038	37,034	397,072	276,024
Non-current liabilities:				
Due to primary government (Note 10)	-	-	-	1,668
Non-current portion of long-term obligations (Note 12)	262,260	642	262,902	2,227,600
Payable to component unit (Note 10)	67,725		67,725	-
Other liabilities (Note 12)	-	-	-	19,276
Payable from restricted assets:				
Accounts payable	-	4,921	4,921	-
Bonds payable from restricted assets (Note 12)	-	176,018	176,018	-
Other liabilities	-	12,466	12,466	-
Total non-current liabilities	329,985	194,047	524,032	2,248,544
Total liabilities	690,023	231,081	921,104	2,524,568
NET ASSETS:				
Invested in capital assets, net of related debt	950,521	167,770	1,118,291	159,598
Restricted net assets:				
Health and welfare	33,625	-	33,625	-
Delinquent tax administration	167,890	-	167,890	-
Parks	18,703	-	18,703	-
Roads	23,658	-	23,658	-
Debt service	2,402	172,408	174,810	307,864
Capital projects	-	-	-	31,838
Veterans programs	4,093	-	4,093	-
Community corrections	663	-	663	-
Economic development	6,425	-	6,425	-
Drug enforcement	-	-	-	1,706
Airport operations	-	-	-	30,584
Unrestricted net assets	(149,046)	6,509	(142,537)	(1,958)
Total net assets	1,058,934	346,687	1,405,621	529,632
Total liabilities and net assets	$ 1,748,957	577,768	$2,326,725	$ 3,054,200

(Concluded)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2010
(in thousands)

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Functions/Programs					
Primary government:					
Governmental activities:					
Legislative	$ 9,736	2,251	-	-	$ (7,485)
Judicial	126,507	19,250	18,747	-	(88,510)
General government	133,484	93,650	6,575	18	(33,241)
Public safety	165,646	34,554	14,977	-	(116,115)
Public works	6,021	5,234	-	-	(787)
Highways, streets and bridges	129,005	900	87,161	20,744	(20,200)
Health and welfare	944,892	33,543	781,362	-	(129,987)
Recreation and cultural	23,005	1,344	110	-	(21,551)
Community and economic development	27,105	582	17,362	-	(9,161)
Interest on long-term debt	21,610	-	-	-	(21,610)
Total governmental activities	1,587,011	191,308	926,294	20,762	(448,647)
Business-type activities:					
Sewage Disposal Systems	93,217	74,171	13,154	-	(5,892)
Jail Commissary	2,224	2,392	-	-	168
Parking Lots	71	64	-	-	(7)
Wetlands Mitigation	-	-	-	-	-
Copy Center	660	219	-	-	(441)
Total business-type activities	96,172	76,846	13,154	-	(6,172)
Total primary government	$ 1,683,183	268,154	939,448	20,762	$ (454,819)
Component units:					
Airport Authority	$ 465,414	357,403	1,265	29,137	$ (77,609)
Circuit Court	105,578	5,977	105,654	93	6,146
Probate Court	10,162	771	8,963	-	(428)
Stadium Authority	3,992	3,834	-	-	(158)
Drainage Districts	8,313	5,413	3,483	-	583
Economic Development Corporation	300	314	20	-	34
Wayne County - Detroit CDE, Inc.	160	80	-	-	(80)
Greater Wayne County Economic Development Corp.	684	-	526	-	(158)
Brownfield Redevelopment Authority	667	-	552	-	(115)
HealthChoice of Michigan	17,152	17,659	-	-	507
Regional Jobs and Economic Growth Foundation	110	-	76	-	(34)
Development Corporation of Wayne County	1,092	-	1,070	-	(22)
Wayne County Land Bank Corporation	10,110	80	7,933	-	(2,097)
Total component units	$ 623,734	391,531	129,542	29,230	$ (73,431)

See accompanying notes to the basic financial statements.

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF ACTIVITIES, CONTINUED
For the Year Ended September 30, 2010
(in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Net expense from previous page	$ (448,647)	(6,172)	$ (454,819)	$ (73,431)
General revenues:				
Taxes:				
Property	349,385	-	349,385	-
Sales	43,966	-	43,966	-
Excise	6,522	-	6,522	-
Airport parking	9,333	-	9,333	-
Investment earnings	20,875	305	21,180	4,723
Other revenue	9,969	-	9,969	598
Transfers in (out)	(100)	100	-	-
Total general revenues and transfers	439,950	405	440,355	5,321
Change in net assets	(8,697)	(5,767)	(14,464)	(68,110)
Net assets at October 1, 2009 (Note 18)	1,067,631	352,454	1,420,085	597,742
Net assets at September 30, 2010	$ 1,058,934	346,687	$ 1,405,621	$ 529,632

(Concluded)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2010
(in thousands)

	General Fund	Roads	Mental Health
ASSETS:			
Equity in pooled cash and investments (Note 4)	$ -	21,167	70,408
Other cash and investments (Note 4)	294	2	12
Due from other funds (Note 10)	4,000	-	-
Due from component units (Note 10)	2,352	50	-
Receivables:			
Current property taxes	94,447	-	-
Delinquent property taxes	28,365	-	-
Accounts	938	11,098	5,844
Due from other governmental units (Note 10)	17,462	19,622	3,671
Less allowance for uncollectible accounts	(302)	(477)	(4,286)
Supplies inventory, at cost	747	6,697	-
Prepayments and deposits	648	2,489	8,803
Long-term receivables (Note 7)	-	-	-
Restricted assets:			
Equity in pooled cash and investments (Notes 4 and 5)	-	-	-
Due from component units (Notes 5 and 10)	-	-	-
Total assets	$ 148,951	60,648	84,452
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Negative equity in pooled cash (note 4)	$ 93,636	-	-
Accounts and contracts payable	3,075	1,585	22,782
Due to other funds (Note 10)	5,717	-	-
Due to component units (Note 10)	271	-	-
Due to other governmental units (Note 10)	1,673	2,552	8,716
Accrued wages and benefits	4,549	1,042	299
Deposits	-	21,645	-
Other liabilities	14,092	816	-
Deferred revenue	52,454	929	20,375
Total liabilities	175,467	28,569	52,172
Fund balances:			
Reserved for:			
Supplies inventory	747	6,697	-
Prepayments and deposits	648	2,489	8,803
Long-term receivables	-	-	-
Inpatient hospitalization	10,093	-	-
Risk financing	-	-	14,696
Other long-term assets	78,025	-	-
Debt service funds	-	-	-
Capital projects funds	-	-	-
Capital improvements	-	11,769	-
Unreserved, reported in :			
General Fund, undesignated	(116,029)	-	-
Special revenue funds, undesignated	-	11,124	8,781
Total fund balances	(26,516)	32,079	32,280
Total liabilities and fund balances	$ 148,951	60,648	84,452

Health	Juvenile Justice and Abuse/Neglect	Total Major Funds	Non-major Governmental Funds	Total Governmental Funds
-	-	91,575	56,194	$ 147,769
1	1	310	355	665
166	903	5,069	1,450	6,519
-	-	2,402	25	2,427
-	-	94,447	-	94,447
-	-	28,365	1,613	29,978
2,697	3,053	23,630	1,939	25,569
320	41,570	82,645	14,085	96,730
-	-	(5,065)	(399)	(5,464)
160	155	7,759	-	7,759
-	1,613	13,553	887	14,440
-	-	-	880	880
-	-	-	18,928	18,928
-	-	-	4,446	4,446
3,344	47,295	344,690	100,403	$ 445,093
1,185	37,058	131,879	6,671	$ 138,550
644	10,199	38,285	3,812	42,097
-	-	5,717	-	5,717
-	-	271	373	644
-	-	12,941	834	13,775
284	651	6,825	613	7,438
-	-	21,645	-	21,645
529	9,004	24,441	8,640	33,081
542	5,501	79,801	21,321	101,122
3,184	62,413	321,805	42,264	364,069
160	155	7,759	-	7,759
-	1,613	13,553	887	14,440
-	-	-	262	262
-	-	10,093	-	10,093
-	-	14,696	-	14,696
-	-	78,025	3,000	81,025
-	-	-	8,660	8,660
-	-	-	22,076	22,076
-	-	11,769	12,273	24,042
-	-	(116,029)	-	(116,029)
-	(16,886)	3,019	10,981	14,000
160	(15,118)	22,885	58,139	81,024
3,344	47,295	344,690	100,403	$ 445,093

CHARTER COUNTY OF WAYNE, MICHIGAN
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
As of September 30, 2010
(in thousands)

Amounts reported for *governmental activities* in the Statement of Net Assets are different because:

Total fund balances - total governmental funds		$ 81,024
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	2,553,896	
Less accumulated depreciation	(1,463,508)	1,090,388
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 Assets.		937
The assets and liabilities of the Delinquent Tax Revolving fund, an enterprise fund, are recorded as governmental activities in the Statement of Net Assets.		185,263
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the governmental funds.		64,535
Long-term receivables due from component units are recorded as governmental activities on the Statement of Net Assets.		1,785
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund		
Bond costs	5,209	
Less accumulated amortization	(1,459)	3,750
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds		
Governmental long term debt payable	(201,730)	
Governmental capital leases	(6,097)	
Premium	(2,648)	
Discount	530	
Deferred loss on refunding	4,660	
Accrued interest payable	(3,185)	
Compensated absences	(21,642)	
Claims, litigation and assessments	(9,556)	
Payable to component unit	(67,725)	
Other long-term obligations	(61,355)	(368,748)
Net assets of governmental activities		$ 1,058,934

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, 2010
(in thousands)

	General Fund	Roads	Mental Health
REVENUES:			
Taxes:			
Property	$ 335,267	-	-
Sales	43,966	-	-
Excise	-	-	-
Licenses and permits	514	-	-
Federal grants	7,673	2,001	11,633
State grants and contracts	52,897	84,270	575,457
Local grants and contracts	979	4,890	-
Charges for services	80,481	3,334	21
Interest and rents	255	964	252
Other	7,754	1	-
Total revenues	529,786	95,460	587,363
EXPENDITURES:			
Current operations:			
Legislative	8,865	-	-
Judicial	105,650	-	-
General government	96,469	-	-
Public safety	134,675	-	-
Public works	786	-	-
Highways, streets, and bridges	-	73,583	-
Health and welfare	83,283	-	577,819
Recreational and cultural	-	-	-
Community and economic development	3,756	-	-
Capital outlay	4,343	8,737	705
Debt service	3,834	835	-
Total expenditures	441,661	83,155	578,524
Excess (deficiency) of revenues over (under) expenditures	88,125	12,305	8,839
OTHER FINANCING SOURCES (USES):			
Transfers in (Note 10)	4,409	-	17,734
Transfers out (Note 10)	(128,214)	(6,189)	-
Bond issuance	2,300	4,985	-
Bond premium	-	-	-
Bond discount	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses):	(121,505)	(1,204)	17,734
Net change in fund balances	(33,380)	11,101	26,573
Fund balances at October 1, 2009 (Note 18)	6,864	20,978	5,707
Fund balances at September 30, 2010	$ (26,516)	32,079	32,280

See accompanying notes to the basic financial statements.

Health	Juvenile Justice and Abuse/Neglect	Total Major Funds	Non-major Governmental Funds	Total Governmental Funds
-	-	335,267	17,827	353,094
-	-	43,966	-	43,966
-	-	-	6,522	6,522
-	-	514	73	587
11,115	3,036	35,458	54,937	90,395
5,705	95,820	814,149	5,161	819,310
-	7,183	13,052	1,582	14,634
3,864	14,523	102,223	13,501	115,724
-	-	1,471	18,283	19,754
-	-	7,755	1,115	8,870
20,684	120,562	1,353,855	119,001	1,472,856
-	-	8,865	-	8,865
-	-	105,650	1,814	107,464
-	-	96,469	18,498	114,967
-	-	134,675	10,801	145,476
-	-	786	-	786
-	-	73,583	-	73,583
24,531	207,525	893,158	53,101	946,259
-	-	-	23,907	23,907
-	-	3,756	2,100	5,856
174	71	14,030	40,237	54,267
-	-	4,669	28,398	33,067
24,705	207,596	1,335,641	178,856	1,514,497
(4,021)	(87,034)	18,214	(59,855)	(41,641)
3,154	91,154	116,451	25,296	141,747
-	-	(134,403)	(4,344)	(138,747)
-	-	7,285	32,555	39,840
-	-	-	46	46
-	-	-	(187)	(187)
-	-	-	25	25
3,154	91,154	(10,667)	53,391	42,724
(867)	4,120	7,547	(6,464)	1,083
1,027	(19,238)	15,338	64,603	79,941
160	(15,118)	22,885	58,139	$ 81,024

CHARTER COUNTY OF WAYNE, MICHIGAN

RECONCILATION 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, 2010
(in thousands)

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Net change in fund balances - total governmental funds		$ 1,083
The change in net assets of the internal service funds is reported with governmental activities in the Statement of Activities.		4,623
The change in net assets of the Delinquent Tax Revolving Fund, an enterprise fund, is reported with governmental activities in the Statement of Activities.		31,921
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	54,267	
Less current year depreciation	(63,646)	(9,379)
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 Assets.		18,020
Revenues in the Statement of Activities that do not provide current financial resources are deferred and not reported as revenues in the funds.		(2,886)
Long-term receivables from component units are not reported as revenue in the governmental funds since they do not provide current financial resources. They are reported in the Statement of Activities.		896
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.		19,720
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. The amount represents the proceeds received net of bond issuance costs, discounts/premiums, and other deferred charges that must be amortized over the life of the bond		(32,166)
Capital lease proceeds provide current financial resources to governmental funds, but represents an increase in long-term liabilities in the Statement of Net Assets.		(7,285)
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	(111)	
Change in other long-term obligations	(39,208)	
Change in capital leases	1,187	
Change in accrued compensated absences	856	
Change in accrued claims, litigation and assessments	2,248	
Change in long-term payable to component unit	2,525	
Amortization of current year bond premium	214	
Amortization of current year bond discounts	(104)	
Amortization of deferred loss on refunding	(565)	
Amortization of current year bond cost	(286)	(33,244)
Change in net assets of governmental activities		$ (8,697)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
As of September 30, 2010
(in thousands)

	Enterprise Funds					Governmental Activities
	Sewage Disposal Systems					
	Downriver	Rouge Valley	Delinquent Tax Revolving	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS:						
Current assets:						
Equity in pooled cash and investments (Note 4)	$ 8,504	357	22,305	1,838	$ 33,004	$ 28,077
Other cash and investments (Note 4)	1	-	-	58	59	6
Due from other funds (Note 10)	-	-	-	100	100	3,098
Due from component units (Note 10)	15	-	-	-	15	26
Receivables:						
Accounts	679	-	73	155	907	-
Due from other governmental units (Note 10)	3,487	6,883	-	4,456	14,826	95
Less allowance for uncollectible accounts	(117)	-	-	(284)	(401)	-
Supplies inventory, at cost	-	-	-	-	-	160
Prepayments and deposits	135	6	-	3	144	297
Restricted assets:						
Equity in pooled cash and investments (Notes 4 and 5)	16,585	20	-	3,825	20,430	-
Delinquent property taxes	-	-	133,831	-	133,831	-
Total current assets	29,289	7,266	156,209	10,151	202,915	31,759
Non-current assets:						
Restricted assets:						
Equity in pooled cash and investments (Notes 4 and 5)	9,389	5,632	137,932	4,895	157,848	-
Other cash and investments (Note 4)	4,752	-	8,328	-	13,080	-
Delinquent property taxes	-	-	21,630	-	21,630	-
Accounts receivable (Note 5)	11,491	1,905	-	3,665	17,061	-
Bond principal due from municipalities (Note 5)	128,132	210	-	22,354	150,696	-
Capital assets:						
Non-depreciable	23,687	11,314	-	1,589	36,590	30,549
Depreciable, net	220,876	79,721	69	3,971	304,637	11,381
Other assets:						
Bond issuance cost, net of amortization	522	52	-	266	840	-
Long-term receivables (Note 7)	-	-	-	-	-	36,690
Total non-current assets	398,849	98,834	167,959	36,740	702,382	78,620
Total assets	$ 428,138	106,100	324,168	46,891	$ 905,297	$ 110,379

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF NET ASSETS, CONTINUED
PROPRIETARY FUNDS
As of September 30, 2010
(in thousands)

	Enterprise Funds					Governmental Activities
	Sewage Disposal Systems					
	Downriver	Rouge Valley	Delinquent Tax Revolving	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES AND NET ASSETS:						
Current liabilities:						
Negative equity in pooled cash	$ -	-	-	3,361	$ 3,361	$ 41,650
Accounts and contracts payable	980	1,925	556	83	3,544	4,257
Accrued wages and benefits	91	-	34	3	128	973
Due to other funds (Note 10)	-	-	4,000	-	4,000	-
Current portion of long-term obligations (Note 12)	487	-	116	4	607	3,481
Other liabilities	342	8,291	201	4,398	13,232	16,378
Unearned revenue	-	-	-	-	-	85
Payable from restricted current assets:						
Other liabilities	-	-	580	-	580	-
Current portion of long-term obligations (Note 12)	16,013	20	131,060	3,446	150,539	-
Accrued interest	572	-	2,191	379	3,142	-
Total current liabilities	18,485	10,236	138,738	11,674	179,133	66,824
Non-current liabilities:						
Payable from restricted non-current assets:						
Accounts payable	1,445	-	-	3,476	4,921	-
Other liabilities	12,466	-	-	-	12,466	-
Bonds payable (Note 12)	155,006	206	-	20,806	176,018	-
Other liabilities (Note 12)	612	-	167	30	809	42,618
Total non-current liabilities	169,529	206	167	24,312	194,214	42,618
Total liabilities	188,014	10,442	138,905	35,986	373,347	109,442
Net assets:						
Invested in capital assets, net of related debt	73,544	90,809	69	3,417	167,839	41,930
Restricted net assets:						
Delinquent tax administration	-	-	167,890	-	167,890	-
Bond programs	155,866	7,767	-	8,775	172,408	-
Unrestricted	10,714	(2,918)	17,304	(1,287)	23,813	(40,993)
Total net assets	240,124	95,658	185,263	10,905	531,950	937
Total liabilities and net assets	$ 428,138	106,100	324,168	46,891	905,297	$ 110,379

Reconciliation of Statement of Net Assets of Proprietary Funds to Business-type activities

Total net assets - enterprise funds	$ 531,950
The Delinquent Tax Revolving Fund primarily serves the general government and therefore is reported as governmental activities in the Statement of Net Assets (Note 1).	(185,263)
Net assets of business-type activities	$ 346,687

See accompanying notes to the basic financial statements. (Concluded)

CHARTER COUNTY OF WAYNE, MICHIGAN

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

For the Year Ended September 30, 2010

(in thousands)

	Enterprise Funds					Governmental Activities
	Sewage Disposal Systems					
	Downriver	Rouge Valley	Delinquent Tax Revolving	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES:						
Sewage disposal charges	$ 14,661	37,466	-	16,787	$ 68,914	$ -
Industrial surcharges	1,574	-	-	-	1,574	-
Other charges for services	1,982	54	-	4,322	6,358	187,010
Fines and forfeitures	-	-	56,525	-	56,525	-
Rentals and expense recoveries	-	-	-	-	-	3,269
Other revenue	-	-	75	-	75	-
Total operating revenues	18,217	37,520	56,600	21,109	133,446	190,279
OPERATING EXPENSES:						
Personnel	2,623	-	1,130	140	3,893	25,442
Fringe benefits	1,364	-	435	79	1,878	13,790
Pension	436	-	144	42	622	5,108
Materials and supplies	1,923	61	1,108	829	3,921	1,499
Contractual services	5,918	37,243	7,595	17,849	68,605	19,151
Travel	5	-	1	-	6	202
Miscellaneous operating	3,605	92	761	951	5,409	116,742
Rentals	81	28	145	506	760	3,399
Other charges	-	-	-	624	624	50
Depreciation and amortization	13,015	1,993	14	360	15,382	1,500
Total operating expenses	28,970	39,417	11,333	21,380	101,100	186,883
Operating income (loss)	(10,753)	(1,897)	45,267	(271)	32,346	3,396
NON-OPERATING REVENUES (EXPENSES):						
Investment earnings (loss)	92	20	794	193	1,099	327
Collections from (payments to) participating local units	4,159	5	-	1,158	5,322	-
Interest expense	(5,049)	(5)	(10,140)	(1,351)	(16,545)	-
Federal grants	-	7,832	-	-	7,832	-
Total non-operating revenues (expenses)	(798)	7,852	(9,346)	-	(2,292)	327
Net income (loss) before capital contributions and transfers	(11,551)	5,955	35,921	(271)	30,054	3,723
Transfers in	-	-	-	100	100	3,198
Transfers out	-	-	(4,000)	-	(4,000)	(2,298)
Change in net assets	(11,551)	5,955	31,921	(171)	26,154	4,623
Net assets at October 1, 2009	251,675	89,703	153,342	11,076	505,796	(3,686)
Net assets at September 30, 2010	$ 240,124	95,658	185,263	10,905	$ 531,950	$ 937

Reconciliation of Statement of Revenues, Expenses and Changes in Fund Net Assets to Statement of Activities of Business-type Activities

Net change in net assets - enterprise funds	$ 26,154
The Delinquent Tax Revolving Fund primarily serves the general government and therefore is reported as governmental activities in the Statement of Net Assets	(31,921)
Change in net assets of business-type activities	$ (5,767)

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, 2010
(in thousands)

	Enterprise Funds					Governmental Activities
	Sewage Disposal Systems					
	Downriver	Rouge Valley	Delinquent Tax Revolving	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:						
Receipts from customers	$ 15,702	35,582	298,453	21,762	$ 371,499	$ 190,364
Payments to suppliers	(11,529)	(34,559)	(37,516)	(20,327)	(103,931)	(142,888)
Payments to employees and payments for benefits	(4,093)	-	(1,692)	(256)	(6,041)	(41,813)
Internal activity - receipts from other funds	-	-	-	3	3	-
Internal activity - payments to other funds	-	-	4,000	-	4,000	893
Internal activity - receipts from component units	68	-	-	-	68	-
Net cash provided by (used in) operating activities	148	1,023	263,245	1,182	265,598	6,556
Cash flows from non-capital financing activities:						
Long-term receivable	-	-	-	-	-	(2)
Transfers (to) from other funds	-	-	(4,000)	-	(4,000)	(2,198)
Federal grants	-	7,832	-	-	7,832	-
Net cash provided by (used in) non-capital financing activities	-	7,832	(4,000)	-	3,832	(2,200)
Cash flows from capital and related financing activities:						
Repayment of long-term debt	(14,763)	(20)	(245,500)	(3,481)	(263,764)	(392)
Proceeds from issuance of long term debt	8,256	16	-	-	8,272	-
Bond principal received from municipalities	11,202	20	-	3,228	14,450	-
Interest received from participating local units	4,159	5	-	1,158	5,322	-
Transfer of bond proceeds	-	-	-	-	-	-
Acquisition of capital assets	(8,704)	(7,689)	-	-	(16,393)	(850)
Interest paid	(5,190)	(57)	(10,264)	(1,039)	(16,550)	-
Net cash provided by (used in) capital and related financing activities	(5,040)	(7,725)	(255,764)	(134)	(268,663)	(1,242)
Cash flows from investing activities:						
Investment earnings	92	20	794	193	1,099	327
Net cash provided by investing activities	92	20	794	193	1,099	327
Net increase (decrease) in cash and cash equivalents	(4,800)	1,150	4,275	1,241	1,866	3,441
Cash and cash equivalents at October 1, 2009	44,031	4,859	164,290	6,014	219,194	(17,008)
Cash and cash equivalents at September 30, 2010	$ 39,231	6,009	168,565	7,255	$ 221,060	$ (13,567)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	$ (10,753)	(1,897)	45,267	(271)	$ 32,346	$ 3,396
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	13,015	1,993	14	360	15,382	1,500
Decreases (increases) in current assets:						
Delinquent property taxes receivable	-	-	213,199	-	213,199	-
Accounts receivable	(2,405)	(1,905)	(60)	1,051	(3,319)	-
Due from other funds	-	-	-	3	3	1,087
Due from other governmental units	(110)	(33)	-	(398)	(541)	-
Due from component units	68	-	-	-	68	-
Other current assets	40	-	-	(1)	39	154
Increases (decreases) in current liabilities:						
Accounts and contracts payable	(1,057)	1,786	265	(69)	925	(1,037)
Accrued wages and benefits	(5)	-	4	(9)	(10)	(89)
Due to other funds	-	-	4,000	-	4,000	(194)
Other liabilities	1,020	1,079	541	502	3,142	(962)
Deferred revenue	-	-	-	-	-	85
Increase (Decrease) in compensated absences payable	58	-	13	-	71	137
Increase (Decrease) in non-current other liabilities	277	-	2	14	293	2,479
Net cash provided by (used in) operating activities	$ 148	1,023	263,245	1,182	$ 265,598	$ 6,556
Cash and cash equivalents at September 30, 2010 consists of the following:						
Equity in pooled cash and investments	$ 8,504	$ 357	$ 22,305	$ 1,838	$ 33,004	$ 28,077
Negative equity in pooled cash	-	-	-	(3,361)	(3,361)	(41,650)
Other cash and investments	1	-	-	58	59	6
Restricted assets:						
Equity in pooled cash and investments	25,974	5,652	137,932	8,720	178,278	-
Other cash and investments	4,752	-	8,328	-	13,080	-
Total cash and investments	$ 39,231	6,009	168,565	7,255	$ 221,060	$ (13,567)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
As of September 30, 2010
(in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Agency Funds
ASSETS:		
Equity in pooled cash and investments (Note 4)	$ 10,302	$ 166,736
Other cash and investments (Note 4)	-	1,671
Due from component units (Note 10)	12	-
Accounts receivable	3,229	2,426
Accrued interest receivable	1,318	-
Retirement investments (Note 4):		
Equity securities	649,907	-
Debt securities	224,346	-
Money market funds	40,665	-
Other investments	202,353	-
Total retirement investments	1,117,271	-
Prepayments and deposits	17	-
Depreciable capital assets, net (Note 8)	9	-
Total assets	$ 1,132,158	$ 170,833
LIABILITIES:		
Accounts and contracts payable	$ 840	$ 2,180
Due to other governmental units (Note 10)	-	1,304
Accrued wages and benefits	70	3,527
Due to broker for securities purchased	6,782	-
Undistributed taxes	-	139,312
Retainage	-	2,304
Other liabilities	308	22,206
Total liabilities	$ 8,000	$ 170,833
NET ASSETS:		
Net assets held in trust for pension benefits	$ 1,124,158	

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended September 30, 2010
(in thousands)

	Pension (and Other Employee Benefit) Trust Funds
ADDITIONS:	
Investment income (loss):	
Net appreciation in fair market value	$ 51,715
Interest and dividends	25,712
Other investment income	5,362
Investment expenses	(4,183)
Net investment income (loss)	78,606
Retirement contributions:	
Employer	53,567
Employee	35,344
Total retirement contributions	88,911
Total additions	167,517
DEDUCTIONS:	
Administrative expenses:	
Personnel	1,108
Fringe benefits	520
Pension	283
Materials and supplies	121
Contractual services	1,179
Travel	51
Rentals	178
Depreciation and amortization	3
Other charges	20
Total administrative expenses	3,463
Participant benefits - retirement benefits	170,064
Total deductions	173,527
Change in net assets	(6,010)
Net assets at October 1, 2009	1,130,168
Net assets at September 30, 2010 (Note 13)	$ 1,124,158

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF NET ASSETS
COMPONENT UNITS
As of September 30, 2010
(in thousands)

	Airport Authority	Circuit Court	Non-major Component Units	Total Component Units
ASSETS:				
Current assets:				
Equity in pooled cash and investments (Note 4)	$ -	-	18,039	$ 18,039
Other cash and investments (Note 4)	102,678	11	20,647	123,336
Due from primary government (Note 10)	-	271	373	644
Receivables:				
Accounts receivable	11,444	83	3,795	15,322
Special assessments	-	-	3,282	3,282
Due from other governmental units (Note 10)	16,398	4,202	5,540	26,140
Less allowance for uncollectible accounts	(200)	-	(158)	(358)
Inventory - real property held for sale	-	-	222	222
Prepayments and deposits	1,788	-	553	2,341
Current portion of long-term receivalble from primary government	-	-	-	-
Restricted assets:				
Other cash and investments (Note 4 and Note 5)	105,600	-	-	105,600
Accounts receivable (Note 5)	10,723	-	-	10,723
Total current assets	248,431	4,567	52,293	305,291
Non-current assets:				
Restricted assets (Note 5):				
Equity in pooled cash and investments (Note 4)	-	-	596	596
Other cash and investments (Note 4 and Note 5)	343,952	-	-	343,952
Capital assets (Note 8):				
Non-depreciable	311,217	6,459	4,407	322,083
Depreciable, net	1,962,717	3,906	30,158	1,996,781
Other assets:				
Bond issuance costs, net of amortization	24,366	-	693	25,059
Long-term receivable from primary government	-	-	67,725	67,725
Accounts receivable	90	-	-	90
Special assessments receivable	-	-	7,588	7,588
Prepaid expenses	-	-	-	-
Other	3,074	-	-	3,074
Total non-current assets	2,645,416	10,365	111,167	2,766,948
Total assets	$ 2,893,847	14,932	163,460	$ 3,072,239

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF NET ASSETS
COMPONENT UNITS
As of September 30, 2010
(in thousands)

	Airport Authority	Circuit Court	Non-major Component Units	Total Component Units
LIABILITIES AND NET ASSETS:				
Current liabilities:				
Negative equity in pooled cash (note 4)	$ -	52,916	-	$ 52,916
Accounts and contracts payable	44,212	1,277	6,302	51,791
Accrued wages and benefits	1,839	1,054	212	3,105
Due to fiduciary funds (Note 10)	12	-	-	12
Due to primary government (Note 10)	114	117	6,800	7,031
Due to other governmental units (Note 10)	1,054	-	104	1,158
Accrued interest	105	-	713	818
Current portion of long-term obligations (Note 12)	3,698	4,011	6,006	13,715
Unearned revenue	5,902	114	6,856	12,872
Other liabilities	38,857	756	5,432	45,045
Payable from restricted assets:				
Current portion of long-term obligations (Note 12)	71,044	-	-	71,044
Accrued interest	32,855	-	-	32,855
Unearned	1,701	-	-	1,701
Total current liabilities	201,393	60,245	32,425	294,063
Non-current liabilities				
Due to primary government (Note 10)	-	1,668	-	1,668
Non-current portion of long-term obligations (Note 12)	2,154,762	-	72,838	2,227,600
Other liabilities (Note 12)	12,660	5,598	1,018	19,276
Total non-current liabilities	2,167,422	7,266	73,856	2,248,544
Total liabilities	2,368,815	67,511	106,281	2,542,607
Net assets:				
Invested in capital assets, net of related debt	120,302	10,365	28,931	159,598
Restricted net assets:				
Bond programs	294,849	-	13,015	307,864
Capital projects	31,247	-	591	31,838
Drug enforcement	1,706	-	-	1,706
Airport operations	30,584	-	-	30,584
Unrestricted net assets	46,344	(62,944)	14,642	(1,958)
Total net assets	525,032	(52,579)	57,179	529,632
Total liabilities and net assets	$ 2,893,847	14,932	163,460	$ 3,072,239

See accompanying notes to the basic financial statements. (Concluded)

CHARTER COUNTY OF WAYNE, MICHIGAN
STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended September 30, 2010
(in thousands)

	Airport Authority	Circuit Court	Non-major Component Units	Total Component Units
Expenses	$ 465,414	105,578	52,742	$ 623,734
Program revenues:				
Charges for services	357,403	5,977	28,151	391,531
Operating grants and contributions	1,265	105,654	22,623	129,542
Capital grants and contributions	29,137	93	-	29,230
Total program revenues	387,805	111,724	50,774	550,303
Net expense	(77,609)	6,146	(1,968)	(73,431)
General revenues:				
Investment earnings (loss)	4,941	(291)	73	4,723
Other revenue	79	269	250	598
Total general revenues	5,020	(22)	323	5,321
Change in net assets	(72,589)	6,124	(1,645)	(68,110)
Net assets at October 1, 2009 (Note 18)	597,621	(58,703)	58,824	597,742
Net assets at September 30, 2010	$ 525,032	(52,579)	57,179	$ 529,632

See accompanying notes to the basic financial statements.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

NOTES TO THE BASIC FINANCIAL STATEMENTS

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Notes to Basic Financial Statements

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(1) Summary of Significant Accounting Policies

A. Reporting Entity

The Charter County of Wayne, Michigan (County) was originally incorporated in 1796 and covers an area of approximately 623 square miles. The County provides law enforcement, administration of justice, community enrichment and development, and health and human services to approximately two 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 ten executive departments, including Children and Family Services, Corporation Counsel, Economic Development Growth Engine (EDGE), Health and Human Services, Homeland Security and Emergency Management, Management and Budget, Personnel/Human Resources, Public Services, Senior and Veteran Services, and Technology. In addition, the primary government includes other elected officials including the County Clerk, Prosecuting Attorney, Register of Deeds, Sheriff, and the 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 non-major governmental funds.

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.

The Wayne County Airport Authority (Airport Authority) was established on August 2, 2002 under Public Act 90 of 2002 to control and operate the Detroit Metropolitan Wayne County Airport, the Willow Run Airport (the Airports) and the Airport Hotel.

The Airport Authority is an independent public benefit agency and considered an agency of the County for the purposes of federal and state laws, but it is not subject to any County charter requirements or the direction or control of either the County Executive or the Wayne County Commission. The Airport Authority is charged with the responsibility to operate and run the activities of the Airports and the Airport Hotel. The financial statements of the Airport Authority include the operations of the Airports.

The Airport Authority is managed by a seven-member board, with four members appointed by the County Executive, two members appointed by the Governor of the State of Michigan, and one member appointed by the Wayne County Commission. The appointments of the County Executive and the Governor are not subject to confirmation by the State Legislature or the Wayne County Commission. The County has pledged its limited tax full faith and credit as additional security for payment of the principal, premium, if any, and interest on certain Airport Authority debt, subject to constitutional statutory and charter tax rate limitations.

The Third Circuit and Probate Courts (Courts) were established under the Constitution of the State of Michigan and comprise a portion of the judicial branch of the State of Michigan. Although the Courts were not created as a separate body corporate or body corporate and politic, they possess the prerequisite corporate powers and budgetary autonomy to support their inclusion as discretely presented component units. Both Courts are headed by a duly elected chief judge. The Courts preside over judicial proceedings within the County. The Courts are fiscally dependent on the County and have no taxing power. The Court Reorganization Act, 1996 P.A. 388, designated the County as the primary funding unit for Court operations.

There are three separate divisions of Third Circuit Court (Circuit Court): Civil, Criminal, and Family Court. The Civil Division is assigned 14 judges for the resolution of general civil cases initiated within the County, where the amount of the controversy exceeds $10,000. The Criminal Division is assigned 28 judges and has sole jurisdiction over felonies and high misdemeanors occurring within the County. The Family Court Division is divided into Domestic and Juvenile Sections. The Domestic Section is assigned 11 judges and is responsible for hearing all domestic relations cases filed within the County. The Juvenile Section is assigned eight judges, along with a staff of referees, and exercises exclusive jurisdiction over juveniles under 17 years of age in delinquency proceedings, and children under 18 years of age in protective proceedings. Each child coming within the jurisdiction of the Family Court is entitled to receive the care, guidance, and control as will be conducive to the child's welfare and the best interests of the State. The Courts are located in the Coleman A. Young Municipal Center, Frank Murphy Hall of Justice, and Lincoln Hall of Justice in downtown Detroit.

Probate Court has eight judges who have jurisdiction in all matters related to settlement of estates, trusts and appointment of trustees within the County. In addition, the Court appoints guardians and conservators for minors and other legally incapacitated persons. The Court has jurisdiction over numerous other matters ranging from mental illness, to communicable diseases, to substance abuse and to certain child custody issues.

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. 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.

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 to 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 150 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 corporations 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 corporations or the specific owners of the benefited parcels of property. The District has a Drainage Board that is responsible for determining the yearly assessments. The District's drainage board 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 the district.

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. The EDC's primary fiscal activity is to provide administration of federal grants on behalf of and for the benefit of the County. The EDC is fiscally dependent on the County and has no taxing authority.

The Wayne County-Detroit Community Development Entity, Inc (CDE, Inc.) is an IRS Section 501(c) (3) Michigan corporation. It is 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. 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.

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.

The Wayne Regional Jobs and Economic Growth Foundation (the Foundation) is an IRS Section 501 (c) (3) Michigan foundation formed to support and encourage economic development projects initiated by Michigan communities, economic development corporations, charities and other organizations that promote growth of businesses, jobs and economic opportunities within Wayne County. The nature and significance of the Foundation's relationship with the County and another of its component units, the GWEDC, are such that omission of the Foundation's operations from the County's financial statements would cause them to be misleading or incomplete. Accordingly, the Foundation has been included as a non-major discrete component unit of the County.

The Development Corporation of Wayne County (the "DCWC") is an IRS Section 501 (c) (3) Michigan foundation, formed in August 2006, to facilitate, plan, organize, promote, manage and administer programs and activities designed to foster local Wayne County neighborhood community improvement and development, including the implementation of a housing initiative program that will address improving opportunities for low and moderate income individuals and families within Wayne County. The DCWC shall obtain and maintain qualification as a Community Housing Development Corporation, under applicable state and federal laws and regulations. The DCWC provides grants to faith-based and community development groups to implement these initiatives. The DCWC is funded solely by grants from Wayne County, receipt of which is contingent upon Wayne County's approval of a budget for the use of these funds.

The Wayne County Land Bank Corporation (Land Bank) was incorporated by the County on October 19, 2006 through an intergovernmental agreement (agreement) between 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 or 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. 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, 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, and the Executive Director of the Land Bank is an employee of the County.

The following component units issue audited financial statements: the Wayne County Building Authority; the Wayne County Airport Authority; the Detroit-Wayne County Stadium Authority; the Chapter 21 (Milk River) Drainage District, CDE, Inc., the GWEDC, HealthChoice of Michigan, the Foundation, the DCWC, and the Land Bank. These reports may be obtained at the entity's administrative offices listed below.

Wayne County Building Authority
500 Griswold, 20th Floor
Detroit, Michigan 48226

Chapter 21 (Milk River) Drainage District
Wayne County Department of Public Services
400 Monroe, 4th Floor
Detroit, Michigan 48226

Wayne County Airport Authority
Detroit Metropolitan Wayne County Airport
L.C. Smith Terminal-Mezzanine
Detroit, Michigan 48242

HealthChoice of Michigan
640 Temple, Suite 370
Detroit, Michigan 48201

Greater Wayne County Economic Development Corporation
500 Griswold, 30th Floor
Detroit, Michigan 48226

Wayne County-Detroit Community Development Entity, Inc.
500 Griswold, 30th Floor
Detroit, Michigan 48226

Detroit-Wayne County Stadium Authority
500 Griswold, 20th Floor
Detroit, Michigan 48226

Wayne Regional Jobs and Economic Growth Foundation
500 Griswold, 30th Floor
Detroit, Michigan 48226

Development Corporation of Wayne County
500 Griswold, 30th Floor
Detroit, Michigan 48226

Wayne County Land Bank Corporation
c/o Office of the Wayne County Treasurer
400 Monroe, 5th 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, 20th Floor.

Third Circuit Court
711 Coleman A. Young Municipal Center
Two Woodward Avenue
Detroit, Michigan 48226

Economic Development Corporation of Wayne County
500 Griswold, 30th Floor
Detroit, Michigan 48226

Probate Court
1305 Coleman A. Young Municipal Center
Two Woodward Avenue
Detroit, Michigan 48226

Brownfield Redevelopment Authority
500 Griswold, 30th Floor
Detroit, Michigan 48226

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

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.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The County's financial statements include government-wide financial statements (reporting the County as a whole) and fund financial statements (reporting the County's major funds individually and non-major funds in the aggregate). The government-wide financial statements categorize primary activities as either governmental or business-type. The County's legislative; judicial; general government; public safety; public works; highways, streets and bridges; health and welfare; recreation and cultural; and community and economic development functions are classified as governmental activities as they are largely supported by taxes and intergovernmental revenue. The County's sewage disposal systems (including combined sewage overflow basins), jail commissary, parking lots, wetlands mitigation, and copy center services are classified as business-type activities as they rely on fees and charges for support.

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 government-wide financial statements display information about the County as a whole, excluding fiduciary funds and component units that are fiduciary in nature. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

In the government-wide Statement of Net Assets, both the governmental and business-type activities are presented on a consolidated basis, by column, and all long-term assets, as well as long-term-debt and obligations, are recognized. The County's net assets are reported in the following three categories: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

- Invested in capital assets, net of related debt 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 assets result when constraints placed on net assets use are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

- Unrestricted net assets consist of net assets, which do not meet the definition of the two preceding categories. Unrestricted net assets often have 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 functional 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. On an accrual basis, 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.

Fund Financial Statements

Separate fund financial statements are presented for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. Non-major governmental, non-major enterprise, internal service, pension (and other employee benefit) trust funds, 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 (60) days. In general, the County considers all other revenues to be available if they are collected within sixty (60) days of the end of the fiscal year.

Significant revenues susceptible to accrual include reimbursements from the State of Michigan recorded in the Juvenile Justice and Abuse/Neglect Fund which are typically collected within the County's availability period. However, these amounts were received outside of the typical collection cycle. Such collections amounted to $22.5 million for the fiscal year ended September 30, 2010 and have been included in revenue.

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 required to be accounted for in other funds. The General Fund is the County's primary operating fund.

- Roads 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.

- Mental Health Fund – This fund is used to account for revenue reserved for providing mental health services to County residents.

- Health Fund – This fund is used to account for revenue reserved for the purpose of providing health protection, maintenance, and improvement for the residents of the County.

- Juvenile Justice and Abuse/Neglect Fund – This fund accounts for the cost of providing required foster care and/or residential care to abused, neglected, and delinquent children in the County, including County residents who become wards of 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 a full accrual basis of accounting and the economic resources measurement focus.

The County's proprietary funds consist of the following major enterprise funds:

- Downriver and Rouge Valley Sewage Disposal System 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 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 taxing authorities in the County.

Additionally, the County reports the following fund types:

- Internal Service Funds – These funds are used to account for the costs of certain goods, services, and activities (such as personnel, central services, information technology, employee health benefits, property insurance, capital asset acquisitions, etc.) provided by one department to another department or to component units of the County.

- Pension (and Other Employee Benefit) Trust Funds – The pension trust funds are used to account for the assets of the County's employees' pension plan. 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 – These 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 Assets, 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; County Clerk revenues 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:

- Airport Authority – These funds are used to account for the operation and maintenance of the Airports and the Airport Hotel. Airport revenues are primarily derived from landing fees, leases, and rentals received from users or fee-based operations. Activities associated with the Airport Hotel include funding the construction and furnishing of an airport hotel at the McNamara Terminal at the Detroit Metropolitan Wayne County Airport.

- Circuit Court – The Court presides over judicial proceedings initiated within the County through its Civil, Criminal and Family Court divisions. These divisions are responsible for the resolution of general civil cases, felonies and high misdemeanors, domestic relations cases, and jurisdiction over juveniles in delinquency and protective proceedings.

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 20, and amended by Statement No. 34, the government-wide statements and proprietary fund statements follow all GASB pronouncements and Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principle Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with GASB pronouncements. The County has the option to apply FASB pronouncements issued after November 30, 1989, for business-type activities and enterprise funds, but has chosen not to do so.

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.

C. Assets, Liabilities, and Net Assets or Fund Balance

Cash 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 reserved for the balance in inventory, prepaid items, deposits, and other long-term assets (primarily interfund cash lending) at September 30, 2010, as that portion of fund balance is unavailable for appropriation or expenditure.

Interfund Balances – Outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Bond Issuance Costs – A component of other assets in the enterprise funds represents bond issuance costs. Such issuance costs are amortized principally using methods that approximate the effective interest method.

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 estimated fair market value at 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.

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, with the exception of certain Department of Public Services machinery and equipment and vehicles, which are depreciated using sum-of-the years' digits:

Assets	Years
Land improvements	20
Buildings and improvements	5-50
Infrastructure:	
Roadway signage	7-15
Bridges and dams	25-50
Roadways and paving	5-25
Sewer systems	25-80
Airport	10-40
Machinery and equipment, vehicles	5-25
Office equipment	5

Deferred Revenue/Unearned Revenue – In the governmental funds, deferred revenue represents revenue that is estimable but not available to finance current operations. Accordingly, these revenues are deferred until such time as they are available. Revenues are considered to be available if they are collected within approximately 60 days of the end of the current fiscal period. Governmental and proprietary funds also defer revenue recognition in connection with resources that have been received but not yet earned.

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 assets. Bond premiums and discounts, as well as issuance costs 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. 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, other post-employment benefits and reserves for commitments and contingencies. See Note 12, Long-Term Debt and Other Obligations, Note 14, Other Post-employment Benefit Obligations, and Note 16, 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.

Pension and other post employment benefit costs (OPEB) – The County offers both pension and 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, pension and 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.

Fund Balance – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not subject to appropriation or are legally segregated for a specific purpose.

Reservations of fund balances generally represent outside third-party restrictions or non-current assets that are not available to fund current liabilities such as inventories, prepayments, long-term receivables and due from other funds not settled within a year.

D. Other

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 Statement 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.

Deferral of Gains and Losses on Refunding – For enterprise funds, the County defers the difference between the reacquisition price and the net carrying amount of the old debt in a refunding. The deferred amount is amortized and recorded as a component of interest expense.

Passenger Facility Charges – The Airport Authority assesses passenger facility charges of $4.50 per passenger. The passenger facility charges are recorded as non-operating revenues and may only be expended on capital and non-capital projects approved by the federal government. Net assets related to unexpended passenger facilities charges are restricted.

(2) Budget Matters

The following is a listing of total expenditures (in thousands) in excess of 2.5 percent of the final amended budget for the major governmental funds (the General Fund, the Roads Fund, the Health Fund, the Mental Health Fund and the Juvenile Justice and Abuse/Neglect Fund) and for the other governmental funds for which an annual budget has been legally adopted. 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 beginning on page II-134. The budgetary comparison schedules for the other governmental funds begin on page II-143.

	Final Amended Budget	Actual Expenditures	Amount Over Amended Budget
General Fund:			
General Government:			
Board of Canvassers	$ 162	268	$ 106
R of D Remonumentation	481	595	114
Public Safety:			
County Jail	85,928	104,613	18,685
Health and Welfare:			
Jail Medical Diagnostic	17,902	18,549	647
Senior Citizens Services	172	196	24
Non- Departmental:			
General Fund Transfers	119,404	125,284	5,880
Total General Fund	$ 224,049	249,505	$ 25,456

	Final Amended Budget	Actual Expenditures	Amount Over Amended Budget
Special Revenue Funds:			
Health:			
Other Health Programs	$ 5,561	6,884	$ 1,323
Law Enforcement:			
Sheriff Highland Park	-	8	8
CDBG:			
Administration	866	974	108
Nutrition:			
Health/Training Programs	299	328	29
E&ND 21st Century:			
Economic and Neighborhood Development	3,958	5,494	1,536
CDBG Administration	388	408	20
Community and Economic Development:			
Economic and Neighborhood Development	-	25	25
Nuisance Abatement:			
Prosecuting Attorney	-	9	9
Environmental Programs:			
Health/Environmental Programs	3,225	3,346	121
Total Special Revenue Funds	$ 14,297	22,861	$ 3,241

General Fund – Actual expenditures in these functions exceeded budgeted expenditures by $25.5 million which relates mainly to excess expenditures in the County Jail ($18.6 million) and General Fund Transfers ($5.9 million.) These overages contributed to a current year operating deficit of $33.4 million. Refer to Footnote 15 for disclosure of the deficit elimination plan for this fund.

Health – Actual expenditures in this function exceed budgeted expenditures by $1.3 million. This overage was mainly funded through expenditure savings in other functions and an additional General Fund transfer of $166,000.

Law Enforcement – Actual expenditures in this function exceeded budgeted expenditures by $8,000. The overage was funded through savings from other functions. This fund is in deficit. Refer to Footnote 15 for disclosure of the deficit elimination plan for this fund.

CDBG – Actual expenditures in this function exceeded budgeted expenditures by $108,000. Other functions ended the year under budget offsetting this overage; however the fund has an accumulated deficit of $524,000 as of September 30, 2010 due to the timing of billing and collections of grant revenue. Refer to Footnote 15 for disclosure of the deficit elimination plan for this fund.

Nutrition Fund – Actual expenditures in this function exceeded budget by $29,000. The General Fund contributed an additional $87,000 to compensate for expenditure overages.

E&ND 21st Century Fund – Actual expenditures in these functions exceeded budgeted expenditures by $1.6 million. As a result, the fund ended fiscal year 2009-2010 with a $1.6 million operating and accumulated deficit. Refer to Footnote 15 for disclosure of the deficit elimination plan for this fund.

Community and Economic Development – Actual expenditures in this function exceeded budgeted expenditures by $25,000. The overage was funded through General Fund contributions of $37,000.

Nuisance Abatement – Actual expenditures in this function exceeded budgeted expenditures by $9,000. This fund is in deficit. Refer to Footnote 15 for disclosure of the deficit elimination plan for this fund.

Environmental Programs – Actual expenditures in this function exceeded budgeted expenditures by $121,000. The overage was funded through additional grants and contracts revenue.

(3) 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 (in thousands) at September 30, 2010 follows:

	Workers' Compensation	Hospitalization Insurance	Long-term Disability	Other Claims	Total
Claims liability, September 30, 2008	$ 8,410	4,721	331	70	$ 13,532
Claims incurred during fiscal year 2009	1,777	86,379	1,136	228	89,520
Change in estimate for prior period claims	3,463	2,407	-	-	5,870
Payments on claims	(4,582)	(88,930)	(1,136)	(228)	(94,876)
Claims liability, September 30, 2009	9,068	4,577	331	70	14,046
Claims incurred during fiscal year 2010	491	76,031	885	372	77,779
Change in estimate for prior period claims	2,145	(645)	-	75	1,575
Payments on claims	(2,992)	(76,358)	(885)	(372)	(80,607)
Claims liability, September 30, 2010	$ 8,712	3,605	331	145	$ 12,793

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, 2010, specific data for individual open claims, which occurred prior to 1985, and historical payroll data. ALAE represents the cost of legal fees, expert testimony, medical examinations, etc., 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 3.0 percent was used to determine the present value of unpaid workers' compensation claims.

(4) Deposits and Investments

Summary of Deposit and Investment Balances – Following is a summary of deposit and investment balances (in thousands) as of September 30, 2010:

		Primary Government		Component Units
Statement of Net Assets				
Current assets:				
Equity in pooled cash and investments	$	25,289	$	-
Other cash and investments		730		123,336
Restricted equity in pooled cash and investments		20,430		-
Restricted other cash and investments		-		105,600
Non-current assets:				
Restricted equity in pooled cash and investments		176,776		596
Restricted other cash and investments		13,080		343,952
Current liabilities:				
Negative equity in pooled cash		-		(34,877)
Total	$	236,305	$	538,607
Statement of Fiduciary Net Assets				
Equity in pooled cash and investments	$	177,038		
Other cash and investments		1,671		
Equity securities		649,907		
Debt securities		224,346		
Money market funds		40,665		
Other investments		202,353		
Total	$	1,295,980		

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 (or negative 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 pool of cash and investments. Pooling of cash and investments accomplishes various goals, such as the ability to earn higher interest rates and better address 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.

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.

The Airport Authority and certain other component units manage their own cash and investments. Disclosures related to the Airport Authority are included herein due to the significant nature of the cash and investment balances in relation to total component unit cash and investments, and to the County as a whole. Other discretely presented component units, not under the control of the Wayne County Treasurer (Treasurer), have been excluded.

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.

A. Cash and Investment Portfolio (Administered by the Treasurer)

The County's cash and investments are subject to several types of risk, which are discussed in more detail below.

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:

Investment		Fair Value	Rating	Organization
Municipal bonds	$	8,500,000	SP-1+	S&P
Money market funds		873,022	Not Rated	PA 367 Fund
Money market funds		6,415,860	AAAm	S&P
Money market funds		6,247,058	AAAm-G	S&P
Money market funds		77,187	Aaa	367 Fund
Money market funds		19,235	AAA-V1	Fitch

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 $391,738,106 of bank deposits (primarily demand deposits and certificates of deposit) with a carrying value of $365,292,641, that were largely uninsured and uncollateralized. Other primary government depository accounts (outside of the portfolio administered by the Treasurer) had a total bank balance of $690,053 and $476,364 carrying value. 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 – 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.

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:

- Investments were held by a third-party safe-keeper in the County's name,
- Investments were held by a trustee in the County's name,
- Investments were part of a mutual fund.

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.

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
Certificates 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 (S&L)	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	Maturity Maximum
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, 2010 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 (in thousands)	Avg. Days to Maturity
U.S. Treasuries	$	3,796	28
Municipal bonds		8,522	244
Investments subject to risk	$	12,318	
Cash/investments not subject to interest rate risk:			
Certificates of deposit and demand deposits		365,457	
Money market funds		13,630	
Total portfolio deposits and investments	$	391,405	

As of September 30, 2010, ownership of assets within the portfolio is as follows:

	Cash and Investment Portfolio (in thousands)				Non-Portfolio (in thousands)
Reporting Unit	Dollar Amount of Portfolio	Percentage of Portfolio	Equity (Negative Equity) in Pooled Cash	Other Cash and Investments	Other Cash and Investments
Governmental activities	$ 183,139	46.8%	$ 174,811	$ 8,328	$ 671
Business-type activities	52,436	13.4%	47,684	4,752	59
Fiduciary activities	177,904	45.5%	177,038	866	805
Component units	(28,114)	-7.2%	(34,281)	6,167	566,721
Subtotal	385,365	98.5%	365,252	20,113	568,256
Other	6,040	1.5%	-	-	-
Total	$ 391,405	100.0%	$ 365,252	$ 20,113	$ 568,256

B. 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 plan's (the Plan) participants and beneficiaries. The Retirement Commission has authority to invest the Plan's 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 Retirement System 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 section "A." above. See the individual Retirement System Plans below for the appropriate investment risk information.

I. Wayne County Employees' Retirement System Defined Benefit Plan

As of September 30, the Plan's investments (in thousands) are classified as follows:

	2010	2009
Equity securities and mutual funds:		
Common stocks	$ 294,043	$ 276,673
Equity mutual funds	159,797	187,285
International equities	16,195	10,346
Total Equity Securities	470,035	474,304
Debt securities and mutual funds:		
Corporate bonds	52,753	46,806
Asset-backed securities	4,777	7,062
Mortgage-backed securities		
Commercial	13,974	13,193
Government agencies	14,180	20,362
Government agencies bonds	1,725	3,749
U.S. government bonds	21,738	8,792
State and municipal bonds	270	83
Foreign debt securities	6,964	8,450
Bond mutual funds	-	19,491
Total Debt Securities	116,381	127,988
Money market funds	40,504	16,372
Other investments:		
Real estate investment trusts	33,020	35,295
Mortgages	43,272	39,182
Construction loans	13,365	11,523
Investments in partnerships (net of valuation allowance of $1,000,000 in 2010 and 2009)	85,591	107,310
Total Other Investments	175,248	193,310
Total Investments	$ 802,168	$ 811,974

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

Custodial Credit Risk of Deposits – The Plan's carrying amount of deposits of $9,858,306 and, $10,404,195 as of September 30, 2010 and 2009, respectively, 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 were 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 "SAS 70 report").

As of September 30, 2010 and 2009, 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, 2010 and 2009, 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.

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 were rated at September 30, 2010 as follows:

(in thousands)	Corporate bonds	Asset-backed securities	Mortgage-backed securities		U.S. government agencies	State and municipal bonds	Foreign debt securities
			Commercial	Government agencies			
Standard & Poor's							
AAA	$ 61	$ 4,011	$ 363	$ 14,180	$ 1,230	$ 84	$ -
AA+	745	-	33	-	-	-	-
AA	1,742	310	877	-	-	-	1,308
AA-	68	-	1,011	-	-	-	-
A+	1,180	-	2,719	-	-	186	329
A	9,913	79	2,066	-	-	-	955
A-	5,349	-	3,061	-	-	-	1,431
BBB+	7,138	-	-	-	-	-	586
BBB	8,094	-	1,075	-	-	-	1,071
BBB-	6,529	-	-	-	-	-	444
BB+	521	-	-	-	-	-	-
BB	889	-	-	-	-	-	-
BB-	449	-	-	-	-	-	-
B+	2,032	-	-	-	-	-	-
CCC	-	-	33	-	-	-	-
Fitch							
AAA	-	375	-	-	495	-	-
Moody's							
Aaa	-	2	2,736	-	-	-	-
Unrated	8,043	-	-	-	-	-	840
	$ 52,753	$ 4,777	$ 13,974	$ 14,180	$ 1,725	$ 270	$ 6,964

The Plan's investment in debt securities were rated at September 30, 2009 as follows:

(in thousands)	Corporate bonds	Asset-backed securities	Mortgage-backed securities		U.S. government agencies	State and municipal bonds	Foreign debt securities
			Commercial	Government agencies			
Standard & Poor's							
AAA	$ 671	$ 6,001	$ 4,812	$ 20,362	$ 3,204	$ 83	$ -
AA+	803	-	128	-	83	-	-
AA	109	343	84	-	-	-	55
AA-	766	-	665	-	-	-	343
A+	1,036	-	1,846	-	-	-	51
A	12,927	372	-	-	-	-	657
A-	3,743	-	1,819	-	-	-	1,972
BBB+	10,268	-	-	-	-	-	352
BBB	8,224	-	-	-	-	-	605
BBB-	4,483	-	-	-	-	-	-
BB+	-	22	-	-	-	-	-
BB	1,764	-	-	-	-	-	-
B+	976	-	-	-	-	-	-
CCC+	985	-	-	-	-	-	-
CCC	-	279	31	-	-	-	-
Fitch							
AAA	-	45	-	-	-	-	-
CCC	51	-	-	-	-	-	-
Moody's						-	-
Aaa	-	-	3,808	-	462	-	-
Unrated	-	-	-	-	-	-	4,415
	$ 46,806	$ 7,062	$ 13,193	$ 20,362	$ 3,749	$ 83	$ 8,450

Bond mutual funds are not subject to credit rating; however, average portfolio quality ratings and weighted average maturity information is available. As of September 30, 2009, the bond mutual funds had a rating of AA+ by Standard & Poor's and weighted average maturities of 5.02. There were no bond mutual fund holdings at September 30, 2010.

As of September 30, 2010 and 2009, the Plan's money market funds were rated A1+ by Standard & Poor's with weighted average maturities of 46 and 60 days, respectively.

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.

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

(in thousands)	Investment Maturities (fair value by years)				
	Less than 1	1-5	6-10	More than 10	Totals
2010					
Corporate bonds	$ 4,658	$ 14,856	$ 18,403	$ 14,836	$ 52,753
Asset-back securities	-	3,424	945	408	4,777
Mortgage-backed securities:					
Commercial	-	-	7	13,967	13,974
Government agencies	133	215	2,664	11,168	14,180
Government agencies bonds	-	-	-	1,725	1,725
U.S. government bonds	6,876	13,451	959	453	21,739
State and municipal bonds	100	86	-	84	270
Foreign debt securities	58	3,551	2,079	1,276	6,964
	$ 11,825	$ 35,583	$ 25,057	$ 43,917	$ 116,382
2009					
Corporate bonds	$ 528	$ 20,386	$ 15,304	$ 10,587	$ 46,805
Asset-back securities	-	1,803	3,435	1,824	7,062
Mortgage-backed securities:					
Commercial	-	-	17	13,176	13,193
Government agencies	5	107	2,358	17,892	20,362
Government agencies bonds	3,069	83	462	135	3,749
U.S. government bonds	5,111	2,317	1,175	190	8,793
State and municipal bonds	-	-	-	83	83
Foreign debt securities	-	5,885	1,058	1,507	8,450
	$ 8,713	$ 30,581	$ 23,809	$ 45,394	$ 108,497

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 (in thousands):

		Fair value (in U.S. dollars)	
Investment/Country	**Currency**	**2010**	**2009**
Foreign debt securities:			
Australia	Australian dollar	$ 441	$ -
Bermuda	Bermudian dollar	-	22
Cayman Islands	Cayman Islands dollar	840	4,415
Canada	Canadian dollar	1,348	1,663
France	European euro	492	54
Italy	European euro	498	422
Japan	Japanese yen	229	-
Luxembourg	European euro	504	55
Mexica	Mexican peso	7	20
Multi-National Agencies Regions	Venezuelan bolivar	71	51
Netherlands	European euro	854	384
Spain	European euro	468	-
Switzerland	Swiss franc	458	-
United Kingdom	British pound	754	1,364
		6,964	8,450
International equities:			
Cayman Islands	Cayman Islands dollar	3,299	3,299
Canada	Canadian dollar	9,783	4,457
China	Chinese renminbi	56	-
Ireland	European euro	-	556
Israel	Israeli new shekel	328	272
Netherlands	European euro	2,729	1,608
Russia	Russian ruble	-	49
United Kingdom	British pound	-	105
		16,195	10,346
Total		$ 23,159	$ 18,796

Commitments - The Plan has commitments to invest $22.7 million in partnerships as of September 30, 2010.

II. Wayne County Circuit Court Commissioners Bailiffs' Retirement System

As of September 30, 2010 and 2009, the Plan's investments are classified as follows (in thousands):

	2010	2009
Equity mutual funds	$ 4,489	$ 4,295
Debt securities		
Government agencies:		
Mortgage-backed securities (U.S.)	44	50
Bonds (Canada)	36	35
Total debt securities	80	85
Money market funds	161	149
Total investments	$ 4,730	$ 4,529

The Plan's deposits and investments are subject to several types of risk, which are discussed in more detail below.

Custodial Credit Risk of Deposits – The Plan's carrying amount of deposits of $15,239 and $120,472 as of September 30, 2010 and 2009, respectively, 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 "SAS 70 report").

As of September 30, 2010 and 2009, none of the Plan's investments were subject to custodial credit risk as all investments were held in the name of the Plan or 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 a system's assets in the obligations of any one issuer. The Plan places no limit on the amount it may invest in any one issuer.

As of September 30, 2010 and 2009, 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. As a result, the Plan was not exposed to concentration of credit risk.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. 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.

As of September 30, 2010, the Plan's investments in mortgage-backed securities and government bonds were rated AAA and AA-, respectively, by Standard & Poor's; as of September 30, 2009, the Plan's investments in mortgage-backed securities and government bonds were rated AAA and AA, respectively, by Standard & Poor's.

As of September 30, 2010 and 2009, the Plan's money market funds were rated A1+ by Standard & Poor's with weighted average maturities of 46 and 60 days, respectively.

Mutual funds are not subject to credit risk rating.

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.

At September 30, 2010 and 2009, the Plan's investments in mortgage-backed securities had maturities primarily greater than ten years, whereas the investments in government bonds had maturities between one and five years.

III. Wayne County Employees' Retirement System Defined Contribution Plan

As of September 30, the Plan's investments (in thousands) are classified as follows:

	2010	2009
Equity mutual funds	$ 175,383	$ 161,673
Debt mututal funds		
Guaranteed income fund	95,162	100,636
Bond mutual funds	12,723	10,253
Total debt funds	107,885	110,889
Participant loans receivable	27,105	29,091
Total investments	$ 310,373	$ 301,653

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

Custodial Credit Risk of Deposits – The Plan's carrying amount of deposits of $428,850 and $400,732 as of September 30, 2010 and 2009, respectively, 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 "SAS 70 report").

As of September 30, 2010 and 2009, 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.

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.

As of September 30, 2010 and 2009, there were no investments that exceeded five percent or more of the Plan's total investments; as a result, the Plan was not exposed to concentration of credit risk.

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 A+ by Standard & Poor's and weighted average maturity of 3.2 years at both September 30, 2010 and 2009. Also, the Plan has investments in bond mutual funds that have the following portfolio characteristics as of September 30:

	Amount (in thousands)	PAQR	WAM
2010			
	$ 1,931	AA	4.08
	8,557	AA	6.92
	2,235	B	10.83
	$ 12,723		
2009			
	$ 2,105	AAA	2.97
	6,351	AA+	6.07
	1,797	BBB	12.63
	$ 10,253		

PAQR = portfolio average quality rating by Standard & Poor's
WAM = weighted average maturity (in years)

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.

The interest rate risk information, expressed as weighted average maturities, is presented in the preceding schedule.

C. Component Units

At year-end, the Airport Authority's cash and investment balances are significant in relation to total component unit cash and investments, and to the County as a whole.

Airport Authority -The investment policy adopted by the Authority, in accordance with Public Act 20 of 1943, as amended, authorizes investments in U.S. Treasuries, U.S. agencies, and instrumentalities (date-specific maturities only), non-negotiable certificates of deposit, commercial paper (rated A2/P2 or above), bankers' acceptances, repurchase agreements, overnight deposits, or mutual funds. For overnight deposits, the Authority's Treasurer may invest overnight or short-term liquid assets to cover cash flow requirements in the following types of pools: investment pools organized under the Surplus Funds Investment Pool Act of 1982, PA 367, 1 MCL 129.111 to 129.118, or investment pools organized under the Urban Cooperation Act of 1967, PA 7, MCL 124.501 to 124.512. For mutual funds, the Authority's Treasurer may invest in no-load fixed-income mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan, either taxable or tax-exempt. This authorization is limited to mutual funds whose intent is to maintain a net asset value of $1.00 per share.

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below:

Credit Risk – In compliance with State law, the Authority's investment policy limits investments of commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. As of year-end, the credit quality ratings of investments (other than the U.S. government) are as follows:

Investment		Fair Value	Rating	Organization
Money market funds	$	10,418,413	AAA	S&P
Commercial paper		251,916,156	A1+, P1	S&P, Moody

Custodial Credit Risk of Bank Deposits – Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority'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, and that bank must meet the minimum standards of at least one standard rating service. At year-end, the Airport Authority had $61,435,284 of bank deposits (certificates of deposit, checking, and savings accounts) that were largely uninsured and uncollateralized. The Authority believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments – Custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Airport Authority's investment policy requires that all investments not purchased directly from an issuer must be held in the name of the Authority, be purchased using the delivery versus payment procedure, and be held in third-party safekeeping. At year-end, none of the Airport Authority's investments were subject to custodial credit risk due to one of the following:

- Investments were held by a third-party safe-keeper in the Authority's name,
- Investments were held by the Authority's trustee in the Authority's name,
- Investments were part of a mutual fund.

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 Authority's investment policy addresses this risk by setting limits by investment fund type as follows:

Fund/Fund Type	Maturity Maximum
General Pool	1 Year
Bond Reserve	5 Years
Bond Payment and Capital Interest Funds	1 business day prior to bond payment date
Construction Funds	Must match draw schedule or less

Note: All commercial paper is limited by State statute to 270 days maximum.

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

Airport Authority	Fair value (in thousands)	Average maturity
Investments subject to risk:		
Bond reserves:		
U.S. Treasuries	$ 49,012	3.9 years
Long-term repo	3,629	11.2 years
Commercial Paper	113,519	5 days
Bond payment funds:		
U.S. Treasuries	85,652	57 days
Capital interest funds:		
2003 Construction		
U.S. Treasuries	6,999	57 days
2005 Construction		
U.S. Treasuries	3,301	57 days
Construction funds:		
2005 Construction		
Commercial paper	25,100	57 days
2007 Construction		
Commercial paper	26,999	5 days
2009 Construction		
Commercial paper	8,500	5 days
Other construction and operating:		
Commercial paper	67,499	5 days
Hotel:		
Commercial paper	10,300	5 days
U.S. Treasuries	2,639	2 months
Investments subject to risk	403,149	
Deposits/investments not subject to risk:		
Deposits	138,663	
Money market funds	10,418	
Total	$ 552,230	

Concentration of Credit Risk –Through its investment policy, the Authority places limits on the amount the Authority 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.

Limits based upon use of specific instruments –

Investment Type	Limit	Actual % at Year-End
Bankers' acceptances	50%	0.0
Repurchase agreements	25	0.7
Certificates of deposit (bank)	50	4.7
Money market funds	50	1.9
Commercial paper	60	46.6
U.S. Government	100	26.3

Limits based upon 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 (S&L)	5% of total portfolio

Actual year-end investments in a single issuer exceeding 5 percent of total portfolio are as follows:

Issuer	Investment Type	Fair Value	Percentage of Portfolio	Rating
Abbey National	Commercial paper	$ 237,115,886	42.17%	A1+, P1

(5) Restricted Assets

In accordance with the terms of bond issuances and for other purposes, certain Sewage Disposal Systems, the Delinquent Tax Revolving Fund, the Airport Authority, and certain drainage districts are required to restrict assets for various purposes. Net assets relating to certain of the restricted assets have been restricted.

Restricted assets on the government-wide Statement of Net Assets, totaling $998.8 million, include amounts that are pledged toward the payment of outstanding bonds and notes, will be used for maintenance, replacement and/or construction of infrastructure, delinquent tax administration and various other purposes.

A summary of the restricted assets of the Sewage Disposal Systems, the Capital Projects Fund, the Delinquent Tax Revolving Fund, the Airport Authority, and Chapter 21 Drainage District, a non-major component unit, at September 30, 2010, follows:

(in thousands)

	Sewage Disposal Systems	Other Capital Projects Fund	Delinquent Tax Revolving Fund	Airport Authority	Chapter 21 Drainage District	Total
Operations and maintenance						
Other cash and investments	$ -	-	-	30,542	-	$ 30,542
Accounts receivable	-	-	-	42	-	42
	-			30,584	-	30,584
Replacements and improvements						
Equity in pooled cash and investments	14,545	-	-	-		14,545
Other cash and investments	-	-	-	630	-	630
Accounts receivable	-	-	-	-	-	-
	14,545	-	-	630	-	15,175
Construction						
Equity in pooled cash and investments	3,061	18,928	-	-	-	21,989
Other cash and investments	-	-	-	99,646	-	99,646
Accounts receivable	1,905	-	-	4	-	1,909
Due from component unit	-	4,446	-	-	-	4,446
	4,966	23,374	-	99,650	-	127,990
Bond and interest redemption						
Equity in pooled cash and investments	22,740	-	-	-	596	23,336
Other cash and investments	4,752	-	-	267,015	-	271,767
Accounts receivable	15,156	-	-	439	-	15,595
	42,648	-	-	267,454	596	310,698
Bond principal due from municipalities	150,696	-	-	-	-	150,696
	150,696	-	-	-	-	150,696
Passenger facilities charges						
Other cash and investments	-	-	-	50,013	-	50,013
Accounts receivable	-	-	-	10,238	-	10,238
	-	-	-	60,251	-	60,251
Drug enforcement						
Other cash and investments	-	-	-	1,706	-	1,706
Accounts receivable	-	-	-	-	-	-
	-	-	-	1,706	-	1,706
Delinquent tax administration						
Equity in pooled cash and investments	-	-	137,932	-	-	137,932
Other cash and investments	-	-	8,328	-	-	8,328
Property tax receivable	-	-	155,461	-	-	155,461
	-	-	301,721	-	-	301,721
Total	$ 212,855	23,374	301,721	460,275	596	$ 998,821

Bonds principal due from 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.

(6) Major Customer – Airport Authority Component Unit

Delta Airlines, Inc. (Delta) accounts for approximately 32 percent of total Authority operating revenues for the year ended September 30, 2010, including 51 percent of landing and related fees, 77 percent of airline rental and related fees, and 73 percent of facility use fees. Approximately 52 percent of total 2010 enplanements are attributable to Delta's operations. In the event that Delta discontinues its operations, there are no assurances that another airline would replace its hub activities.

Existing operating agreements with all Signatory Airlines servicing the Authority require that all remaining airlines would continue to pay the net operating costs and debt service requirements of the Authority. The Authority had approximately $977,000 in net receivables from Delta at September 30, 2010.

The airlines serving the Airport have been impacted by global events to varying degrees. Delta and Mesaba Airlines have filed bankruptcy reorganization in the past 5 years, yet have since emerged. During 2008, Delta Airlines completed a merger with Northwest Airlines, which was formerly the primary carrier servicing the Airport. This consolidation has affected Detroit Metropolitan Airport positively as Delta has continued to utilize Detroit as a hub and remains the primary carrier.

It is reasonable to assume that any additional financial or operational difficulties incurred by Delta, the predominant airline servicing the Airport, could have a material adverse effect on the Airport. Any financial or operational difficulties by a Signatory Airline may, whether directly or indirectly, have a material adverse impact on Airport operations.

(7) Long-term Receivables

Building and Grounds Maintenance Fund

In 1984, the County, through the EDC, entered into an agreement for the sale and leaseback of the Wayne County Building with the Old Wayne County Building Limited Partnership. The terms of the agreement provided for the refurbishment and restoration of the building in return for a promissory note from the Partnership for $5.3 million, at 9 percent per annum, due and payable in 2028. The value of the note as of September 30, 2010 is $36,689,896. The promissory note is a non-recourse obligation of the Partnership that is secured by the Wayne County building. The promissory note requires minimum semi-annual payments of $500,000. In fiscal year 2010, only one semi-annual payment was made.

On June 9, 2010, the County filed a lawsuit against the Partnership regarding the payments on the promissory note. The lawsuit was dismissed on August 20, 2010. Arbitration was filed on October 25, 2010. Currently, the matter is before the American Arbitration Association and is scheduled to be settled before the end of calendar year 2011.

Community and Economic Development Fund

In 1992, a federally-funded revolving loan sub-grant was received by Wayne County 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 Wayne County, to promote economic development for minority businesses and businesses in distressed communities. Beginning October 1, 2009, Detroit Midtown Micro-enterprise Fund, a private, non-profit corporation took over as administrative agent to administer the ULF program on behalf of the County.

As of September 30, 2010, the current value of the outstanding loans is $610,216 (net of allowance of $270,235). These represent long-term receivables of the Community and Economic Development Fund.

(8) Capital Assets

Capital assets activity for the year ended September 30, 2010 was as follows (in thousands):

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Non-depreciable capital assets:				
Land	$ 534,744	-	-	$ 534,744
Construction in progress	22,745	59,398	(44,845)	37,298
Total non-depreciable capital assets	557,489	59,398	(44,845)	572,042
Depreciable capital assets:				
Land improvements	12,826	-	-	12,826
Buildings and improvements	349,941	30,570		380,511
Machinery, equipment and vehicles	129,877	17,595	(1,233)	146,239
Infrastructure	1,524,948	12,218	-	1,537,166
Total depreciable capital assets	2,017,592	60,383	(1,233)	2,076,742
			-	
Accumulated depreciation:				
Land improvements	(10,394)	(339)		(10,733)
Buildings and improvements	(222,203)	(10,690)		(232,893)
Machinery, equipment and vehicles	(116,094)	(5,104)	1,233	(119,965)
Infrastructure	(1,103,778)	(49,027)	-	(1,152,805)
Total accumulated depreciation	(1,452,469)	(65,160)	1,233	(1,516,396)
Total depreciable capital assets, net	565,123	(4,777)	-	560,346
Total governmental activities capital assets, net	$ 1,122,612	54,621	(44,845)	$ 1,132,388

Construction in progress as of September 30, 2010 includes roads construction and building renovations. At year-end, the costs expected to be incurred to complete these projects are estimated at $45 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 the functions/programs of the primary government as follows (in thousands):

Governmental activities:	
Judicial	$ 217
General government	9,315
Public safety	3,749
Highways, streets and bridges	50,703
Health and welfare	386
Recreational and cultural	720
Public works	70
Total depreciation expense - governmental activities	$ 65,160

Capital assets in the proprietary funds 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.

(in thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Downriver Sewage Disposal System:				
Non-depreciable capital assets:				
Land	$ 2,427	-	-	$ 2,427
Construction in progress	25,430	8,637	(12,807)	21,260
Total non-depreciable capital assets	27,857	8,637	(12,807)	23,687
Depreciable capital assets:				
Land improvements	1,367	-	-	1,367
Buildings and improvements	19,062	32	-	19,094
Machinery, equipment and vehicles	838	-	-	838
Infrastructure	351,126	12,841	-	363,967
Total depreciable capital assets	372,393	12,873	-	385,266
Accumulated depreciation:				
Land improvements	(264)	(62)	-	(326)
Buildings and improvements	(16,996)	(173)	-	(17,169)
Machinery, equipment and vehicles	(432)	(60)	-	(492)
Infrastructure	(133,683)	(12,720)	-	(146,403)
Total accumulated depreciation	(151,375)	(13,015)	-	(164,390)
Total depreciable capital assets, net	221,018	(142)	-	220,876
Total Downriver Sewage Disposal capital assets, net	$ 248,875	8,495	(12,807)	$ 244,563

(in thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Rouge Valley Sewage Disposal System:				
Non-depreciable capital assets:				
Land	$ 1,449	-	-	$ 1,449
Construction in progress	3,162	7,689	(986)	9,865
Total non-depreciable capital assets	4,611	7,689	(986)	11,314
Depreciable capital assets:				
Buildings and improvements	9,043	-	-	9,043
Machinery, equipment and vehicles	280	-	-	280
Infrastructure	117,132	986	-	118,118
Total depreciable capital assets	126,455	986	-	127,441
Accumulated depreciation:				
Buildings and improvements	(5,778)	(271)	-	(6,049)
Machinery, equipment and vehicles	(62)	(25)	-	(87)
Infrastructure	(39,887)	(1,697)	-	(41,584)
Total accumulated depreciation	(45,727)	(1,993)	-	(47,720)
Total depreciable capital assets, net	80,728	(1,007)	-	79,721
Total Rouge Valley Sewage Disposal System capital assets, net	$ 85,339	6,682	(986)	$ 91,035

(in thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Non-major business-type activities:				
Non-depreciable capital assets:				
Land	$ 1,434	-	-	$ 1,434
Construction in progress	155	-	-	155
Total non-depreciable capital assets	1,589	-	-	1,589
Depreciable capital assets:				
Land Improvements	78			78
Buildings and improvements	10,064			10,064
Machinery, equipment and vehicles	175			175
Infrastructure (Sewage disposal systems)	1,157	-	-	1,157
Total depreciable capital assets	11,474	-	-	11,474
Accumulated depreciation:				
Land Improvements	(8)	(4)		(12)
Buildings and improvements	(6,603)	(322)		(6,925)
Machinery, equipment and vehicles	(113)	(9)		(122)
Infrastructure (sewage disposal systems)	(419)	(25)	-	(444)
Total accumulated depreciation	(7,143)	(360)	-	(7,503)
Total depreciable capital assets, net	4,331	(360)	-	3,971
Total non-major business-type activity capital assets, net	5,920	(360)	-	5,560
Grand total business-type activity capital assets, net	$ 340,134	$ 14,818	$ (13,794)	$ 341,158

Depreciation expense was charged to the business-type activities of the primary government as follows (in thousands):

Business-type activities:	
Sewage Disposal Systems (includes non-major activities)	$ 15,360
Parking Lots	4
Copy Center	4
Total depreciation expense - business-type activities	$ 15,368

Construction in progress involves various Sewage Disposal System improvements. The costs expected to be incurred to complete these projects are estimated at $95 million. These projects are expected to be funded by future contributions from federal grants, participating local governmental units, and assets restricted for improvements.

Discretely presented component units

Capital assets activity for the year ended September 30, 2010 was as follows:

(in thousands)

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance
Airport Authority:				
Non-depreciable capital assets:				
Land	$ 242,529	-	(33)	$ 242,496
Construction in progress	65,297	64,887	(61,464)	68,720
Total non-depreciable capital assets	307,826	64,887	(61,497)	311,216
Depreciable capital assets:				
Buildings and improvements	2,028,553	29,385	-	2,057,938
Machinery, equipment and vehicles	65,937	4,558	(2,045)	68,450
Infrastructure	1,228,196	33,361	-	1,261,557
Total depreciable capital assets	3,322,686	67,304	(2,045)	3,387,945
Accumulated depreciation:				
Buildings and improvements	(607,820)	(87,100)	-	(694,920)
Machinery, equipment and vehicles	(42,870)	(5,024)	2,045	(45,849)
Infrastructure	(630,431)	(54,027)	-	(684,458)
Total accumulated depreciation	(1,281,121)	(146,151)	2,045	(1,425,227)
Total depreciable capital assets, net	2,041,565	(78,847)	-	1,962,718
Total Airport Authority capital assets, net	$ 2,349,391	(13,960)	(61,497)	$ 2,273,934

The beginning balance in land and non-depreciable assets in the Detroit Metropolitan Airport Fund were restated by $50.9 million as a result of the implementation of GASB 51. The Airport Authority elected to implement GASB 51 at the beginning of the year, which resulted in an increase being taken directly to the beginning net assets.

The estimated costs to complete Metro Airport's current capital improvement program totaled $506.6 million at September 30, 2010, which will be funded by previously issued and anticipated debt, federal grants, and passenger facility charges. Unexpended commitments on construction and professional services contracts in connection with Metro Airport's program totaled $55.6 million at September 30, 2010.

The estimated costs to complete Willow Run Airport's current capital improvement program totaled $123.1 million at September 30, 2010, which will be funded with federal and state grants. Unexpended commitments on construction and professional services contracts in connection with Willow Run Airport's program totaled $1 million at September 30, 2010.

(in thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Circuit Court:				
Non-depreciable capital assets:				
Land	$ 4,008	-	-	$ 4,008
Construction in progress	1,554	897	-	2,451
Total non-depreciable capital assets	5,562	897	-	6,459
Depreciable capital assets:				
Land improvements	119	-	-	119
Buildings and improvements	3,058	-	-	3,058
Machinery, equipment and vehicles	14,412	92	-	14,504
Total depreciable capital assets	17,589	92	-	17,681
Accumulated depreciation:				
Land improvements	(119)	-	-	(119)
Buildings and improvements	(3,058)	-	-	(3,058)
Machinery, equipment and vehicles	(9,858)	(740)	-	(10,598)
Total accumulated depreciation	(13,035)	(740)	-	(13,775)
Total depreciable capital assets, net	4,554	(648)	-	3,906
Total Circuit Court capital assets, net	$ 10,116	249	-	$ 10,365

Construction in progress as of September 30, 2010 consists of a case management system. Costs expected to be incurred to complete the system are estimated at $1.3 million. These costs will be funded through future bond issuances.

(in thousands)

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance
Non-major Component Units:				
Non-depreciable capital assets:				
Construction in progress	$ -	4,407	-	$ 4,407
Total non-depreciable capital assets	-	4,407	-	4,407
Depreciable capital assets:				
Buildings and improvements	22,295	16	-	22,311
Infrastructure	64,112	-	-	64,112
Machinery, equipment and vehicles	2,716	101	-	2,817
Total depreciable capital assets	89,123	117	-	89,240
Accumulated depreciation:				
Buildings and improvements	(17,531)	(263)	-	(17,794)
Infrastructure	(38,221)	(1,846)	-	(40,067)
Machinery, equipment and vehicles	(970)	(251)	-	(1,221)
Total accumulated depreciation	(56,722)	(2,360)	-	(59,082)
Total depreciable capital assets, net	32,401	(2,243)	-	30,158
Total non-major component units capital assets, net	32,401	2,164	-	34,565
Grand total discretely presented component units capital assets, net	$ 2,391,908	(11,792)	(61,248)	$ 2,318,864

The beginning balance in capital assets of the non-major component units has been restated to reflect the fact that MGDC is no longer a discretely presented component unit. Machinery, equipment, and vehicles were reduced by $7,000. However, these capital assets were fully depreciated; therefore, the impact to net depreciable capital assets is zero. See Note 18 for further discussion on MGDC.

Depreciation expense was charged in the component unit funds as follows (in thousands):

Airport Authority	$ 146,151
Circuit Court	740
Probate Court	222
Chapter 21 Drains	1,232
Chapter 20 Drains	896
GWEDC	5
HealthChoice	2
Land Bank	3

For the year ended September 30, 2010, the amount of interest capitalized for discretely presented component units was $2.1 million.

Fiduciary Funds

Capital assets activity for the year ended September 30, 2010 was as follows:

(in thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Depreciable capital assets:				
Machinery, equipment and vehicles	$ 422	-	-	$ 422
Total non-depreciable capital assets	422	-	-	422
Accumulated depreciation:				
Machinery, equipment and vehicles	(410)	(3)	-	(413)
Total accumulated depreciation	(410)	(3)	-	(413)
Total depreciable capital assets, net	12	(3)	-	9
Total fiduciary capital assets, net	$ 12	(3)	-	$ 9

(9) 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.

Pursuant to the County Charter and State law, the County has levied an ad valorem property tax against the State Equalized Valuation (SEV), based on property values determined by local assessors in the several townships and cities as of the preceding December 31. By statute, these assessment values are calculated at 50 percent of true cash value. Real and personal property in Wayne County for the July 1, 2009 and December 1, 2009 combined levies was equalized at $57.3 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: SEV and Taxable Value, with property taxes calculated upon the Taxable Value of real and personal property. Generally, Taxable Value is the lesser of (a) the Taxable Value 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, Taxable Value of a property may be different from the same property's SEV. The December 2009 ad valorem and statutory levies were equal to the millage rate times the 2009 taxable value of $50,692,091,187. The July 2010 general operating levy was the millage rate times the 2010 taxable value of $46,288,742,665.

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, misdemeanant, juvenile incarceration or detention facilities; and to provide adult-penalty options such as work release, home detention, and community restitution, with at lease 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 2002 through 2011.

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.

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, 2009 and July 1, 2010 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
Total	7.8220

Delinquent Tax Revolving Fund

The Wayne County Treasurer (Treasurer) is required by the General Property Tax Law, (Act 206 of 1983) as amended, to collect delinquent real property taxes levied by all local units of government within the County. Public Act 123 of 1999 (the Act) amended the General Property Tax Law to subject property on which taxes have become delinquent to expedited forfeiture, foreclosure, and sale over a two-year period. All property returned for delinquent taxes, and upon which taxes, interest, penalties, and fees remain unpaid after the property is returned as delinquent to the Treasurer, is subject to forfeiture, foreclosure, and sale for the enforcement and collection of the delinquent taxes. The Act reformed the tax reversion process by shortening it to two years and amending the May Tax Sale process. The Act also established the primary responsibility for administration with the Treasurer.

In addition, under the Act, the Treasurer pays the local governmental unit's Treasurer in full for delinquent real property taxes owed according to the delinquent tax roll "returned" to the County Treasurer. Taxes eligible for payment include all delinquent taxes, except taxes on personal property, due and payable to the taxing authorities in the County. The Treasurer is then responsible for the collection of all outstanding delinquent taxes, due to the County, local school district, intermediate

school district, community college district, city, township, special assessment district, or any other taxing authority. The County retains all interest and penalties generated by the delinquent taxes to offset its tax collection costs.

Effective March 1, 2004, payment of delinquent real property taxes for the City of Detroit changed pursuant to Michigan Public Act 246. This Act required the City of Detroit to become a part of the uniform state property tax collection process, and changed the Treasurer's responsibility to include collection of delinquent City of Detroit real property taxes.

The General Property Tax Law authorized the Treasurer to establish a Delinquent Tax Revolving Fund, an enterprise fund, to buy any or all delinquent real property taxes and special assessments owed to the County and taxing authorities in the County. The assets of the Delinquent Tax Revolving Fund, including delinquent property taxes receivable amounting to $155.5 million at September 30, 2010, are pledged as collateral for payment of the General Obligation Limited Tax Notes (see chart below). Proceeds of the notes are used to liquidate amounts due to the County's General Fund, other County funds, the communities, and other governmental agencies for the purchase of the delinquent real property taxes receivable. Debt service on the notes is funded by subsequent collections on delinquent taxes, plus interest and collection fees thereon, and by investment earnings.

Subsequent to year-end, in connection with the purchase of 2009 delinquent property taxes, the County issued the following General Obligation Limited Tax Notes. These notes were issued to cover delinquent taxes for communities within Wayne County:

Note payable	Issue Date	Amount (in thousands)	Maturity Date	Interest Rate (percentage)	
Series 2010A	10/05/2010	$ 25,000	09/15/2012	4.00734	
Series 2010B-1	11/17/2010	$ 52,000	03/15/2011	2.50000	*
Series 2010B-2	11/17/2010	$ 25,000	09/15/2011	3.00000	*
Series 2010B-3	11/17/2010	$ 33,250	03/15/2012	4.00000	*
Series 2010B-4	11/17/2010	$ 28,300	09/15/2012	4.50000	*
Series 2010B-5	12/02/2010	$ 23,750	03/15/2012	4.50000	
		$ 11,700	09/15/2012	4.62500	
Series 2010C	10/07/2010	$ 30,000	09/15/2012	4.00000	*

* Variable interest rate based on LIBOR rate.

Amounts remaining from the 2007 and prior Delinquent Tax Funds at September 30, 2010 are no longer required for debt service or administration. A portion of the excess earnings (surpluses) relating to these funds are periodically transferred to the County's General Fund. During 2010, a $4 million transfer was made.

Real property taxes not collected within three years after the sale of the related General Obligation Limited Tax Notes are charged back to the appropriate taxing authorities (including the County's General Fund). For the fiscal year ended September 30 2010, approximately $11.2 million of delinquent taxes receivable, net of related tax sales auction proceeds, were reflected as a reduction of property tax revenues in the County's General Fund. At September 30, 2010, two years of the County's delinquent real property taxes receivable are recorded in the Delinquent Tax Revolving Fund.

(10) Interfund Transfers, Balances and Advances

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, 2010 consisted of the following (in thousands):

		Transfers Out					
		General Fund	Roads	Non-major Governmental Funds	Delinquent Tax Revolving	Internal Service	Total Transfers In
Tranfers In	General Fund	$ -	123	286	4,000	-	$ 4,409
	Mental Health	17,734	-	-	-	-	17,734
	Health	3,154	-	-	-	-	3,154
	Juvenile Justice	87,745	-	3,409	-	-	91,154
	Non-major Governmental Funds	16,383	6,066	549	-	2,298	25,296
	Non-major Enterprise Funds	100	-	-	-	-	100
	Internal Service Funds	3,098	-	100	-	-	3,198
	Total Transfers Out	$ 128,214	6,189	4,344	4,000	2,298	$ 145,045

Interfund Balances

The interfund balances resulted 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 at September 30, 2010 consisted of the following (in thousands):

		Due from Other Funds						
		General Fund	Health	Juvenile Justice and Abuse/ Neglect	Non-major Governmental Funds	Non-major Enterprise Funds	Internal Service Funds	Total Due from Other Funds
Due to Other Funds	General Fund	$ -	166	903	1,450	100	3,098	$ 5,717
	Delinquent Tax	4,000	-	-	-	-	-	4,000
	Total Due to Other Funds	$ 4,000	166	903	1,450	100	3,098	$ 9,717

Due to Primary Government	Due from Component Units		
	Airport Authority	Non-Major Component Units	Total Due from Component Units
Governmental Activities:			
General Fund	$ -	2,352	$ 2,352
Roads	50	-	50
Non-major Governmental Funds	24	4,448	4,472
Internal Service Funds	26	-	26
Total Due to Primary Government - Governmental Activities	100	6,800	6,900
Business-type Activities:			
Downriver Sewage Disposal System	15	-	15
Total Due to Primary Government	$ 115	$ 6,800	$ 6,915
Due to Fiduciary Funds	$ 12	-	$ 12

Due to Component Units	Due from Primary Government		
	General Fund	Non-Major Governmental Funds	Total Due From Primary Government
Circuit Court	$ 271	-	$ 271
Non-major Component Unit	-	373	373
Total due to Component Unit	$ 271	373	$ 644

Long-term Receivable from Third Circuit Court

The County issued the Series 2009A and 2009B Local Project bonds through the Michigan Municipal Bond Authority in March 2009. A portion of those bonds was allocated to the Third Circuit Court for the purpose of acquiring or refinancing certain personal property and equipment for the courts. The debt is considered a limited tax obligation of the County. In prior years, these bonds were disclosed in Note 12, Long-Term Debt and Other Obligations. In fiscal year 2010, it was determined that this obligation was more accurately reflected as a due to primary government by the Third Circuit Court and a long-term receivable from the Third Circuit Court on the government-wide statement of net assets (governmental activities).

As of October 1, 2009, the long-term receivable was equal to $889,000. During fiscal year 2010, the Court spent an additional $896,000. This activity resulted in a balance equal to $1.785 million as of September 30, 2010. Of that amount, $117,000 is due within one year.

Long-term Payable to Component Unit

The long-term payable to component unit (receivable from primary government), represents the amount due to the Detroit-Wayne County Stadium Authority (Stadium Authority) from the County for repayment of the 1997 Stadium Authority Revenue Bonds (the bonds). Pursuant to Public Act 180 of

1991, *Stadia or Convention Facility Development*, the County levies an excise tax on tourism related activities to fund principal and interest payments on these bonds, The long-term payable balance of $67.73 million is equal to the September 30, 2010 balance of the bonds.

Disaggregation of Receivable and Payable Balances

Significant receivable and payable balances from other governmental units at September 30, 2010 are as follows (in thousands):

	Due From Other Governmental Units			
	State of Michigan	U.S. Federal Government	Local Governments	Total
General Fund	$ 11,086	$ 2,372	$ 4,004	$ 17,462
Roads	18,696	-	926	19,622
Mental Health	3,025	646	-	3,671
Health	25	180	115	320
Juvenile Justice and Abuse/Neglect	39,712	1,858	-	41,570
Non-major Governmental Funds	191	12,708	1,186	14,085
Internal Service Funds	-	95	-	95
Total Governmental Activities	$ 72,735	17,859	6,231	$ 96,825
Downriver Sewage Disposal System	$ -	-	3,487	$ 3,487
Rouge Valley Sewage Disposal System	-	-	6,883	6,883
Non-major Enterprise Funds	-	-	4,456	4,456
Total Business-type Activities	$ -	-	14,826	$ 14,826
Airport Authority	$ 16,398	-	-	$ 16,398
Circuit Court	3,978	224	-	4,202
Non-major Component Units	45	3,789	1,706	5,540
Total Component Units	$ 20,421	$ 4,013	$ 1,706	$ 26,140

There are certain receivables from governmental activities, classified as current on the Government-wide Statement of Net Assets, that were not collected within sixty days of year-end and are thus not considered available to fund liabilities of the current fiscal year. At September 30, 2010, there are approximately $14.7 million of receivables from Federal, State, and various local municipalities that were not collected within sixty days of year-end. There are also approximately $47.7 million of property tax receivables and $2.2 million of contractor and other receivables that were not collected within sixty days of year-end. These amounts are included in deferred revenue in the governmental funds as of September 30, 2010.

	Due To Other Governmental Units			
	State of Michigan	U.S. Federal Government	Local Governments	Total
General Fund	$ 1,672	1	-	$ 1,673
Roads	2,212	-	340	2,552
Mental Health	8,716	-	-	8,716
Non-major Governmental Funds	-	188	646	834
Total Governmental Activities	$ 12,600	189	986	$ 13,775
Airport Authority	$ 1,054	-	-	$ 1,054
Non-major Component Units	-	-	104	104
Total Component Units	$ 1,054	-	104	$ 1,158
Agency Funds	$ 815	115	374	$ 1,304
Total Fiduciary Funds	$ 815	115	374	$ 1,304

(11) Short-Term Debt – Tax Anticipation Notes

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds in its general fund. Public Act 357 of 2004 shifted the County's general operating levy (primary revenue source) from December 1 (first quarter of fiscal year) to July 1 (fourth quarter of fiscal year). Periodic cash flow shortfalls occur throughout the year as the majority of collections on the general operating levy are received in late August through mid-October.

On August 14, 2009, tax anticipation notes of $60 million were sold at 3 percent with a maturity date of November 25, 2009. The 2009 Tax Anticipation Notes were paid in full by the County in November 2009.

On January 7, 2010, tax anticipation notes of $100 million were sold at 3.75 percent with a maturity date of September 30, 2010. The 2010 Tax Anticipation Notes were paid in full by the County in September 2010.

Interest expense is reported as debt service in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, and as a general government expense in the government-wide Statement of Activities. Interest expense related to the 2009 and 2010 tax anticipation notes amounted to $507,945 and $2.7 million, respectively for the year ended September 30, 2010.

Short-term debt activity for the year ended September 30, 2010, was as follows (amounts in thousands):

	Beginning Balance	Issued	Redeemed	Ending Balance
2009 Tax anticipation notes	$ 60,000	-	60,000	$ -
2010 Tax anticipation notes	-	100,000	100,000	-

(12) Long-Term Debt and Other Obligations

Changes in long-term liabilities for the year ended September 30, 2010, are summarized in the following tables. Amounts are rounded to thousands of dollars. County debt is limited to 10 percent (or approximately $5.1 billion) of State Equalized Value of property in the County at September 30, 2010.

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Governmental Activities:					
General obligation bonds:					
Wayne County Building Authority - Limited Tax General Obligation Capital Improvement Bonds, Series 1996A, 4.00% to 6.50%, due 6-1-2016	$ 22,165	-	(2,685)	$ 19,480	$ 2,835
Michigan Municipal Bond Authority Local Government Loan Program General Obligation Limited Tax Capital Improvement Bonds, Series 2003B, 2.0-4.75%, due 11-1-2023	11,145	-	(565)	10,580	585
Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2007B, Ref94A, 4.25-5.75%, due 12-1-2018	34,250	-	(8,985)	25,265	2,250
Wayne County Limited Tax General Obligation Capital Improvement Bonds, Series 2008A 4.375% to 5.00%, due 8-1-2038	32,875	-	-	32,875	-
Wayne County Limited Tax General Obligation Capital Improvement Bonds, Series 2008B 5.25% to 5.50%, due 8-1-2025	17,415	-	(730)	16,685	775
Wayne County Limited Tax General Obligation Water and Sewage Disposal System Bonds, Series 2008 4.5% to 5.7%, due 8-1-2038	12,860	-	(210)	12,650	220
Wayne County Limited Tax General Obligation Building Improvement Bonds, Series 2009A 6.75%, due 11-1-2039	-	24,885	-	24,885	255
Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2009A, Local Project Bonds, 4.55 to 7.0% due 11-1-2018	7,902	203	-	8,105	1,425
Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2009B, Local Project Bonds, 3.75 to 5.375%, due 11-1-2024	24,042	673	-	24,715	3,000
Michigan Finance Authority Local Government Loan Program Revenue Bonds, Series 2010D, Local Project Bonds, 2.25% to 3.125%, due 06-01-2016	-	7,670	-	7,670	2,320
Michigan Transportation Fund Bonds: Series 1998, 4.00% to 5.25%, due 10-1-2012	11,155	-	(2,595)	8,560	2,720
Michigan Transportation Fund Bonds: Series 1999, 4.0% to 5.3%, due 10-1-2013	12,510	-	(2,250)	10,260	2,365
Subtotal general obligation bonds payable	186,319	33,431	(18,020)	201,730	18,750
Bond premium	2,815	47	(214)	2,648	222
Bond discount	(459)	116	(187)	(530)	(117)
Deferred gain (loss) on refunding	(5,225)	565	-	(4,660)	(565)
Total general obligation bonds payable	183,450	34,159	(18,421)	199,188	18,290

(in thousands)

Notes payable:	Beginning Balance	Additions	Reductions	Ending Balance	Principl Amounts Due within One Year
Series 2008A, due 6-15-10, interest equal to forty-five basis points (0.45%) plus the one month LIBOR rate (resets monthly)	67,100	-	(67,100)	-	-
Series 2008B, due 6-15-10, interest equal to sixty basis points (0.60%) plus the one month LIBOR rate (resets monthly)	19,700	-	(19,700)	-	-
Series 2009A, due 6-15-11, interest equal to 2.76% plus the one month LIBOR rate (resets monthly)	82,760	-	(55,200)	27,560	27,560
Series 2009B, due 6-1-10, interest equal to 4.00% to 4.50% plus the one month LIBOR rate (resets monthly)	103,500	-	(103,500)	-	-
Series 2009C, due 6-1-11, interest equal to 6.00% to 6.50% plus the one month LIBOR rate (resets monthly)	103,500	-	-	103,500	103,500
Capital Leases - Equipment	-	7,285	(1,187)	6,098	1,361
Total notes and leases payable	376,560	7,285	(246,687)	137,158	132,421
Total bonds, notes, and leases payable	560,010	41,444	(265,108)	336,346	150,711
Other long-term obligations:					
Claims, litigation, and assessments	11,879	2,706	(5,029)	9,556	381
Obligation for other post-employment benefits	25,685	41,765	-	67,450	-
Compensated absences	25,946	25,239	(25,946)	25,239	25,239
Total other long-term obligations	63,510	69,710	(30,975)	102,245	25,620
Total Governmental activities	$ 623,520	111,154	(296,083)	$ 438,591	$ 176,331

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Business-type Activities:					
Downriver Sewage Disposal System					
General obligation bonds:					
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1994, Revolving Loan Fund, Series #1A-1F, 2%, generally due serially through 10-1-2014	$ 3,557	-	(694)	$ 2,863	$ 708
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1999, Revolving Loan Fund #5117-01, 2.5%, generally due serially through 4-1-2020	63	-	(5)	58	6
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-03, 2.25%, generally due serially through 10-1-2015	4,920	-	(775)	4,145	790
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-05, 2.25%, generally due serially through 10-1-2014	325	-	(65)	260	60
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-07, 2.25%, generally due serially through 10-1-2010	9	-	(9)	-	-
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-15, 2.25%, generally due serially through 10-1-2018	25,055	-	(2,540)	22,515	2,600
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-18, 2.25%, generally due serially through 10-1-2017	6,680	-	(770)	5,910	790
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-19, 2.25%, generally due serially through 10-1-2017	4,872	-	(565)	4,307	580
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1999, Revolving Loan Fund #5117-20, 2.50%, generally due serially through 10-1-2020	7,350	-	(585)	6,765	600
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-21, 2.25%, generally due serially through 10-1-2016	1,150	-	(159)	991	164
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-23, 2.25%, generally due serially through 10-1-2017	950	-	(110)	840	110
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-24, 2.25%, generally due serially through 10-1-2020	35,115	-	(2,845)	32,270	2,910

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1998, Revolving Loan Fund #5117-25, 2.25%, generally due serially through 10-1-2020	10,205	-	(825)	9,380	845
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-26, 2.25%, generally due serially through 10-1-2017	2,720	-	(315)	2,405	320
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-27, 2.25%, generally due serially through 10-1-2017	2,297	-	(274)	2,023	278
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-28, 2.25%, generally due serially through 4-1-2018	965	-	(99)	866	99
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1997, Revolving Loan Fund #5117-29, 2.25%, generally due serially through 4-1-2018	1,270	-	(130)	1,140	130
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-30, 2.25%, generally due serially through 4-1-2018	2,890	-	(295)	2,595	300
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5117-31, 2.25%, generally due serially through 10-1-2018	1,945	-	(200)	1,745	200
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1999, Revolving Loan Fund #5117-32, 2.25%, generally due serially through 10-1-2019	6,482	-	(585)	5,897	600
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bonds, Series 2000, Revolving Loan Fund #5117-34, 2.50%, generally due serially through 4-1-2021	3,345	-	(240)	3,105	250
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, 1999 Series A Refunding Bonds 4.5% to 5.125%, generally due serially through 11-1-2013	2,830	-	(655)	2,175	690
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, 1999 Series B Bonds 4.5% to 5.125%, generally due serially through 11-1-2018	8,775	-	(790)	7,985	830
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 2005, Revolving Loan Fund #5217-01, 1.625%, generally due serially through 10-1-2026	4,070	-	(210)	3,860	215
Wayne County Downriver Sewage Disposal System Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2007B, Completion Bonds, 4.25% to 5.75%, generally due serially through 12-1-2027	15,315	-	(500)	14,815	525
Subtotal general obligation bonds payable	153,155	-	(14,240)	138,915	14,600

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Revenue bonds:					
Wayne County Downriver Sewage Disposal System Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2007D, 4.0% to 5.4%, generally due serially through 5-1-2028	4,170	-	(140)	4,030	145
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 2008A, Revolving Loan Fund #5217-02, 2.50%, generally due serially through 10-1-2028	3,712	360	(175)	3,897	180
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 2008A, Revolving Loan Fund #5217-03, 2.50%, generally due serially through 10-1-2027	5,368	3,367	-	8,735	435
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 2008A, Revolving Loan Fund #5217-04, 2.50%, generally due serially through 4-1-29	6,663	4,086	-	10,749	475
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 2008A, Revolving Loan Fund #5217-05, 2.50%, generally due serially through 10-1-2029	3,922	408	(170)	4,160	175
Subtotal revenue bonds payable	23,835	8,221	(485)	31,571	1,410
Bond Premium	677	-	(37)	640	38
Deferred gain (loss) on refunding - Downriver Sewage Disposal System	(142)	35	-	(107)	(35)
Total bonds payable	177,525	8,256	(14,762)	171,019	16,013
Other long-term obligations:					
Claims, litigation, and assessments	26	148	-	174	148
Obligation for other post-employment benefits	335	251	-	586	-
Compensated absences	429	339	(429)	339	339
Total other long-term obligations	790	738	(429)	1,099	487
Total Downriver long-term obligations	178,315	8,994	(15,191)	172,118	16,500
Rouge Valley Sewage Disposal System					
General obligation bonds:					
Wayne County Rouge Valley - City of Livonia SRF #5140-01, Michigan Municipal Bond Authority Revolving Loan Fund, 2.25%, generally due serially through 4-1-2019	230	-	(20)	210	20
Wayne County Rouge Valley Wastewater Control System SRF #5350-01, Michigan Finance Authority Revolving Loan Fund, 2.50%, generally due serially through 4-1-2031	-	16	-	16	-
Total Rouge Valley general obligation bonds	230	16	(20)	226	20

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Non-Major Business-type Activities:					
General obligation bonds:					
Wayne County Rouge Valley Wastewater - Dearborn Heights, Michigan Municipal Bond Authority 1999B Bonds AMBAC Insured Bonds, 3.05% to 4.85%, generally due serially through 11-1-2016 (CSO)	6,600	-	(820)	5,780	860
Wayne County Rouge Valley Wastewater - Inkster (B) Michigan Municipal Bond Authority 1999B Bonds AMBAC Insured Bonds, 3.05% to 4.80%, generally due serially through 11-1-2015 (CSO)	1,525	-	(230)	1,295	235
Wayne County Rouge Valley Wastewater - Inkster (A) Michigan Municipal Bond Authority 1999B Bonds AMBAC Insured Bonds, 3.05% to 4.80%, generally due serially through 11-1-2015 (CSO)	3,420	-	(505)	2,915	530
Wayne County Rouge Valley - Inkster, Michigan Municipal Bond Authority Revolving Loan Fund, #5106-01, 2%, generally due serially through 4-1-2016 (CSO)	1,025	-	(140)	885	140
Wayne County Rouge Valley - Dearborn Heights Michigan Municipal Bond Authority Revolving Loan Fund, #5104-01, 2.25%, generally due serially through 4-1-2016, (CSO)	1,065	-	(145)	920	145
Wayne County Downriver Sewage Disposal System Limited Tax General Obligation Bond, Series 1995, Revolving Loan Fund #5123-01, 2.25%, generally due serially through 10-1-2018, (CSO)	2,962	-	(300)	2,662	310
Michigan Municipal Bond Authority Local Government Loan Program Revenue Bonds, Series 2007B, Refunding of LGLP 1995B, River Rouge 4.25% to 5.75%, generally due serially through 12-1-17	9,095	-	(825)	8,270	865
Bond Premium	379	-	(21)	358	21
Deferred gain (loss) on refunding - general obligation bonds	(1,147)	171	-	(976)	(171)
Total general obligation bonds	24,924	171	(2,986)	22,109	2,935
Revenue bonds:					
Wayne County Northeast Sewage Disposal System Revenue Bonds, Series 1993, Michigan Municipal Bond Authority Revolving Loan Fund #5057-03, 2%, generally due serially through 10-1-2014	1,860	-	(360)	1,500	360
Wayne County Northeast Sewage Disposal System Michigan Municipal Bond Authority 1999B Revenue Bonds AMBAC Insured Bonds, 3.05% to 4.75%, generally due serially through 11-1-2014	855	-	(155)	700	165
Deferred gain (loss) on refunding - revenue bonds	(71)	14	-	(57)	(14)
Total revenue bonds	2,644	14	(515)	2,143	511

(in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Other long-term obligations:					
Obligation for other post-employment benefits	15	15	-	30	-
Compensated absences	5	4	(5)	4	4
Total other long-term obligations	20	19	(5)	34	4
Total non-major business type activity long-term obligations	27,588	204	(3,506)	24,286	3,450
Total Business-type activities	$ 206,133	9,214	(18,717)	$ 196,630	$ 19,970
Fiduciary Activities:					
Other long-term obligations:					
Obligation for other post-employment benefits	$ 138	108	-	246	$ -
Compensated absences	116	62	(116)	62	62
Total Fiduciary activities	$ 254	$ 170	$ (116)	$ 308	$ 62

Governmental Activities

The County issues delinquent tax notes in connection with the purchase of delinquent property taxes. Refer to Note 9 for additional information. The final payment on the 2008 delinquent tax notes was made in June 2010. The 2008 delinquent tax collections are pledged as collateral for the repayment of the outstanding 2009 delinquent tax notes of $131.1 million issued June and August 2009. All of the delinquent tax collections pledged for each issuance are required to be used toward repayment of the notes. Interest paid for the current year was $0.3 million and $2.2 million for the 2008 and 2009 notes, respectively.

In March 1994, the Building Authority issued $105.9 million in bonds with an average interest rate of 5.8 percent, of which $97.6 million was used to advance-refund $97.2 million of bonds, with the remaining $8.3 million in bonds to be used for renovations and improvements on the Wayne County Youth Home and for the demolition of abandoned buildings on the Eloise Westland property. The County has pledged its full faith and credit for these bonds, subject to certain limitations.

In March 1994, the Building Authority issued $3.3 million in bonds to finance assets of the Warren Valley Golf Course. The County has pledged its full faith and credit for these bonds, subject to certain limitations.

In August 2007, the County issued $50.4 million in bonds with a premium of $1.6 million through the MMBA Local Government Loan Program with an average interest rate of 5.0 percent to advance refund $50.8 million of outstanding 1994 Building Authority Refunding Bonds, including the Warren Valley Golf Course obligations.

In November 1996, the Building Authority issued $45.0 million in Series 1996A debt with an average interest rate of 5.8 percent to finance construction of the Wayne County Juvenile Detention Facility, as well as other capital projects. These bonds are payable by the Building Authority solely from the rental payments to be made by the County and from funds relating to this issue held by the Trustee. The County's obligation to make the rental payments is a limited tax general obligation supported by the full faith and credit of the County, subject to certain limitations.

Michigan Transportation Fund Bonds, Series 1998, in the aggregate amount of $31.3 million, were issued to fund a portion of the capital improvements to the County's road system. The bonds are due serially through 2012 at interest rates ranging from 4.0 to 5.25 percent. Bond principal and interest payments are secured by an irrevocable pledge of distributions from the Michigan Transportation Fund pursuant to the provisions of Act 51 of the Michigan Public Acts of 1951. In the event that Act 51 distributions are insufficient to repay these bonds, the County has pledged its full faith and credit for repayment. These bonds are considered limited tax general obligations of the County.

Michigan Transportation Fund Bonds, Series 1999, in the aggregate amount of $28.7 million, were issued to fund a portion of the capital improvements of the County's road system. The bonds are due serially through 2013 at interest rates ranging from 4.0 to 5.3 percent. Bond principal and interest payments are secured by an irrevocable pledge of distributions from the Michigan Transportation Fund pursuant to the provisions of Act 51 of the Michigan Public Acts of 1951. In the event that Act 51 distributions are insufficient to repay these bonds, the County has pledged its full faith and credit for repayment. These bonds are considered limited tax general obligations of the County.

In September 2003, the County issued General Obligation Limited Tax Capital Improvement Bonds Series 2003 in the amount of $13.7 million. The bonds are due serially through 2024 with an average interest rate of 4.3 percent and were issued to fund structural repairs to the tower of the Wayne County Building, architectural changes and additions to the Prosecutor's office, other County buildings and the purchase of related equipment. The County has pledged its full faith and credit for repayment, subject to certain limitations.

In February 2008, the County issued General Obligation Limited Tax Capital Improvement Bonds, Series 2008A and 2008B in the amounts of $32.9 million and $18.1 million at average interest rates of 4.89 and 5.44 percent, respectively. The purpose of these bonds was to acquire the Guardian Building located at 500 Griswold Street, the First Street Parking Deck at 621 First Street and the building located at 511 Woodward Avenue all of which are located within the City of Detroit, Michigan (collectively, the "Buildings") and to defray the costs of renovating, furnishing and/or equipping the Buildings. The full faith and credit of the County has been pledged for these bonds, subject to certain limitations.

In August 2008, the County issued General Obligation Limited Tax Water Supply and Sewage Disposal System Improvement Bonds, Series 2008, in the amount of $13.1 million at an average interest rate of 5.42 percent. The purpose of the bonds is to pay all or part of the costs of water supply and sewage disposal system improvements on property in the Charter Township of Huron located in Wayne County. The full faith and credit of the County has been pledged for these bonds, subject to certain limitations.

In March 2009, the County issued Local Project Bonds through the MMBA Local Government Loan Program, Series 2009A (taxable) and Series 2009B (tax-exempt) in the amounts of $8.1 and $24.7 million, respectively. These bonds were issued for the purpose of acquiring or refinancing certain personal property and equipment for various County departments, as well as certain road construction and improvements. A portion of these bonds were issued for Third Circuit Court equipment. This allocation is reported as a long-term receivable from Third Circuit Court in governmental activities and a long-term due to primary government by the Court. The amount due within one year is $117,000. Refer to Note 10 for additional discussion. The bonds are due serially through November 2018 and 2024 respectively at interest rates ranging from 3.125 to 6.70 percent. The County has pledged its full faith and credit, subject to certain limitations. This is considered a limited tax general obligation of the County.

In November 2009, the County issued General Obligation Limited Tax Building Improvement Bonds, Series 2009A (tax-exempt) in the amount of $24.9 million, consisting of a term bond at an interest rate of 6.75 percent due in November 2039. The bonds were issued for the purpose of constructing, furnishing and/or equipping improvements and renovations to the Guardian Building, located at 500 Griswold Street, the First Street Parking Deck, located at 621 First Street, the building located at 511 Woodward Avenue, and the County Medical Examiner's Office located at 1300 E. Warren Avenue, all of which are located within the City of Detroit, Michigan. The County has pledged its full faith and credit for repayment, subject to certain limitations.

In September 2010, the County issued installment purchase agreements through the Michigan Finance Authority (MFA), Local Government Loan Program Revenue Bonds, Series 2010D (tax-exempt) in the amount of $7.7 million for the purpose of acquiring certain personal property, equipment and software for various County departments. The bonds are due serially through June 2016 at interest rates ranging from 3.0 to 3.125 percent. The County has pledged its full faith and credit for repayment, subject to certain limitations.

Claims, litigation, and assessments represent actions, which have been asserted and 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 16, 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. Litigation and assessments are liquidated in the respective funds.

Other Post-employment Benefits (OPEB) refers to post-employment benefits other than pension benefits and includes (1) post-employment healthcare benefits and (2) other types of post-employment benefits (for example, life insurance) when provided separately from a pension plan. See Note 14 for a discussion of the County's OPEB liability.

Amounts accrued for unpaid vacation and sick pay represent the accumulated, vested obligation of the County at September 30, 2010 for such benefits, payable to present governmental fund employees at future dates upon employee termination, retirement, or death.

Payments on the general obligation bonds that pertain to the County's governmental activities are made by the debt service funds, except for the note payable, which is repaid directly from the Delinquent Tax Revolving Fund, an enterprise fund. The liability attributable to compensated absences and OPEB for governmental activities is liquidated in the respective funds when paid.

Capital Leases

In November 2009, the County entered into a three-year lease agreement with Motorola Communications and Electronics Inc. for simulcast radio system equipment. The purpose of the system is to improve radio communications coverage for public safety and emergency management personnel. This lease agreement qualified as a capital lease for accounting purposes. The equipment and lease payable were recorded at the present value of the future minimum lease payments which was $2.3 million as of the inception date. The lease requires minimum semi-annual payments of $417,006.

In December 2009, the County entered into a seven-year lease agreement with First Capital Equipment Leasing Corporation for the lease of heavy equipment for the Department of Public Services. This

lease agreement qualifies as a capital lease for accounting purposes. The equipment and lease payable were recorded at the present value of the future minimum lease payments which was $4.99 million as of the inception date. The lease requires minimum annual payments of $835,732.

The future minimum lease obligations and the net present value for these leases as of September 30, 2010, are as follows (in thousands):

September 30	Principal	Interest
2011	$ 1,361	$ 309
2012	1,431	239
2013	1,087	165
2014	717	119
2015	755	81
2016	747	40
Total	$ 6,098	$ 953

Business-type Activities

Sewage Disposal Systems – The principal and interest payments on all the sewage disposal system bonds, other than noted below, are payable from contributions of the participating local governmental units as set forth in the related sewage disposal system contracts and bond ordinances.

The County has pledged future Downriver Sewage Disposal System revenues, net of specified operating expenses, to repay the outstanding balance of $4.0 million of Downriver Sewage Disposal System 2007D revenue bonds and $27.5 million of the State Revolving Loan Fund 5217 Series 02 through 05 Bonds (collectively the "5217 bonds"), payable through 2028. Annual principal and interest payments on the revenue bonds are expected to require less than 100 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $6.0 million and $33.9 million on the 2007 D and 5217 bonds, respectively. Principal and interest paid on the bonds for the current year and total customer net revenues were approximately $1.3 million and $2.5 million, respectively.

The County has pledged future Northeast Sewage Disposal System revenues, net of specified operating expenses, to repay the outstanding balance of $2.1 million of Northeast Sewage Disposal revenue bonds, payable through 2014. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $2.4 million. Principal and interest paid on the bonds for the current year and total customer net revenues were $592,000 and $568,000, respectively.

In 1994, the County authorized issuance of bonds to the MMBA Revolving Loan Fund for up to $13.0 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $12.6 million from the revolving loan fund for the projects supported by these bonds.

In 1995, the County authorized additional issuance of bonds to the MMBA Revolving Loan Fund for up to $21.4 million for the Downriver Sewage Disposal System and the CSO Basins Sewage Disposal System. Through September 30, 2010, the County received $21.3 million from the revolving loan fund.

In 1995, the County authorized issuance of bonds to the MMBA Revolving Loan Fund for up to $5.2 million for the Rouge Valley Sewage Disposal System. Through September 30, 2010, the County received $5.2 million from the revolving loan fund.

In 1996, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $78.8 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $78.0 million from the revolving loan fund.

In 1997, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $84.0 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $82.9 million from the revolving loan fund.

In 1998, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $31.3 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $31.1 million from the revolving loan fund.

In 1998, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $425,000 for the Rouge Valley Sewage Disposal System. Through September 30, 2010, the County received $425,000 from the revolving loan fund.

In 1999, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $12.6 million for the Downriver Sewage Disposal System. An estimated amount up to $445,000 of this issuance is designated for two communities covered under the Chapter 20 Drainage District, a component unit of the County of Wayne, and is reported under the Component Unit segment of County debt. Through September 30, 2010, the County received $12.5 million from the revolving loan fund, of which $426,151 is directly attributable to the Chapter 20 Drainage District's bond debt.

In 2000, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $5.1 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $5.1 million from the revolving loan fund.

In 2005, the County authorized additional issuance of bonds to the MMBA Revolving Loan Fund for up to $4.7 million for the Downriver Sewage Disposal System. Through September 30, 2010, the County received $4.7 million from the revolving loan fund.

In 2008, the County authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $32.1 million for the Series 2008 A-D revenue bonds for improvement projects to the Downriver Sewage Disposal System. Through September 30, 2010, the County received $27.5 million from the revolving loan fund. Subsequent to September 30, 2010, the County has received an additional $2.5 million. See also Note 17 (Subsequent Events).

In December 2009, the MMBA approved the County's loan application for $19.6 million for projects to upgrade and improve the Rouge Valley Sewage Disposal System. Up to forty percent of the loaned amount is forgiven under the American Recovery and Reinvestment Act of 2009 (ARRA). As of September 30, 2010, the County received $7.84 million of MMBA bond funds for this project, $7.82 million of which were ARRA funds. The County recognized $16,000 of new debt for the Rouge Valley Disposal System. Subsequent to September 30, 2010, the County has received $4.7 million in additional funds. See also Note 17 (Subsequent Events). These loans are limited tax general obligations of the County of Wayne, but are payable from sewage revenues to be received from the communities served by the Rouge Valley Sewage Disposal System.

The County has pledged its full faith and credit on $10.1 million of water and sewage bonds issued by local communities for various water and sewer construction activities. The obligations are being paid from the revenues of the various communities' water and sewage fund operations. The assets and related obligations have not been reflected within the County's basic financial statements for these activities.

In December 1995, the County authorized the issuance of bonds in an aggregate principal amount of $16.3 million designated as Wayne County Combined Sewer Overflow (City of River Rouge) Bonds, Series B. These bonds were used to finance construction of a combined sewer overflow control facility in the City of River Rouge to comply with the requirements of a federal grant and applicable National Pollutant Discharge Elimination System (NPDES) permit. The obligations are limited tax general obligations of the County of Wayne, but are payable from contractual payments to be received from the City of River Rouge.

In August 2007, the County issued $9.9 million in 2007B River Rouge CSO Basin bonds with a premium of $425,190, through the MMBA Local Government Loan Program. These bonds, with an average interest rate of 5.0 percent were issued to advance refund $10.1 million of outstanding 1995B bonds.

In April 1999, the County issued $23.1 million, Series 1999B Revenue Bonds, under the MMBA Local Government Loan Program to provide resources to advance refund $20.3 million of existing Sewage Disposal System Debt, Series 1994D, F and G, and Chapter 21 Drainage District, a component unit, Series 1993B. The proceeds of the refunding bonds were placed into an irrevocable trust to provide for all future debt service payments on the retired bonds. As a result, the retired bonds are considered to be defeased. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. This refunding was made solely to retire the refunded debt and reduce the total of future debt service payments. This bond issue is a limited tax general obligation of the County of Wayne, but is payable from contractual payments to be received from the communities participating in the respective sewage disposal systems benefited. Should the assets in escrow not be sufficient to fund the debt service requirements, additional amounts would be required to be deposited from the respective Sewage Disposal System.

In August 1999, the County issued the Series 1999A Refunding Bonds in the amount of $6.5 million and the Series 1999B Bonds in the amount of $15.0 million for the Downriver Sewage Disposal System, under the MMBA Local Government Loan Program. Proceeds from the 1999A Series Bonds were used to advance refund $6.1 million of the existing Sewage Disposal System Debt, Series 1994A. Proceeds from the 1999B Series Bonds were used to finance improvements to the Downriver Sewage Disposal System.

The proceeds of the 1999A refunding bonds were placed into an irrevocable trust to provide for all future debt service payments on the retired bonds. As a result, the retired bonds are considered to be defeased. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. This refunding was made solely to retire the refunded debt and reduce the total of future debt service payments. This bond issue is a limited tax general obligation of the County, but is payable from contractual payments to be received from the communities participating in the respective sewage disposal systems benefited. Should the assets in escrow not be sufficient to fund the debt service requirements, additional amounts would be required to be deposited from the respective Sewage Disposal System.

In August 2007, the County issued MMBA Local Government Loan Program Revenue Bonds, Series 2007B in the amount of $15.8 million to finance certain court ordered improvements to the Downriver

Sewage Disposal system pursuant to a judgment to which the County and certain cities, villages and townships located in the County are subject. The obligation is secured by a limited tax full faith and credit pledge of the County and the obligation of the applicable communities to make payments pursuant to the judgment.

In December 2007, the County issued MMBA Local Government Loan Program Revenue Bonds, Series 2007D in the amount of $4.3 million to finance improvements to the Downriver Sewage Disposal system not covered by the available State Revolving Loan funds. This obligation is secured by a limited tax full faith and credit pledge of the County, and by the contractual consent of the communities served by the Downriver system to pay all principal and interest obligations from the revenues of the system.

Operating Leases

The County is committed under 24 leases for office, storage space, and land. These leases are considered for accounting purposes to be non-cancelable operating leases. Lease expenditures for the year ended September 30, 2010 amounted to $4,683,699. Future minimum lease payments for these leases are as follows (amounts in thousands):

September 30	Governmental Activities	Business-type Activities
2011	$ 3,616	$ 270
2012	3,008	281
2013	2,742	292
2014	2,619	304
2015	1,645	316
2016-2020	5,094	1,780
2021-2025	3,376	2,166
2026-2030	3,914	2,635
2031-2035	4,538	3,206
2036-2038	3,062	720
Total minimum lease payments	$ 33,614	$ 11,970

Other

The annual requirements to pay principal and interest on the debt as reflected above (excluding claims, litigation and assessments, workers' compensation, capital lease obligations, and compensated absences) at September 30, 2010, are summarized as follows:

Governmental Activities - Bonds
General Obligations
(in thousands)

Year Ended September 30	Principal	Interest
2011	$ 149,810	$ 18,089
2012	19,620	9,156
2013	20,520	8,228
2014	16,145	7,326
2015	13,730	6,557
2016-2020	38,260	24,641
2021-2025	17,060	18,313
2026-2030	16,665	13,954
2031-2035	21,595	8,817
2036-2040	19,385	2,341
Total	$ 332,790	$ 117,422
Bonds Payable	$ 201,730	$ 109,291
Notes Payable	131,060	8,131
Total	$ 332,790	$ 117,422

Business-type Activities - Bonds
(in thousands)

	Downriver Sewage Disposal System – General Obligation and Revenue Bonds		Rouge Valley Sewage Disposal System – General Obligation Bonds		Non-major Business-type Activities – General Obligation and Revenue Bonds	
Year Ended September 30	Principal	Interest	Principal	Interest	Principal	Interest
2011	$ 16,010	$ 4,763	$ 20	$ 5	$ 3,610	$ 998
2012	16,475	4,339	36	4	3,750	851
2013	16,898	3,901	20	4	3,905	696
2014	16,571	3,448	25	3	4,065	533
2015	16,157	2,964	25	3	3,655	353
2016-2020	63,024	8,447	100	4	5,942	275
2021-2025	16,394	3,094	-	-	-	-
2026-2030	8,957	584	-	-	-	-
Total	$ 170,486	$ 31,540	$ 226	$ 23	$ 24,927	$ 3,706

In prior years, the County defeased the future principal payments of the following issues by depositing U.S. Treasury obligations with escrow agents (in thousands):

Year of Defeasement		Amount Held By Bondholders September 30, 2010
	Primary Government:	
1999	Rouge Valley - Dearborn Heights CSO Basins Bonds Series 1994D	$ 6,545
1999	Rouge Valley - Inkster CSO Basins Bonds Series 1994F	1,320
1999	Rouge Valley - Inkster CSO Basins Bonds Series 1994G	3,410
1999	Northeast Sewage Disposal System Bonds Series 1994G	855
1999	Downriver Sewage Disposal System Bonds Series 1994A	2,925
	Total primary government	$ 15,055
	Component Units:	
1994	Chapter 20 Drainage Districts - various municipal obligations	$ 750
1999	Chapter 21 (Milk River) Drainage District Bonds, 1994 Series A	465
	Total component units	$ 1,215
	Total defeased debt	$ 16,270

Component Units

Changes in long-term obligations related to component units at September 30, 2010, are summarized as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Component Units:					
Airport Authority					
Detroit Metropolitan Airport					
Series 1998A, 4.20% to 5.50%, due 12-1-2028	$ 732,905	-	(21,400)	$ 711,505	$ 22,555
Series 1998B, 4.10% to 5.25%, due 12-1-2013	17,970	-	(4,085)	13,885	4,310
Series 2002C, 3.00% to 5.375%, due 12-1-2020	25,785	-	(125)	25,660	130
Series 2002D, 5.0% to 5.5%, due 12-1-2019	64,660	-	(3,800)	60,860	4,005
Series 2005, 3.5% to 5.25%, due 12-1-2034	507,135	-	(9,590)	497,545	10,080
Series 2007A Junior Lien, 4.85% to 5%, due 12-1-2037	180,390	-	-	180,390	-
Series 2007B, 4.0% to 5.0%, due 12-1-2028	119,390	-	-	119,390	-
Series 2008A, 4.0% to 5.75%, due 12-1-2032	139,705	-	(4,895)	134,810	4,955
Series 2008B, current yield at 9/30/10, 0.33% , due 12-1-2033	201,250	-	(4,800)	96,450	4,995
Series 2008C, current yield at 9/30/10, 0.30%, due 12-1-2033	85,965	-	(4,715)	81,250	4,915
Series 2008D, current yield at 9/30/10, 0.21% due 12-1-2021	37,175	-	(3,800)	33,375	3,950
Series 2008E, current yield at 9/30/10, 0.26%, due 12-1-2016	37,065	-	(3,725)	33,340	3,955
Series 2008F, current yield at 9/30/10, 0.27%, due 12-1-2016	37,105	-	(3,730)	33,375	3,960
Series 2009A, current yield at 9/30/10, 0.00%, due 9-17-2031	2,000	7,000	(9,000)	-	-
Installment Purchase Contract, 5.625%, due 5-11-2011	3,775	-	(1,895)	1,880	1,880
Installment Purchase Contract, 3.7%, due 9-25-2015	258	-	(39)	219	41
Installment Purchase Contract, 3.54%, due 11-14-2014	322	-	(58)	264	60
Installment Purchase Contract, 4.05%, due 4-8-2018	345	-	(34)	311	35
Installment Purchase Contract, 4.33%, due 5-21-2023	3,838	-	(152)	3,686	166
Installment Purchase Contract, 5.31%, due 12-16-2013	315	-	(68)	247	72
Bond Premium	23,327	-	(1,659)	21,668	-
Bond Discount	(6,863)	574	-	(6,289)	-
Deferred gain (loss) on refunding	(32,988)	2,256	-	30,732)	-
Total Detroit Metropolitan Airport	2,180,829	9,830	(77,570)	,113,089	70,064
Airport Hotel revenue bonds:					
Series 2001A Hotel, 5.00% to 5.50%, due 12-1-2030	99,630	-	-	99,630	-
Series 2001B Hotel, 6.00% to 6.60%, due 12-1-2015	10,255	-	(765)	9,490	980
Capital/FF&E Reserve Loan, 8%, due 11-15-2017	4,142	-	(375)	3,767	406
Working Capital Loan 8%, due 11-15-2017	1,500	-	-	1,500	-
Bond Discount	(1,965)	128	-	(1,837)	-
Total Airport Hotel revenue bonds	113,562	128	(1,140)	112,550	1,386

Airport Authority, continued

(in thousands)

Airport Authority, concluded	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Airport notes payable:					
Willow Run Airport -					
Washtenaw County, 0%, due 12-31-2019	200	-	(20)	180	19
Willow Run Airport -					
University of Michigan, 8%, due 9-1-2013	419	-	(7)	412	-
Total Airport note payables	619	-	(27)	592	19
Other long-term obligations:					
Obligation for other post-employment benefits	-	-	-	-	-
Rent credit and environmental liabilities	12,980	7,013	(4,061)	15,932	3,273
Total other long-term obligations	12,980	7,013	(4,061)	15,932	3,273
Total Airport Authority	$ 2,307,990	16,971	(82,798)	$ 2,242,163	$ 74,742
Circuit Court					
General obligation bonds:					
Michigan Municipal Bond Authority Local Government					
Loan Program Revenue Bonds, Series 2009A,					
Local Project Bonds, 4.55% to 7.0%, due 11-1-2018	$ 203	-	(203)	$ -	$ -
Michigan Municipal Bond Authority Local Government					
Loan Program Revenue Bonds, Series 2009B,					
Local Project Bonds, 3.75% to 5.375%, due 11-1-2024	673	-	(673)	-	-
Bond premium	13	-	(13)	-	-
Total general obligation bonds payable	889	-	(889)	-	-
Other long-term obligations:					
Claims, litigation, and assessments	-	250	-	250	-
Obligation for other post-employment benefits	2,856	2,492	-	5,348	-
Compensated absences	4,109	4,011	(4,109)	4,011	4,011
Total other long-term obligations	6,965	6,753	(4,109)	9,609	4,011
Total Circuit Court	$ 7,854	6,753	(4,998)	$ 9,609	$ 4,011
Non-major Component Units:					
General obligation debt:					
Chapter 8 Mizner Drain Drainage District					
$1,455,000 bonds, Series 2008 payable from					
future property tax assessments at 5.450%					
per anum until 6-1-2023 maturity	$ 1,358	-	(97)	$ 1,261	$ 97
Chapter 20 Drainage Bonds, payable from					
future property tax assessments, 2.5% to					
10.0%, generally due serially , see below:					
ECPAD 3 94 C, 3.15-6.0%, due 11-1-10	725	-	(725)	-	-
ECPAD 3 Unref, 5.0-10.0%, due 11-1-12	1,500	-	-	1,500	750
SRF5117-01, 2.5%, due 4-1-20	254	-	(20)	234	24
	3,837	-	(842)	2,995	871
Revenue bonds:					
Chapter 21 (Milk River) Drainage District					
bonds, 1991 Series A, Michigan Municipal					
Bond Authority Revolving Loan Fund,					
payable from future property tax assessments, 2%,					
generally due 10-1-2012, SRF #5057-01	3,870	-	(1,265)	2,605	1,290

Non-major component units, continued

(in thousands) Non-major component units, concluded	Beginning Balance	Additions	Reductions	Ending Balance	Principal Amounts Due within One Year
Chapter 21 (Milk River) Drainage District bonds, 1992 Series A, Michigan Municipal Bond Authority Revolving Loan Fund, payable from future property tax assessments, 2%, generally due 10-1-2012, SRF #5057-02	450	-	(175)	275	175
Chapter 21 (Milk River) Drainage District bonds, 1993 Series A, payable from future property tax assessments, 3.50% to 8.50%, generally due serially through 10-1-2012	1,025	-	(320)	705	340
Chapter 21 (Milk River) Drainage District bonds, 1999 Series B, payable from future property tax assessments, 3.05% to 4.65%, generally due 11-1-2012	460	-	(145)	315	155
Chapter 8 Cook and Gladding Drainage District bonds, Series 2010D, 2.25% to 5%, generally due serially 6-01-2030	-	2,480	-	2,480	105
Chapter 8 Winslow Drainage District bonds, Series 2010D, 2.25% to 5%, generally due serially 6-01-2030	-	585	-	585	15
Chapter 8 Wolf Drainage District bonds, Series 2010D, 2.25% to 4%, generally due serially 6-01-2020	-	240	-	240	20
Detroit-Wayne County Stadium Authority Revenue bonds, 3.70% to 5.50%, due 2-1-2027	72,530	-	(2,280)	70,250	2,525
Subtotal Revenue bonds	78,335	3,305	(4,185)	77,455	4,625
Bond discount	(2,799)	-	161	(2,638)	(161)
Total Revenue bonds	75,536	3,305	(4,024)	74,817	4,464
Notes and Leases Payable:					
Chapter 8 Strong Drain Drainage District $290,000 Note Payable at 3.70% per anum until 6-30-2010 maturity	58	-	(58)	-	-
Chapter 8 Desbrow Consolidated Drain Notes, Series 2007, $607,444 Note Payable at 4.60% per anum until 6-1-2012 maturity	365	-	(121)	244	121
Chapter 8 North Branch of Swan Creek Consolidated Drain Notes, Series 2007, $704,139 Note Payable at 4.60% per anum until 6-1-2012 maturity	422	-	(141)	281	141
Chapter 8 Patterson Drain Drainage District $241,000 Note, Series 2008 Payable at 4.250% per anum until 6-1-2013 maturity	193	-	(48)	145	48
HealthChoice of Michigan Capital Lease, Capital obligation to Oce' Financial Services, 8.00%, due 2010	3	-	(3)	-	-
Total Notes and Leases Payable	1,041	-	(371)	670	310
Other long-term obligations:					
Obligation for other post-employment benefits	582	437	-	1,019	-
Compensated absences	346	361	(346)	361	361
Total other long-term obligations	928	798	(346)	1,380	361
Total Non-major Component Units	81,342	4,103	(5,583)	79,862	6,006
Total Component Units	$ 2,397,186	$ 27,827	$ (93,379)	$ 2,331,634	$ 84,759

Airport Authority – Pursuant to the Authority Act, the Authority is liable for all of the obligations with respect to the Airport Authority, with the exception of the County's pledge of its limited tax full faith and credit, subject to constitutional, statutory, and charter tax rate limitations, associated with the $110.9 million Airport Hotel Revenue Bonds, Series 2001A and 2001B, issued by the County. This includes all of the County's obligations on Outstanding Senior Lien Bonds and Junior Lien Bonds issued by the County under the County's Amended and Restated Master Airport Revenue Bond Ordinance No. 319 and its predecessor Ordinance 319, as amended and supplemented by various amending and supplemental ordinances adopted by the County, including the Series Ordinance adopted for each outstanding series of airport revenue bonds issued there under by the County (collectively, Ordinance 319). Pursuant to the Authority Act, the Authority is obligated to perform all of the duties, and is bound by all of the covenants, with respect to the Authority under any ordinances (including Ordinance 319), agreements, or other instruments and under law. Under the Authority Act, all airport revenue bonds issued by the Authority may be issued on a parity basis with the outstanding Senior Lien Bonds issued by the County under Ordinance 319 and additional bonds issued by the Authority under the Master Bond Ordinance, and secured by net revenues.

Net revenues (as defined in the various bond ordinances) of Metro Airport have been pledged toward the repayment of the Airport Revenue Bonds and the Installment Purchase Contracts.

The Airport Revenue Bond Ordinances require that Metro Airport restrict assets to provide for the operations, maintenance, and administrative expenses of the subsequent month, the redemption of bond principal and interest, and for other purposes as defined in those ordinances.

In August 1993, the County entered into a $445,801 note payable agreement to purchase the Packard Hangar, located at the Willow Run Airport, from the University of Michigan. The agreement calls for quarterly interest payments of $9,511 commencing on September 1, 1993. Principal payments on the note are required if revenue in excess of $60,000 is generated at the Packard Hangar site during any calendar year. In this situation, half of the revenue generated would be required to be paid to the University of Michigan. On September 1, 2013, any principal and interest remaining unpaid are due.

In June 1999, the County entered into agreements with Northwest to issue approximately $15.2 million in Airport Special Facility Revenue Bonds to finance the construction of an aircraft maintenance facility. All debt service costs will be paid by the airline through a trustee. The County and the Authority are not obligated in any manner to provide debt service in the event of default by Northwest. As these bonds are payable from special facility lease rentals payable in full by Northwest, the related debt has not been reflected in the financial statements of the Authority. An "Event of Default" has occurred as a result of the Northwest Airlines bankruptcy filing on September 14, 2005. Northwest Airlines has since emerged from bankruptcy and affirmed its obligation for the Series 1999 Special Facility Bonds and is no longer in default. Effective December 31, 2009, the FAA issued a single operating certificate for the integrated airline, and on the same date Northwest legally merged into Delta, resulting in a single surviving corporation known as Delta Air Lines, Inc. As a result of the merger, by operation of law, Delta has succeeded to all of the rights and obligations of Northwest.

In March 2001, the County issued $110.9 million in Airport Hotel Revenue Bonds, Series 2001A and Series 2001B. The 2001A Bonds, $99.6 million, were issued for the purpose of paying the cost of acquiring, constructing, equipping, and furnishing an airport hotel (the Airport Hotel) and related improvements at the new McNamara Terminal of Metro Airport to be owned by the County. In addition, these bonds will pay capitalized interest and certain costs of issuance for this series. The 2001B Bonds, $11.3 million, were issued for the purpose of paying the County Credit Enhancement Fee, funding the Operation and Maintenance Reserve Fund, and paying capitalized interest and certain costs of issuance related to this series.

The Authority has pledged all net Airport Hotel revenues solely for the payment of the Bonds and the Parity Obligations, and a statutory first lien has been granted upon all net Airport Hotel revenues for such purpose. In addition, the County has pledged its limited tax full faith and credit as additional security for payment of the principal, premium, if any, and interest on the bonds, subject to constitutional, statutory, and charter tax rate limitations.

In August 2001, the County entered into an Installment Purchase Contract for $14.4 million to pay for energy conservation improvements at Metro Airport.

In December 2001, the County entered into a $292,133 note payable with Washtenaw County to allow Washtenaw County to use its Michigan Community Development Block Grant to assist Willow Run Airport in renovating Hangar I. The agreement calls for the principal to be paid in quarterly installments commencing March 31, 2005.

In July 2002, the County issued $102.5 million Charter County of Wayne Airport Revenue Refunding Bonds, Series 2002C and 2002D. The Series 2002C Refunding Bonds were issued to refund, on a current basis, at the earliest practicable date, the Series 1990B Bonds and the December 2002 principal amount due on the Series 1998B Bonds. The Series 2002D Refunding Bonds were issued to refund, on a current basis, at the earliest practicable date, the Series 1990A Bonds and the Series 1991B Bonds. The Series 2002 C&D Refunding Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The County defeased the Series 1990B Bonds, the Series 1990A Bonds, the Series 1991B Bonds, and the December 2002 principal amount due on the Series 1998B Bonds by placing the proceeds of the Series 2002C and 2002D Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The Series 1990B, the Series 1990A, and the Series 1991B Bonds were subsequently called and paid in full in August 2002. The portion of the Series 1998B Bonds was subsequently called and paid in December 2002. The difference between the cash flows required to service the new debt and complete the refunding was approximately $15.3 million. The County estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $14.1 million.

In November 2002, the Authority entered into two debt agreements with Westin Management Company East (the Hotel Operator). Both loans were provided for in the Hotel Management and Operating agreement. The Capital/FF&E loan was for $5 million and is to be used solely for future capital improvements to the Airport Hotel. The Working Capital Loan was for $1.5 million and was used to provide initial working capital to operate the Airport Hotel. During 2007, the Capital/FF&E loan was renegotiated with the Hotel Operator and the outstanding interest payable at December 31, 2006 was rolled into the principal amount of the loan.

The net Airport Hotel revenues are pledged solely for the payment of the Airport Hotel Bonds and these loans, and a statutory first lien has been granted upon all net Airport Hotel revenues for such purpose.

In April 2005, the Authority issued $507 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include the North Terminal Redevelopment Project and the completion of the McNamara Terminal Phase II Project. The Series 2005A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

In June 2007, the Authority issued $180 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport.

These projects include the reconstruction and rehabilitation of airfield pavement, the design and construction of a centralized luggage screening facility with an in-line explosive detection system for both the McNamara and North Terminals, and improvements to parking facilities and roadways. The Series 2007A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport and available after net revenues have first been set aside as required to pay the principal and interest and redemption price, if any, of Senior Lien Bonds as provided in the Ordinance. The Series 2007A Bonds are "Junior Lien Bonds" under the Ordinance, and a statutory lien subordinate to the prior lien in respect of Senior Lien Bonds has been established under the Ordinance upon and against the net revenues to secure the payment of the Series 2007A Bonds.

In September 2007, the Authority executed a Master Lease Purchase Agreement to finance up to $8 million in major equipment purchases over a three-year period. As of September 2010, the Authority has used $1,511,137 of this agreement and has entered into four Installment Purchase Contracts to pay for equipment at Metro Airport.

In November 2007, the Authority issued $119.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2007B. The Series 2007B Bonds were issued to refund a portion of the Series 1998B Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2007B Bonds are revenue obligations of the Authority payable solely from the new revenues derived by the Authority from the operation of Metro Airport.

The Authority defeased a portion of the Series 1998B Bonds by placing the proceeds of the Series 2007B Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998B Bonds were subsequently called and paid in full in December 2008. The difference between the cash flows required to service the new debt and complete the refunding was approximately $6.3 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $7 million.

In May 2008, the Authority entered into an Installment Purchase Contract for $3,886,162 to pay for additional energy conservation improvements at Metro Airport.

During fiscal year 2008, disruption occurred in the auction rate and variable rate demand obligation markets, largely due to the credit rating downgrades of Bond Insurers, that significantly affected the Authority's variable rate hedged and unhedged debt program representing 25.74 percent of overall authority debt.

Beginning in April 2008, the following refunding actions were taken to mitigate the negative financial impact to Metro Airport including the elimination of all auction rate debt and replacing bond insurance with direct pay letters of credit for all variable rate debt.

In April 2008, the Authority issued $142.3 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008A. The Series 2008A Fixed Rate Refunding Bonds were issued to refund the Series 2002A Variable Rate Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2008A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The Authority defeased the Series 2002A Bonds by placing the proceeds of the Series 2008A Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2002A Bonds were subsequently called and paid in full in May 2008.

In June 2008, the Authority issued $330.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D. The Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2008B Refunding Bonds were issued to refund the Series 2003A-1 Bonds, 2003A-2 Bonds and a portion of 2003A-3 Bonds. The Series 2008C-1 Refunding Bonds were issued to refund the Series 2003B. The Series 2008C-2 Refunding Bonds were issued to refund the Series 2004 Bonds. The Series 2008C-3 Refunding Bonds were issued to refund a portion of the Series 2003A-3 Bonds. The Series 2008D Refunding Bonds were issued to refund the Series 2003C Bonds. The Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2003A-1 Bonds, Series 2003A-2 Bonds, Series 2003A-3 Bonds, Series 2003B Bonds, Series 2003C Bonds and Series 2004 Bonds by placing the proceeds of the Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2003A-1 Bonds, Series 2003A-2 Bonds, Series 2003A-3 Bonds, Series 2003B Bonds, Series 2003C Bonds and Series 2004 Bonds were subsequently called and paid in full in July 2008 and August 2008.

The Series 2008B Bonds, Series 2008C-1 Bonds, Series 2008C-2 Bonds, Series 2008C-3 Bonds and Series 2008D Bonds are variable-rate bonds. The remarketing agent is responsible under an agreement with Metro Airport to establish the interest rate weekly. The interest rate is determined as the rate of interest which, in the judgment of the remarketing agent, would cause the Series 2008B Bonds, Series 2008C-1 Bonds, Series 2008C-2 Bonds, Series 2008C-3 Bonds and Series 2008D Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

As part of the refunding, the Authority continued the variable to fixed interest rate swap agreement. At September 30, 2010, the agreement resulted in a fixed coupon rate and notional balance of 3.4825 percent and $53,825,000 for the Series 2008C-1 Bonds, a fixed coupon rate and notional balance of 3.997 percent and $9,525,000 for the Series 2008C-2 Bonds, and a fixed coupon rate and notional balance of 3.4265 percent and $33,375,000 for the Series 2008D Bonds. The Swap was terminated without penalty on December 13, 2010.

As of September 30, 2010, rates were as follows:

Interest Rate	Term	2008C-1 rates	2008C-2 rates	2008D rates
Fixed payment to counterparties	Fixed	3.4825%	3.9970%	3.4265%
Variable rate from counterparties	Enh Lib	0.2575	0.2563	0.2563
Net interest rate swap payments		3.2250	3.7407	3.1702
Variable-rate bond payment	Market	0.3000	0.3000	0.2700
Synthetic interest rate on bonds		3.5250	4.0407	3.4402

The Authority has concluded that the Swap is a hedging derivative instrument. The Swap had a negative fair value at year end of $534,000. Fair value was determined based on actual cash flows realized between September 30, 2010 and the termination date. Due to the negative fair value of the Swap, the Authority was not exposed to a credit risk. However, should interest rates change and the fair value of the Swap become positive, the Authority would be exposed. The Counterparty, Goldman Sachs, has S&P ratings of A, Moody's ratings of A1, and Fitch ratings of A+ mitigating this risk.

In October 2008, the Authority issued $74.8 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008E and 2008F. The Series 2008E and 2008F Bonds were issued to refund certain outstanding indebtedness previously issued to refinance the cost of various capital projects at Metro Airport. The Series 2008E Refunding Bonds were issued to refund the Series 1996A Bonds. The Series 2008F Refunding Bonds were issued to refund the Series 1996B Bonds. The Series 2008E and 2008F Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 1996A and 1996B Bonds by placing the proceeds of the Series 2008E and 2008F Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1996A and 1996B Bonds were subsequently called and paid in full in October 2008 and December 2008.

The Series 2008E and 2008F Bonds are variable-rate bonds. The remarketing agent is responsible under an agreement with Metro Airport to establish the interest rate weekly. The interest rate is determined as the rate of interest which, in the judgment of the remarketing agent, would cause the Series 2008E and 2008F Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

As part of the refunding, the Authority continued the variable to fixed interest rate Swap agreement resulting in a fixed coupon rate and notional balance as of September 30, 2010 of 5.1082 percent and $57,220,000 for both Series 2008E and 2008F Bonds. The Swap was terminated without penalty on December 13, 2010.

As of September 30, 2010, rates were as follows:

Interest Rate	Term	2008E rates	2008F rates
Fixed payment to counterparties	Fixed	5.1082%	5.1082%
Variable rate from counterparties	Enh Lib	0.2563	0.2563
Net interest rate swap payments		4.8519	4.8519
Variable-rate bond payment	Market	0.2600	0.2700
Synthetic interest rate on bonds		5.1119	5.1219

The Authority has concluded that the Swap is a hedging derivative instrument. The Swap had a negative fair value at year end of $618,000. Fair value was determined based on actual cash flows realized between September 30, 2010 and the termination date. Due to this negative fair value, the Authority was not exposed to a credit risk. However, should interest rates change and the fair value of the Swap become positive, the Authority would be exposed. The Counterparty, Goldman Sachs, has S&P ratings of A, Moody's ratings of A1, and Fitch ratings of A+ mitigating this risk.

The interest rate Swaps were entered into by the Authority with the objective of hedging against risks associated with the issuance of variable rate debt instruments. Specifically, the risk that changes in interest rates could adversely impact Authority cash flows.

Although Swaps are utilized by the Authority to hedge against a specific risk, Swaps also expose the Authority to risks. The risks created by involvement in Swap transactions are addressed by the Authority Swap Management Plan. Swap (synthetic variable to fixed) borrowing is limited to 10 percent of the overall bond program. The following table identifies the Authority's plan for mitigating Swap risk.

Type of risk	Concern	Resolution
Counterparty risk	Default of counterparty	Counterparty is rated A by S&P and A1 by Moody's.
Tax risk	Federal marginal rates could decline, reducing tax-exempt advantage of underlying auction rate securities	Terminate at Par Dec 2010 (Early Call provision)
Basis risk	Spread could widen, making Swap more expensive	(1) Enhanced LIBOR Index was chosen, protecting the Airport in both low- and high-interest environments (2) Can terminate at Par Dec 2010.
Termination risk	Authority credit quality could deteriorate during a time when it would be very expensive for the Authority to get out of the Swap	(1) Solid financial performance of the Authority (2) Can terminate at Par Dec 2010.

In September 2009, the Authority entered into an agreement with JP Morgan Chase for the bank to purchase for its own account, a single instrument revenue bond in an amount not to exceed $40 million to provide financing for certain airfield related projects. The Series 2009A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The bond is structured as a draw-down instrument, which will enable the Authority to draw down principal as needed to pay project costs, reducing interest expense to the Authority during the construction period. The interest on the bond is a monthly variable rate based on the sum of 30-day LIBOR plus 275 basis points times 67 percent. The bond can be paid down not more than monthly upon expected receipt of $28 million in federal grant funds awarded to the Authority.

Effective January 19, 2010, the loan commitment was reduced from $40 million to $29 million and all principal outstanding as of that date was paid in full. Notice was given to JP Morgan Chase on October 1, 2010 to terminate the loan effective October 6, 2010.

The Authority capitalizes net financing costs during construction for debt issues specifically related to construction projects. During the year ended September 30, 2010, interest expense incurred on these debt issues totaled $103,475,463. For 2010, net financing costs capitalized were $2,114,015.

In July 2010, the Authority entered into a line of credit agreement with a maximum borrowing amount of $15 million. The borrowings charge interest at a rate equal to 100 basis points over LIBOR. The line of credit agreement expires in June 2011. There were no borrowings on this line during the year ended September 30, 2010.

Circuit Court – In March 2009, the County issued Local Project Bonds through the MMBA Local Government Loan Program, Series 2009A (taxable) and Series 2009B (tax-exempt) in the amounts of $8.1 and $24.7 million respectively. Approximately $200,000 of the 2009A and $700,000 of the 2009B bonds were allocated to the Circuit Court. However, in fiscal year 2010, it was determined that this obligation was more accurately reflected as a due to primary government by the Third Circuit Court and a long-term receivable from the Third Circuit Court on the government-wide statement of net assets (governmental activities). During fiscal year 2010, the Court spent an additional $896,000. This activity resulted in a balance equal to $1.785 million as of September 30, 2010. Of that amount,

$117,000 is due within one year. See Note 10 for additional discussion.

Drainage Districts – Special assessments receivable on properties benefited by the various Chapter 20 and Chapter 21 drainage district obligations have been irrevocably pledged for repayment of the related principal and interest. In addition, the County has pledged its full faith and credit for all outstanding obligations of the various drainage districts, with the exception of $5.15 million ($750,000 outstanding) of debt relating to the Ecorse Creek Pollution Abatement Drain No. 1 Phase III Drainage District, which is considered defeased.

In September 1991, the Chapter 21 Drainage District authorized the issuance of bonds to the MMBA Revolving Loan Fund for up to $25.7 million for the Milk River Drainage District Water Pollution Control. Through September 30, 2010, the district has received $25.0 million from the revolving loan fund.

In April 1999, the Chapter 21 Drainage District issued $1.2 million Series 1999B Revenue Bonds, under the MMBA Local Government Loan Program. The bond proceeds were used to refund and effectively defease $1.1 million of the existing Chapter 21 Drainage District Bonds, Series 1994A.

In September 2005, the Chapter 8 Strong Drain Drainage District issued a note to borrow $290,000 from Citizen's Bank for construction of major improvements to the Strong Drain. Repayment of this debt was due and paid annually through 2010, financed by special assessments against the properties benefiting from these improvements, and is guaranteed by the full faith and credit of the Drainage District. This note was paid in full in June, 2010.

In April 2007, two Chapter 8 Drainage Districts issued notes to borrow funds to construct major improvements to the specified Drains. The Desbrow Consolidated Drain Drainage District borrowed $607,444 and the North Branch of Swan Creek Consolidated Drain Drainage District borrowed $704,139 with annual payments scheduled through 2012. Repayment of this debt will be made from special assessments against the properties benefiting from these improvements and are guaranteed by the full faith and credit of the individual Drainage Districts.

In August 2008, two Chapter 8 Drainage Districts issued notes to borrow funds to construct major improvements to the specified Drains. The Patterson Drain Drainage District borrowed $241,000 to be repaid with annual payments scheduled through 2013. The Mizner Drain Drainage District borrowed $1.455 million, payable in annual installments until maturity in June 2023. Repayment of this debt will be made from special assessments against the properties benefiting from these improvements and is guaranteed by the full faith and credit of the individual Drainage Districts.

In September 2009, the Michigan Municipal Bond Authority (MMBA) approved and authorized $6.9 million in Ecorse Creek Pollution Abatement Drain (ECPAD) No. 1 Drain Bonds Series 2009A. Up to forty percent of the loaned amount may be forgiven under the American Recovery and Reinvestment Act of 2009 (ARRA). As of September 30, 2010 the County received $2.3 million of MMBA bond funds for this project. This loan is secured by special assessments on the communities served by the Ecorse Creek drain, and is guaranteed by the full faith and credit of the Drainage District. See Note 17 for details on additional debt funding subsequent to September 30, 2010.

In September 2010, three Chapter 8 Drainage Districts issued bonds for approved petition projects through the MFA, Local Government Loan Program Revenue Bonds, Series 2010D. The Cook and Gladding Drainage District issued $2.48 million and the Winslow Drainage District issued $585,000. The two bond issues are due serially through June 2030 at interest rates ranging from 3.0 to 5.0 percent. The Wolfe Drainage District issued $240,000. The bonds are due serially through June 2020

at interest rates ranging from 3.0 to 4.0 percent. Repayment of the debt is made from special assessments against the properties benefiting from these improvements. The County has secondarily pledged its full faith and credit for repayment, subject to certain limitations.

Detroit-Wayne County Stadium Authority – In April 1997, the Detroit-Wayne County Stadium Authority (Authority) issued bonds totaling $85.8 million for financing a portion of the cost of acquiring and constructing a baseball stadium for use by the Detroit Tigers major league baseball team and for paying costs of issuance in connection with those bonds. The County has pledged its limited tax full faith and credit for payment of the cash rentals to the Authority under a contract dated March 1, 1997. In addition, the County is required to provide sufficient monies in its annual budget for payment of the cash rentals and, if necessary, to levy ad valorem taxes on all taxable property within its boundaries, subject to constitutional, statutory, and charter tax rate limitations. The County has also pledged certain motor vehicle rentals and hotel tax revenues (the "Tourist Taxes") levied by the County pursuant to Act No. 180, Public Acts of Michigan 1991.

Capital Leases

HealthChoice of Michigan had various leased equipment that qualified as a capital lease for accounting purposes. The equipment and the lease payable were recorded at the present value of the future minimum lease payments as of the inception date. The lease requires monthly payments of $663. The lease has been paid in full as of September 30, 2010.

Operating Leases

The County is committed under two leases for office space and court activities. These leases are considered for accounting purposes to be non-cancelable operating leases. Lease expenditures for the year ended September 30, 2010, amounted to $3,492,815. Future minimum lease payments for these leases (in thousands) are as follows:

September 30	Operating Lease Obligations
2011	$ 3,988
2012	2,940
2013	2,614
2014	2,692
2015	2,773
2016-2020	15,290
2021-2025	17,726
2026-2030	20,549
2031-2035	23,822
2036-2039	16,078
Total minimum lease payments	$ 108,472

Other

The annual requirement to pay principal and interest on the debt outstanding as reflected above, excluding claims, litigation and assessments capital leases obligations, and compensated absences at September 30, 2010, are summarized as follows:

Airport Authority - Loans, Notes Payable and Revenue Bonds
(in thousands)

Year Ended September 30	Principal	Interest
2011	$ 71,469	$ 106,958
2012	76,414	103,325
2013	83,335	99,450
2014	86,863	95,248
2015	91,219	90,844
2016-2020	478,117	383,683
2021-2025	499,024	266,243
2026-2030	539,110	135,302
2031-2035	284,420	39,440
2036-2038	33,450	2,563
Total	$ 2,243,421	$1,323,056

Revenue Bonds Payable	$ 2,230,954	$1,319,480
Loans and Notes Payable	12,467	3,576
Total	$ 2,243,421	$1,323,056

Non-major Component Units - Bonds and Notes Payable
(in thousands)

	General Obligation		Revenue	
Year Ended September 30	Principal	Interest	Principal	Interest
2011	$ 1,182	$ 179	$ 4,625	$ 3,851
2012	1,182	122	4,900	3,702
2013	169	65	3,235	3,491
2014	121	57	3,530	3,311
2015	121	51	3,845	3,112
2016-2020	598	165	23,220	12,040
2021-2025	292	31	24,025	5,786
2026-2030	-	-	10,075	604
Total	$ 3,665	$ 670	$ 77,455	$ 35,897

Bonds Payable	$ 2,995	$ 621
Notes Payable	670	49
Total	$ 3,665	$ 670

(13) Employee Benefits

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), a single-employer public employee retirement system, which is governed by the Wayne County Retirement Ordinance, as amended. The Retirement System 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, Airport Authority, and Court 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 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 and Courts.

In 1983, the County closed Plan Option 1 of the WCERS to new hires, and added two new options under the Defined Benefit Plan, which resulted in a lower final benefit to the participant. At September 30, 2009, the date of the most recent actuarial valuation, combined membership in the Plan consisted of 5,588 retirees and beneficiaries receiving benefits, 120 inactive (separated) employees entitled to benefits but not yet receiving them, and 2,421 current active employees.

Effective October 1, 2001, WCERS established the Wayne County Hybrid Retirement Plan #5 ("Plan Option 5"), which contains both a defined benefit component and a defined contribution component. Participants in the Defined Benefit Plan options previously in existence ("Plan Option 1," "Plan Option 2", and "Plan Option 3") could elect to transfer their account balances to Plan Option 5 if authorized during specific time periods noted within collective bargaining agreements. New employees could elect to participate in Plan Option 4 through September 30, 2001.

Effective October 1, 2008, WCERS established the Wayne County Hybrid Retirement Plan # 6 ("Plan Option 6"), which contains both a defined benefit component and a defined contribution component. 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.

Effective October 1, 2001, only Plan Option 5 is available to new employees, except for new executives who may continue to elect participation in Plan Option 4; Plan Options 1, 2, and 3 are closed to new hires. Because there is no legal requirement to segregate the assets relating to Plan Options 1, 2, 3, 5 or 6 in paying benefits, the accompanying financial statements include the net assets and changes in net assets 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 WCERS Defined Contribution Plan (Plan Option 4).

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative expenses are financed through investment earnings.

The County's policy, in accordance with State statute, is to fund pension costs. Accrued unfunded actuarial liabilities, if any, are amortized over a 30-year closed period.

Methods Used to Value Investments

The Retirement Board of Commissioners has authority to invest the Plan's 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, banker's acceptances, certificates of deposits; commercial paper; repurchase agreements; reverse repurchase agreements; real and personal property; mortgages; and certain other investments.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Fixed debt quotations are provided by a national brokerage pricing service. Investments that do not have established market values are reported at estimated fair value. Mortgage values are determined on the basis of comparable yields available in the marketplace. Many of the Plan's investments in partnerships and real estate investment trusts are invested in assets which do not have exchange quotations that are readily available. Such assets are valued initially at cost, with subsequent adjustments to values that reflect meaningful third-party transactions, or to fair value determined by the general partners or management of the partnerships and trusts. Factors considered in valuing these individual securities may include, but are not limited to, the purchase price, changes in the financial condition and prospects of the issuer, calculations of the total enterprise value using discounted cash flow projections, trading comparables of securities of comparable companies engaged in similar businesses, estimates of liquidations value, the existence of restrictions on transferability, prices received in recent significant placements of securities of the same issuer, and other analytical data relating to the investment. There are inherent limitations in any estimation technique. Because of the inherent uncertainty of valuations, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

The Plan did not hold any individual investments, other than investments in registered investment companies or investments issued or guaranteed by the U.S. government that exceeded five percent of total assets as of September 30, 2010, and 2009.

Contributions

Participants in Plan Option 1 contribute 2 to 6.58 percent of annual compensation, depending on years of credited service. The Sheriff's Command Officers and Deputies contribute 5 percent of annual compensation. Participants in Plan Option 2 do not make plan contributions but receive a lower final benefit. Plan Option 3 participants make decreased contributions of 3 percent of covered compensation. Participants in Plan Option 5 contribute from zero percent to five percent of annual compensation, depending on the employee's coverage group. Participants in Plan Option 6 contribute four percent of annual compensation.

The obligation to contribute and to maintain the Plan for these employees was established by negotiations with the County's collective bargaining units. The ability to amend the Plans rests with the Wayne County Board of Commissioners.

Annual Pension Cost

For the fiscal year ended September 30, 2010, the County's annual pension cost of $35,400,544 was equal to the County's required contribution. The annual required contribution was determined using an actuarial valuation of the Plan dated September 30, 2008, (using an entry age normal actuarial cost method) determined as a level percentage of payroll. The County has agreed to voluntarily contribute such additional amounts as necessary to provide assets sufficient to meet the benefits to be paid to Plan members. The significant actuarial assumptions used to compute the contribution requirements include a rate of return on the investment of present and future assets of 8 percent compounded annually, inflation of 4 percent, and projected salary increases of 4 to 8.4 percent compounded annually.

Pension Benefits

Benefits are paid monthly over the member's or survivor's lifetime, after meeting normal retirement or duty disability retirement requirements, which vary by Plan option. Benefits are established and may be amended by changes in collective bargaining agreements, or modification to the Retirement Ordinance. Pension benefits paid are based on the following percentages of average final compensation, for each year of credited service:

Plan Option 1 – Depending on the applicable collective bargaining agreement, 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. Maximum County-financed portion is 75 percent of average final compensation. Minimum monthly pension is $5 per month, multiplied by the number of years of service.

Plan Option 2 – 1 percent for each year up to 20 years, and 1.25 percent for each year over 20 years. Maximum County-financed portion is 75 percent of average final compensation.

Plan Option 3 – Depending on the applicable collective bargaining agreement, 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, or (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 credited service contingent upon payment of $500 per year for each year up to 20 years. Maximum County-financed portion is 75 percent of average final compensation.

Plan Option 5 – Depending on the applicable collective bargaining agreement, either (a) 2.0 percent per year for each year of credited service, or (b) 1.25 percent for each year up to 20 years, and 1.5 percent for each year over 20 years. Maximum County-financed portion is 75 percent of average final compensation.

Plan Option 6 - 2.5 percent per year for each year of credited service. Maximum County-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.

The following represents the County's annual pension costs as of September 30, 2010:

Three Year Trend Information
(Dollar amount in thousands)

Fiscal Year Ended September 30	Annual Contribution Required	Annual Contribution Actual	Percentage Contributed
2008	$ 18,420	18,420	100%
2009	32,559	32,559	100%
2010	35,401	35,401	100%

As of September 30, 2010, the Plan's legally required reserves have been fully funded as follows (dollar amounts in thousands):

Reserve for employee contributions	$ 124,438
Reserve for employer contributions (deficit)	(337,765)
Reserve for pension payments	972,716
Reserve for inflation equity	49,211
Total reserve balances	$ 808,600

The Plan's funded status as of September 30, 2009, the most recent actuarial valuation date, is as follows:

	(in millions)
Actuarial value of assets	$ 970.9
Actuarial accrued liability - entry age	1,444.3
Unfunded Actuarial Accrued Liability	473.4
Funded Ratio	67.2%
Annual covered payroll	$ 297.5
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	159.1%

The schedule of funding progress, which is presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of the Plan's assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additional information as of the latest valuation is as follows:

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

Valuation date	September 30, 2009
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Remaining amortization period	30 years - closed
Assets valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0 percent (includes inflation at 4.0 percent)
Projected salary increases	4.0 - 8.4 percent (includes inflation at 4.0 percent)
Cost-of-living adjustments	Not applicable

Factors that significantly affect the identification of trends in the amounts reported include, for example, changes in benefit provisions, the size or composition of the population covered by the Plan, or the actuarial methods and assumptions used.

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 Plans rests with the Wayne County Board of Commissioners.

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative expenses are financed through investment earnings.

Methods Used to Value Investments

The Retirement Board of Commissioners has authority to invest the Plan's 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; banker's acceptances; certificates of deposits; commercial paper, repurchase agreements; reverse repurchase agreements; real and personal property; mortgages; and certain other investments.

Market values for common stocks and money market funds are based on September 30, 2010, closing market quotations. Fixed debt quotations are provided by a national brokerage pricing service. Investments that do not have established market values are reported at estimated fair value.

The Plan did not hold any individual investments, other than those in registered investment companies or investments issued or guaranteed by the U.S. government that exceeded five percent of total assets as of September 30, 2010, and 2009.

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.

The funding policy provides for periodic contributions based upon a fundamental financial objective of having rates of contribution that remain relatively level from generation to generation. To determine the employer contribution rates and to assess the extent to which the fundamental financial objective is being achieved, the Plan has actuarial valuations prepared annually. In preparing those valuations, the entry age actuarial cost method is used to determine normal cost and actuarial accrued liabilities.

Annual Pension Cost

For the fiscal year ended September 30, 2010, there were no required contributions or actual contributions made by the County. The annual pension cost of $37,926 was equal to the actual contributions provided by the State of Michigan. The annual required contribution was determined using an actuarial valuation of the Plan as of September 30, 2009. Contributions were determined using an entry age actuarial cost method. The Plan is fully funded.

Pension Benefits

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.

There were 5 active participants in the Plan for 2010 (all of whom were vested), and 6 retirees and beneficiaries receiving benefits.

Three-Year Trend Information

Fiscal Year Ended	Annual Contribution		Percentage
September 30	Required)	Actual	Contributed
2008	-	$36,135	-
2009	-	38,339	-
2010	-	37,926	-

Reserves - Circuit Court
(in thousands)

As of September 30, 2010, the Plan's reserve balances are as follows:

Reserve for employee contributions	$	1,151
Reserve for employer contributions		2,319
Reserve for pension payments		977
Reserve for inflation equity		78
Unallocated net assets		220
Total reserves balances	$	4,745

The Plan's funded status as of September 30, 2009, the most recent actuarial valuation date, is as follows:

		(in thousands)
Actuarial value of assets	$	5,795
Actuarial accrued liability - entry age		3,287
Overfunded Actuarial Accrued Liability	$	(2,508)
Funded Ratio		176.3%
Annual covered payroll	$	547
Overfunded Actuarial Accrued Liability as a Percentage of Covered Payroll		458.5%

The schedule of funding progress, which is presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of the Plan's assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additional information as of the latest valuation is as follows:

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

Valuation date	September 30, 2009
Actuarial cost method	Entry age actuarial cost method
Amortization method	Level percent of payroll
Remaining amortization period	Fully funded
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.0 percent
Projected salary increases	3.0 percent
Cost-of-living adjustments	Inflation Equity Reserve Distributions

Factors that significantly affect the identification of trends in the amounts reported include, for example, changes in benefit provisions, the size or composition of the population covered by the Plan, or the actuarial methods and assumptions used.

Wayne County Employees' Retirement System Defined Contribution Plan

The Wayne County Employees' Retirement System instituted a Defined Contribution Plan, a single employer 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 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 Plans rests with the Wayne County Board of Commissioners.

Under Plan Option 4, the County contributes $4.00 for every $1.00 contributed by each member, or for eligible executives, $5.00 for every $1.00 contributed by each member, with the member contributions ranging from 1.0 percent to 2.5 percent of base compensation. At September 30, 2010, there were 2,699 active employees in the Plan, and 937 participants entitled to receive future benefits. 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 two to three percent of 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. At September 30, 2010, there were 1,450 active employees in the Plan, three retirees currently receiving benefits, and 427 individuals entitled to future benefits. 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. At September 30, 2010, there were 571 active employees in the Plan and 96 individuals entitled to future benefits. 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 2010, were $18.1 million and $5.8 million, respectively.

In Plan Option 4, members are able to receive loans from the Defined Contribution Plan. No loans may be issued under Plan Options 5 and 6, except for executives and sheriff deputies and command officers employed by Wayne County. Only active employees with a vested account balance of $2,000 or more are eligible. Interest on Plan Option 4 loans are at the rate of five-year Treasury notes plus 300 basis points (3 percent) rounded to the nearest quarter of one percent. Interest on loans for Plan Options 5 and 6 are at the rate of 10-year U.S. Treasury notes, rounded to the nearest quarter of one percent.

The Plan uses the accrual basis of accounting, which recognizes revenues as earned and expenses as incurred. Market values for common stock, money market funds and mutual funds are based on September 30, 2010, closing market quotations.

The Plan did not hold any individual investments, other than investments in registered investment companies or investments issued or guaranteed by the U.S. government that exceeded five percent of total assets as of September 30, 2010, and 2009.

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 Governmental Accounting Standards Board (GASB) Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457, Deferred Compensation Plans*, the assets and liabilities of the deferred compensation plan are not included in the County's financial statements.

(14) Other Post-employment Benefit Obligations

Plan Description – The County provides other post retirement 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. In addition, the County covers the cost of federal Medicare premiums and supplemental hospitalization for retirees over 65 and their eligible dependents. The County also pays the cost of basic retiree life insurance, up to $5,000 per employee, on a pay as you go basis. Substantially all County employees may become eligible for benefits if they reach normal retirement age while employed by the County. This plan covers all retirees of Wayne County and Wayne County Airport Authority's pre-2002 retirees. There were 5,032 retirees eligible for benefits, as of October 1, 2008, the date of the most recent actuarial valuation. The plan does not issue separate financial statements.

In addition, the County pays for health care and insurance benefits for Airport Authority post-2002 retirees. The cost of these benefits is fully reimbursed by the Airport Authority and the County bears no responsibility for these costs. The Airport Authority funds these costs through a separate plan. The plan has 616 members (including 496 Airport Authority employees in active service and 120 retired Airport Authority employees and beneficiaries currently receiving benefits who retired after September 1, 2002).

Funding Policy – These benefits are funded on a pay-as-you-go basis. The County, including the Airport Authority, paid approximately $44 million and $5 million, respectively for health care and retirees' life insurance benefits for the fiscal year ended September 30, 2010. There is no required contribution for the plan members.

In September 2008, the Airport Authority created an Act 149 Health Care Trust. This trust provides a funding mechanism for post-2002 retiree health, dental and life insurance coverage and other post employment benefits other than pensions. The Airport Authority began funding the trust and fully implemented GASB Statements No. 43 and No. 45 in September 2008. Employees in Executive Service, GAA Executive, Local 502 and Local 3317 bargaining units are required to contribute 10

percent of the Blue Cross Blue Shield illustrative rate or 10 percent of the HAP premium. The Airport Authority has no obligation to make contributions in advance of when the costs are incurred; however, the Airport Authority's financial plan is to fund these obligations annually based upon the actuarial recommended contribution. Administrative costs of the trust are paid with employer contributions to the trust.

Annual OPEB Costs and Net OPEB Obligation - The County's annual other postemployment benefit (OPEB) costs (expense) is 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 cost 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.

	(in thousands)	
	Wayne County Pre and Post 2002 Retirees	**Airport Authority Post 2002 Retirees**
Annual required contribution	$ 87,849	$ 4,915
Interest on net OPEB obligation	1,184	(80)
Adjustment to annual required contribution	(1,177)	(31)
Annual OPEB cost (expense)	87,856	4,804
Contributions made		
Payments of current premiums	(39,183)	(2,221)
Advance funding	-	(3,500)
Increase (decrease) in net OPEB obligation	48,673	(917)
Net OPEB obligation (asset) - beginning of year	29,611	(1,004)
Net OPEB obligation (asset) - end of year	$ 78,284	$ (1,921)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and prior years were as follows:

	(in thousands)		
Fiscal Year Ended	**Annual OPEB Cost**	**Percentage of Annual OPEB Cost Contributed**	**Net OPEB Obligation**
September 30, 2008	$ 57,868	75.6%	$ 14,124
September 30, 2009	58,998	73.8%	29,611
September 30, 2010	87,856	44.6%	78,284

The Airport Authority's OPEB cost for its post-2002 retirees, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation/(asset) for 2010 and prior years were as follows:

	(in thousands)		
Fiscal Year Ended	**Annual OPEB Cost**	**Percentage of Annual OPEB Cost Contributed**	**Net OPEB Obligation (Asset)**
September 30, 2008	$ 4,455	89.2%	$ 483
September 30, 2009	5,358	127.8%	(1,004)
September 30, 2010	4,804	119.1%	(1,921)

Funding Status and Funding Progress – The funded status as of October 1, 2008, the date of the most recent actuarial valuations was as follows:

	(in thousands)	
	Wayne County*	**Airport Authority Post 2002 Retirees**
Actuarial accrued liability (AAL)	$ 1,513,956	$ 52,987
Actuarial value of plan assets	-	3,100
Unfunded actuarial accrued liability (UAAL)	$ 1,513,956	$ 49,887
Funded Ratio	0%	5.9%
Covered payroll	N/A	N/A
UAAL as a percentage of covered payroll	N/A	N/A

* Wayne County and the Airport Authority have a contractual agreement whereby the Airport Authority is responsible for 11.25 percent of the unfunded actuarial accrued liability in this plan. This percentage is for the coverage of the pre-2002 Airport Authority retirees.

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.

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, 2008 actuarial valuations for the Wayne County plan and for the Airport Authority post-2002 retiree plan, the actuarial cost method used was the projected unit credit method with service prorated. The actuarial assumptions included an 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. Each plan used an annual healthcare cost trend rate of 9 percent initially, reduced to an ultimate rate of 5 percent after eight years. The UAAL for each plan is being amortized using the straight-line method (level percent of pay amortized annually) over thirty years.

(15) 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. The deficits at September 30, 2010 were as follows (amounts in thousands):

		Source of Funding			
Fund	Deficit	General Fund Appropriations	Other Internal Appropriations	Expenditure Reduction	Other Revenue Sources
Governmental funds:					
General Fund	$ 26,516	-	-	-	26,516
Juvenile Justice/Abuse and Neglect	15,118	3,542	-	11,576	-
Law Enforcement	3,401	3,401	-	-	-
Community Development Block Grant	524	-	-	-	524
Drug Enforcement	854	-	-	-	854
E&ND 21st Century	1,593	-	-	-	1,593
Nuisance Abatement	1,597	347	1,250	-	-
Pinnacle Aeropark	286	-	-	-	286
Total governmental funds	$ 49,889	7,290	1,250	11,576	29,773
Enterprise funds:					
Copy Center	$ 813	-	-	-	813
Internal Service Funds:					
Equipment Lease Financing	729	729	-	-	-
Buildings and Ground Maintenance	3,500	3,500	-	-	-
Total internal service funds	$ 4,229	4,229	-	-	-
Component units:					
Third Circuit Court	$ 52,579	19,992	3,700	28,887	-
Brownfield Authority (BRA)	132	-	-	-	132
RJEGF	37	-	-	-	37
Land Bank	178	-	-	-	178
Total component units	$ 52,926	19,992	3,700	28,887	347

The General Fund has committed $7.1 million in 2011 and anticipates committing $7.1 million per year from 2012 through 2013, $5.9 million in 2014 and $4.2 million in 2015 for the funding of these deficits. In the event that other sources of revenue or reductions in expenditures fail to meet projected levels, the General Fund may be responsible for covering the difference.

(16) Commitments and Contingencies

Claims, litigation, and assessments for the year ended September 30, 2010, and prior years, which were settled shortly after September 30, 2010, have been charged to current fiscal year operations. Claims, litigation, and assessments asserted against the County, which are probable of loss and estimable in amount, are reflected in the government-wide financial statements at September 30, 2010. 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.

Environmental Matters

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. At September 30, 2010, $1.2 million has been accrued for environmental matters.

Litigation Matters

On October 28, 2010, the Third Circuit Court was granted an award that requires the County to forgive the prior overspending by the Circuit Court, as well as requiring the County to provide funding for 110 additional positions, and upgrade or replace Circuit Court facilities. It is management's estimate that these positions will cost approximately $10 million annually on a prospective basis. The cost of the facilities improvements is not currently estimable. At September 30, 2010, the Circuit Court had accumulated approximately $55.1 million of spending in excess of appropriated amounts (on a modified accrual basis).

On November 15, 2010, the County timely filed with the Michigan Court of Appeals the following: 1) a Claim of Appeal by right from the October 28, 2010 Order of the trial court; 2) an Application for Leave to Appeal the appointment of the Special Master appointed on November 8, 2010; and 3) a Motion to Consolidate both appeals. On March 16, 2011, the Michigan Supreme Court granted a request for a stay of the proceedings in the Wayne Circuit Court pending the completion of the expedited appeal in the Court of Appeals.

The County believes it will ultimately be successful in overturning the October 28, 2010 court award. In addition, the costs associated with the Order (if any) are not currently estimable and will be incurred in future periods. As a result, the cumulative overspending of the Third Circuit Court has been reported as a deficit of the Court (a discretely presented component unit), rather than as an expenditure of the General Fund of the County. The County has reserved fund balance in the General Fund for $52.9 million, as these assets are not currently available for use in the current operating cycle for County operations.

On November 8, 2010, the Wayne County Retirement Commission and Wayne County Employees Retirement System ("the Plaintiffs") filed a complaint in Wayne County Circuit Court seeking mandamus and declaratory and injunctive relief to enjoin the enforcement of amendments made to the County's Retirement Ordinance which the Plaintiffs claim allow the County to improperly defer a portion of the County's obligation to make pension contributions. The Plaintiffs request that a preliminary injunction be issued while the lawsuit is pending was denied by the trial court in December, 2010. The County has filed pleadings denying the Plaintiffs' allegations and has filed a

counterclaim against the Plaintiffs seeking declaratory and other relief, that the County's amendments to its Retirement Ordinance were lawful. An adverse final decision would result in an additional cash contribution to the Plaintiffs of up to approximately $32 million, of which, up to approximately $16 million is attributable to the County's General Fund. The County intends to vigorously defend the claims brought against it and pursue its counterclaims.

On December 18, 2009, 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. On October 6, 2010, the action was certified as a class action lawsuit. The Plaintiffs claim that the County's actions are a breach of certain contractual obligations that protect the plaintiffs from increases in cost sharing. A trial date has not been set and the County's exposure is not estimable at this time. The County intends to vigorously defend this action.

The collective bargaining agreement between Wayne County and AFSCME Locals 25, 101, 409 and 1659 expired September 30, 2008. The parties sought without success to negotiate a successor agreement. On December 1, 2010, after fact finding and a cooling off period in accordance with required procedures under state law, Wayne County imposed the terms of its impasse position. On December 3, 2010, the AFSCME unions filed a motion for a Temporary Restraining Order (TRO) and preliminary injunction with the Wayne County Circuit Court (AFSCME Locals 25, 101, 409 & 1659 v Wayne County), seeking to enjoin implementation of the County's impasse position. The trial court denied the motion, so the case proceeded on the plaintiffs' legal claims without entry of a TRO or preliminary injunction. The County intends to vigorously defend against this litigation.

Component Units – Airport Authority

The Authority is a defendant in a number of lawsuits and claims that have resulted from the ordinary course of providing services. The ultimate effect on the Authority's financial statements of the resolution of these matters is, in the opinion of the Authority's counsel, not expected to be material.

Environmental Matters

Environmental accruals are calculated and recorded using an expected cash flow technique applied to probabilities, ranges, and assumptions developed in response to a potential remediation liability as based on current law and existing technologies. At September 30, 2010, the Authority had accrued obligations of $5 million for environmental remediation and restoration costs. This is management's best estimate of the costs with respect to environmental matters; however, these estimates contain inherent uncertainties primarily due to unknown conditions, changing regulations, and developing technologies. In accordance with GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, the liability has been recorded at the current value estimated using the expected cash flow technique, a probability-weighted approach. A significant portion (65 percent) of the recorded environmental liability is related to a consent decree and judgment issued during 1994 that identifies the Airport as one of the 14 responsible parties to the improvements to the Wayne County Downriver Sewage Disposal System (the System). Most of the remaining liability is for asbestos remediation estimates. See additional discussion on both below.

Downriver Sewage Disposal System

In 1994, the Environmental Protection Agency (EPA) and the Michigan Department of Natural Resources (MDNR), through a federal court ruling, issued a mandate for environmental remediation of the System noting in their Financing Plan and Final Judgment RE: 1994 Court-Ordered Improvements, "Whereas, it is immediately necessary and imperative for the public health and welfare of the present and future residents of Wayne and the Downriver Communities that the improvements for the System

required by the Consent Decree be planned, designed, acquired, constructed and financed to service the Downriver Communities."

The "Downriver Communities" listed as responsible parties to this decree included 13 communities as well as Metro Airport, which utilize the system for water and sewage disposal. Total project costs were initially estimated at $230 million and financed by Wayne County (the County) through the issuance of bonds and additional State Revolving Fund (SRF) financing. Each responsible party is required to pay their allocated portion of principal and interest on the bonds and SRF bonds, as well as their portion of any subsequent debt issued to pay project costs. In August 2007, a series of completion bonds were issued to finance the estimated final costs of the project. Metro Airport has paid $5.6 million to the City of Romulus for prior year debt service as of September 30, 2010 and an additional $400,000 to fund a bond reserve. The amounts recorded by the Authority for future debt service payments are believed to materially encompass the remaining obligation.

Asbestos Remediation

It is known that certain Metro Airport and Willow Run Airport buildings hold asbestos-containing materials (ACMs) that must be disposed of upon demolition of affected structures. While the pollutant is currently contained due to prior remediation efforts during the late 1980s and early 1990s, the environmental assessments have indicated that remediation will be necessary during the demolition of the affected buildings to ensure containment of the pollutants and proper disposal.

During 2010, the planned demolition of the Smith Terminal building, concourses, and observation deck was consolidated into one project slated to begin in 2017 with the removal of the hazardous material as the first action to be taken as part of the overall project.

Preliminary assessments of the nature and extent of the material were performed by WCAA Environmental and have provided information to help develop estimated remediation costs expected over time. As of September 30, 2010, the Authority recorded asbestos-related liabilities of $1 million and $598,000 at Detroit Metro and Willow Run Airports, respectively.

National Pollutant Discharge Elimination System Permit Violation

During 2006, the Authority entered into a plea agreement with the United States for a misdemeanor violation of a condition and limitation in a National Pollutant Discharge Elimination System (NPDES) Permit issued by the State of Michigan. This matter pertained to a 2001 failure to report a discharge of turbid and odorous storm water directly to the Frank and Poet Drain, a waterway that flows directly into the Detroit River, near Lake Erie. The sentence prescribed by the Federal Court includes a four-year probationary period ending in 2010 and the construction and use of a force main to connect Pond 3W at the Airport to sanitary sewer lines leading to the Detroit Water and Sewerage Department's (DWSD) treatment plant. In June 2010, The Federal Court sentenced a new probation term of three years ending in 2013. The estimated cost of the project is $13.5 million and the Authority has incurred $5.6 million to date. The project is deemed complete upon approval by DWSD that the main can and will be operated in a manner consistent with all state and federal regulatory requirements.

Additional Remediation Matters

General Motors Corporation (GM) and the Authority (as successor in interest to the Board of County Road Commissioners and the County of Wayne) are parties to a Lease of Land, dated October 11, 1985 (the "Lease"). Under the Lease, GM leases certain land at Willow Run Airport (the "Airport") upon which GM constructed and operates a water treatment plant, which it uses as an integral part of its operations of the GM transmission facility next to the Airport (the "GM Plant").

On June 1, 2009, GM filed for protection under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), and pursuant to the Bankruptcy Code, GM has the right to assume or reject the Lease. On July 5, 2009, the Bankruptcy Court authorized the sale of substantially all of GM's assets to NGMCO, Inc., a U.S. Treasury-sponsored purchaser (the "Purchaser"), and on July 10, 2009, the transfer of assets to the Purchaser occurred. GM's name now has been changed to "Motors Liquidation Company" and the Purchaser's name is now "General Motors Company".

The purchase agreement between GM and the Purchaser contemplated that the GM Plant would close on or around December 31, 2010. The Lease has been amended to extend the term to December 31, 2010, with an option to extend the term further for three (3) additional periods of one (1) month each.

In July 2009, GM assigned the Lease to the Purchaser. Pursuant to the Assignment and Assumption document between GM and the Purchaser, GM assigned all of its rights; title and interest in the Lease to the Purchaser, and the Purchaser accepted the assignment and assumed GM's obligations under the Lease, subject to the retention by GM of certain liabilities associated with the Lease. The liabilities to be retained by GM and not assumed by the Purchaser include, among other things, all liabilities for environmental contamination, at, under or emanating from the leased premises, all liabilities for cleanup of environmental contamination, and all liabilities for noncompliance with environmental laws. As such, once the property is returned to the Authority in the winter of 2011 and assuming GM is fully dissolved, to the extent there exists environmental remediation costs, these costs will be the responsibility of the Authority.

Additional small environmental matters were identified during 2010, including site closure of several Willow Run fuel farms. The Authority recorded liabilities totaling $56,000 for these items as of September 30, 2010.

(17) Subsequent Events

In September 2008, the MMBA approved and authorized loans to the County for up to $32.1 million for projects to upgrade and improve the Downriver Sewage Disposal System. As of September 30, 2010, the County received $27.9 million of MMBA bond funds for these projects. Subsequent to year end, the County received $2.5 million in additional funds. These loans are limited tax general obligations of the County of Wayne, but are payable from contractual payments to be received from the communities served by the Downriver Sewage Disposal system.

In December 2009, the MMBA approved the County's loan application for $19.6 million for projects to upgrade and improve the Rouge Valley Sewage Disposal System (Rouge Valley). Up to forty percent of the loaned amount may be forgiven under the American Recovery and Reinvestment Act of 2009 (ARRA). As of September 30, 2010, the County received $7.84 million of MMBA bond funds for this project, $7.82 million of which were ARRA funds. As a result, the County recognized $16,000 of new debt for Rouge Valley. Subsequent to year end, the County received $4.7 million in additional funds. These loans are limited tax general obligations of the County of Wayne, but are payable from sewage revenues to be received from the communities served by Rouge Valley.

Subsequent to year end, in connection with the purchase of 2009 delinquent property taxes, the County issued General Obligation Limited Tax Notes, Series 2010A, 2010B, and 2010C in the amount of $25, $174, and $30 million, respectively. These notes were issued to cover delinquent taxes for communities within Wayne County. Refer to Note 9 for additional details.

On December 17, 2010, the County borrowed $100 million in Fiscal Year 2011 Tax Anticipation Notes. These notes are secured by collections on the County's 2011 operating taxes and are due on September 30, 2011.

On November 3, 2010, the County entered into a Contract of Lease with the Building Authority in an amount not to exceed $300 million for the acquisition, design, construction, and financing of the Wayne County Consolidated Jail Complex. On December 22, 2010, the Building Authority issued $200 million in General Obligation Limited Tax Building Authority Bonds (Jail Facilities), Series 2010 (taxable) for this purpose. The bonds are payable by the Building Authority solely from the rental payments to be made by the County. The County's obligation to make rental payments is a limited tax general obligation supported by the full faith and credit of the County, subject to certain limitations. These bonds are designated recovery zone economic development bonds. Consequently, the Building Authority has filed a return with the United States Treasury to receive a credit payment equal to 45 percent of the stated interest to be paid on the bonds on June 1, 2011, and will continue to do so for each interest payment. There remains $100 million in bonds that was authorized but not yet issued. It is anticipated that in the future a second series of bonds, in an amount not to exceed $100 million, will be issued to complete the project. The project is expected to be completed in June 2014.

Component Units

Airport Authority
On October 1, 2010, the Authority gave notice to JP Morgan Chase to terminate the 2009A bonds with JP Morgan Chase effective October 6, 2010.

On December 13, 2010, the 2008C-1, 2008C-2, 2008D, 2008E, and 2008F Swap agreements were terminated by the Authority without penalty.

On December 16, 2010, the Authority issued $838.7 million in Wayne County Airport Authority Revenue Refunding Bonds at the following amounts: Series 2010A – $222.5 million, Series 2010B – $8.8 million, Series 2010C – $188.4 million, Series 2010D – $28 million, Series 2010E-1 – $75.4 million, Series 2010E-2 – $75 million, Series 2010F – $124.6 million, and Series 2010G – $116 million.

The Series 2010A-D Fixed Rate Refunding Bonds were issued to refund the Series 1998B Bonds, the Series 2008D Bonds, the Series 2008E Bonds, the Series 2008F Bonds; and a portion of each of the Series 1998A, Series 2008B, and Series 2008C Bonds. The Series 2010E-G Variable Rate Refunding Bonds were issued to refund a portion of each of the Series 1998A, Series 2008B, and Series 2008C Bonds.

Non-major Component Units

Chapter 20 Drainage District
In September 2009, the MMBA approved and authorized $6.9 million in Ecorse Creek Pollution Abatement Drain (ECPAD) No. 1 Drain Bonds Series 2009A. Up to forty percent of the loaned amount may be forgiven under the ARRA. As of September 30, 2010 the County received $2.3 million of MMBA bond funds for this project. Subsequent to September 30, 2010, the Chapter 20 Drainage District received $1.0 million of additional funding, of which $852,077 is considered new debt which will be repaid by the communities comprising the ECPAD Drainage District. These loans are secured by special assessments on the communities served by the Ecorse Creek drain.

Development Corporation of Wayne County
The Development Corporation of Wayne County (DCWC) Board of Directors passed a resolution on June 9, 2010 to dissolve the organization. The assets and liabilities of DCWC were to be absorbed by the Wayne County Regional Jobs and Economic Growth Foundation, a related party. As of September

30, 2010, the assignment of assets and liabilities had not occurred and were still held by DCWC.

(18) Restatement to Beginning of Year Fund Balance/Net Assets

Change in Reporting Entity

As of October 1, 2009, the County terminated its contractual relationship with the Metropolitan Growth and Development Corporation (MGDC). The MGDC, a non-profit corporation, previously administered the Small Business Administration (SBA) and Economic Development Administration Urban Loan Fund (ULF) federal loan programs on behalf of the County's Economic Development Growth Engine. MGDC's responsibilities included day-to-day administration of the SBA loan program and promoting economic development for minority businesses and businesses in distressed communities. The County provided staff and had budgetary control of the ULF program.

Since termination of the arrangement between the County and the non-profit, MGDC maintained control of the SBA loan program and the County retained control of the ULF program. MGDC no longer meets the criteria to be reported as a component unit. As a result, component unit net assets have been reduced by total net assets of MGDC as of October 1, 2009 of $528,000. In addition, net assets related to the ULF equal to $402,000 have been included in beginning of year fund balance of the Community and Economic Development Fund, a non-major governmental fund. Net loss of the ULF program for the year ended September 30, 2010 was $140,000.

Accounting and Reporting Change

The Airport Authority adopted the following GASB statements for the year ended September 30, 2010: GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* and GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments.*

The authority elected to implement GASB Statement No 51 at the beginning of the fiscal year (see Note 8 for further information). As a result of this implementation, the Authority has restated their beginning net asset balance by $50.9 million (increase).

(19) Upcoming Reporting Change

Statement No. 54, Fund Balance Reporting and Governmental Fund-Type Definitions

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated and unreserved will be replaced with five new classifications: nonspendable, restricted, committed, assigned and unassigned. The County is currently evaluating the impact this standard will have on the financial statements when adopted. Upon adoption of this Statement, the County expects to report the budget stabilization fund as a component of the General Fund. The County will implement Statement No. 54 beginning with the fiscal year ending September 30, 2011.

Statement No. 61, The Financial Reporting Entity: Omnibus

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those statements.

Statement No. 61 modifies certain requirements for inclusion of components units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria, this Statement details the manner in which that determination should be made. This Statement also amends the criteria for reporting components units as if they were part of the primary government (i.e. blending) in certain circumstances. In addition, it clarifies the reporting of equity interests in legally separate organizations – by requiring a primary government to report its equity interest in a component unit as an asset. The provisions of Statement No. 61 are effective for fiscal years beginning after June 15, 2012. The County is currently evaluating the impact of this standard.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

REQUIRED SUPPLEMENTARY INFORMATION

(OTHER THAN MD&A)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULES
MAJOR GOVERNMENTAL FUNDS
GENERAL FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes:				
Property	$ 337,644	337,773	335,267	(2,506)
Sales	51,200	51,200	43,966	(7,234)
Excise	-	-	-	-
Licenses and permits	651	651	514	(137)
Federal grants	3,930	11,976	7,673	(4,303)
State grants and contracts	61,987	55,515	52,897	(2,618)
Local grants and contracts	1,400	1,452	979	(473)
Charges for services	76,574	90,738	80,481	(10,257)
Interest and rents	185	370	255	(115)
Other	9,422	10,900	7,754	(3,146)
Total revenues	542,993	560,575	529,786	(30,789)
EXPENDITURES:				
Current operations:				
Legislative	9,230	9,115	8,865	(250)
Judicial	75,989	106,053	105,650	(403)
General government	139,239	108,094	96,469	(11,625)
Public safety	110,483	121,852	134,675	12,823
Public works	838	1,296	786	(510)
Health and welfare	94,419	86,782	83,283	(3,499)
Community and economic development	3,756	3,756	3,756	-
Capital outlay	677	1,117	4,343	3,226
Debt service	-	-	3,834	3,834
Total expenditures	434,631	438,065	441,661	3,596
Excess (deficiency) of revenues over (under) expenditures	108,362	122,510	88,125	(34,385)
OTHER FINANCING SOURCES (USES):				
Transfers in	14,850	241	4,409	4,168
Transfers out	(123,209)	(122,631)	(128,214)	5,583
Bond issuance	-	-	2,300	2,300
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses):	(108,359)	(122,390)	(121,505)	885
Net change in fund balance	3	120	(33,380)	(33,500)
Fund balance at October 1, 2009	6,864	6,864	6,864	-
Fund balance at September 30, 2010	$ 6,867	6,984	(26,516)	(33,500)

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, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes:				
Property	$ -	-	-	-
Sales	-	-	-	-
Excise	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	16,551	33,840	2,001	(31,839)
State grants and contracts	84,206	84,206	84,270	64
Local grants and contracts	3,538	3,538	4,890	1,352
Charges for services	4,661	4,661	3,334	(1,327)
Interest and rents	1,561	1,561	964	(597)
Other	5	5	1	(4)
Total revenues	110,522	127,811	95,460	(32,351)
EXPENDITURES:				
Current operations:				
Personnel	32,322	32,332	26,231	(6,101)
Fringe benefits	12,748	12,742	12,013	(729)
Pension	5,974	5,970	5,677	(293)
Materials and supplies	13,236	13,161	11,132	(2,029)
Contractual services	36,093	53,411	11,691	(41,720)
Travel	40	52	118	66
Operating	7,546	7,524	6,056	(1,468)
Rentals	1,371	1,371	528	(843)
Other charges	321	375	137	(238)
Capital outlay	211	214	8,737	8,523
Debt service	483	483	835	352
Total expenditures	110,345	127,635	83,155	(44,480)
Excess (deficiency) of revenues over (under) expenditures	177	176	12,305	12,129
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(5,958)	(5,958)	(6,189)	231
Bond issuance	-	-	4,985	4,985
Proceeds from sale of capital assets	100	100	-	(100)
Total other financing sources (uses):	(5,858)	(5,858)	(1,204)	4,654
Net change in fund balance	(5,681)	(5,682)	11,101	16,783
Fund balance at October 1, 2009	20,978	20,978	20,978	-
Fund balance at September 30, 2010	$ 15,297	15,296	32,079	16,783

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULES
MAJOR GOVERNMENTAL FUNDS
MENTAL HEALTH FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes:				
Property	$ -	-	-	-
Sales	-	-	-	-
Excise	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	11,373	13,038	11,633	(1,405)
State grants and contracts	520,376	558,836	575,457	16,621
Local grants and contracts	-	-	-	-
Charges for services	2	2	21	19
Interest and rents	901	245	252	7
Other	-	-	-	-
Total revenues	532,652	572,121	587,363	15,242
EXPENDITURES:				
Current operations:				
Personnel	7,920	8,110	7,397	(713)
Fringe benefits	2,909	2,923	2,977	54
Pension	1,421	1,421	1,230	(191)
Materials and supplies	245	345	128	(217)
Contractual services	535,981	570,373	564,764	(5,609)
Travel	332	332	213	(119)
Operating	598	4,972	232	(4,740)
Rentals	960	960	878	(82)
Other charges	5	5	-	(5)
Capital outlay	15	709	705	(4)
Debt service	-	-	-	-
Total expenditures	550,386	590,150	578,524	(11,626)
Excess (deficiency) of revenues over (under) expenditures	(17,734)	(18,029)	8,839	26,868
OTHER FINANCING SOURCES (USES):				
Transfers in	17,734	17,734	17,734	-
Transfers out	-	-	-	-
Bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses):	17,734	17,734	17,734	-
Net change in fund balance	-	(295)	26,573	26,868
Fund balance at October 1, 2009	5,707	5,707	5,707	-
Fund balance at September 30, 2010	$ 5,707	5,412	32,280	26,868

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, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes:				
Property	$ -	-	-	-
Sales	-	-	-	-
Excise	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	1,110	2,679	11,115	8,436
State grants and contracts	9,027	12,451	5,705	(6,746)
Local grants and contracts	154	180	-	(180)
Charges for services	18,867	18,287	3,864	(14,423)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	29,158	33,597	20,684	(12,913)
EXPENDITURES:				
Current operations:				
Personnel	7,907	8,273	7,677	(596)
Fringe benefits	3,293	4,036	3,235	(801)
Pension	1,628	1,418	1,471	53
Materials and supplies	613	966	2,930	1,964
Contractual services	17,690	20,785	8,210	(12,575)
Travel	370	399	267	(132)
Operating	342	602	290	(312)
Rentals	475	492	359	(133)
Other charges	57	113	92	(21)
Capital outlay	-	-	174	174
Debt service	-	-	-	-
Total expenditures	32,375	37,084	24,705	(12,379)
Excess (deficiency) of revenues over (under) expenditures	(3,217)	(3,487)	(4,021)	(534)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,219	2,988	3,154	166
Transfers out	-	-	-	-
Bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses):	3,219	2,988	3,154	166
Net change in fund balance	2	(499)	(867)	(368)
Fund balance at October 1, 2009	1,027	1,027	1,027	-
Fund balance at September 30, 2010	$ 1,029	528	160	(368)

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULES
MAJOR GOVERNMENTAL FUNDS
JUVENILE JUSTICE/ABUSE AND NEGLECT
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes:				
Property	$ -	-	-	-
Sales	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	5,944	7,565	3,036	(4,529)
State grants and contracts	95,727	99,072	95,820	(3,252)
Local grants and contracts	9,424	9,949	7,183	(2,766)
Charges for services	15,068	14,841	14,523	(318)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	126,163	131,427	120,562	(10,865)
EXPENDITURES:				
Current operations:				
Personnel	19,626	20,833	20,418	(415)
Fringe benefits	7,415	7,955	8,263	308
Pension	4,060	4,295	3,556	(739)
Materials and supplies	393	451	381	(70)
Contractual services	181,929	184,924	170,936	(13,988)
Travel	176	216	183	(33)
Operating	258	272	226	(46)
Rentals	3,417	3,430	3,395	(35)
Other charges	176	295	167	(128)
Capital outlay	8	50	71	21
Debt service	-	-	-	-
Total expenditures	217,458	222,721	207,596	(15,125)
Excess (deficiency) of revenues over (under) expenditures	(91,295)	(91,294)	(87,034)	4,260
OTHER FINANCING SOURCES (USES):				
Transfers in	91,294	91,294	91,154	(140)
Transfers out	-	-	-	-
Bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses):	91,294	91,294	91,154	(140)
Net change in fund balance	(1)	-	4,120	4,120
Fund balance at October 1, 2009	(19,238)	(19,238)	(19,238)	-
Fund balance at September 30, 2010	$ (19,239)	(19,238)	(15,118)	4,120

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended September 30, 2010

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM DEFINED BENEFIT PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
(Dollar Amounts in Millions)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Overfunded) Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b)-(a)]/(c)
09/30/04 #	$ 910.1	$ 959.7	$ 49.6	94.8%	$ 343.3	14.4%
09/30/05	891.4	969.3	77.9	92.0%	298.6	26.1%
09/30/06 #	894.5	1,000.2	105.7	89.4%	319.6	33.1%
09/30/07 #	947.8	1,169.5	221.7	81.0%	325.4	68.1%
09/30/08 #	985.0	1,338.8	353.8	73.6%	330.0	107.2%
09/30/09	970.9	1,444.3	473.4	67.2%	297.5	159.1%

After changes in benefit provisions or revised actuarial assumptions

Note: The schedule includes Hybrid Plan 6, which was created October 1, 2008

WAYNE COUNTY EMPLOYEES' RETIREMENT SYSTEM DEFINED BENEFIT PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)
(Dollar Amounts in Thousands)

Fiscal Year Ended September 30	Annual Required Contributions	Actual Contributions	Percent Contributed
2005	$ 10,647	$ 11,106	104.3%
2006	12,663	12,663	100.0%
2007	15,398	15,398	100.0%
2008	18,420	18,420	100.0%
2009	32,559	32,559	100.0%
2010	35,401	35,401	100.0%

Note: The schedule includes Hybrid Plan 6, which was created October 1, 2008

CHARTER COUNTY OF WAYNE, MICHIGAN
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended September 30, 2010

WAYNE COUNTY CIRCUIT COURT COMMISSIONERS BAILIFFS' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Overfunded) Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b)-(a)]/(c)
09/30/04	$ 4,437	$ 3,584	$ (853)	123.8%	714	-
09/30/05	4,661	3,314	(1,347)	140.6%	600	-
09/30/06	5,056	3,278	(1,778)	154.2%	600	-
09/30/07	5,626	3,614	(2,012)	155.7%	700	-
09/30/08	5,859	3,367	(2,492)	174.0%	651	-
09/30/09	5,795	3,287	(2,508)	176.0%	547	-

WAYNE COUNTY CIRCUIT COURT COMMISSIONERS BAILIFFS' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

Fiscal Year Ended September 30	Annual Required Contributions	Actual Contributions	Percent Contributed
2005	-	28,850	-
2006	-	50,441	-
2007	-	38,117	-
2008	-	36,135	-
2009	-	38,339	-
2010	-	37,926	-

CHARTER COUNTY OF WAYNE, MICHIGAN
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended September 30, 2010

WAYNE COUNTY AIRPORT AUTHORITY ACT 149 HEALTH CARE FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
(Dollar Amounts in Millions)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Overfunded) Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b)-(a)]/(c)
10/01/06	$ -	$ 46.9	$ 46.9	0.0%	N/A	N/A
10/01/07	$ -	$ 54.6	$ 54.6	0.0%	N/A	N/A
10/01/08	$ 3.1	$ 52.9	$ 49.8	5.9%	N/A	N/A

WAYNE COUNTY AIRPORT AUTHORITY ACT 149 HEALTH CARE FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)
(Dollar Amounts in Thousands)

Fiscal Year Ended September 30	Annual Required Contributions	Actual Contributions	Percent Contributed
2008	$ 4,455	$ 3,972	89.2%
2009	5,358	6,845	127.8%
2010	4,804	5,720	119.1%

Note: Fiscal Year 2010 and 2009 Annual Required Contributions include interest on the net OPEB obligation of $80,000 and $39,000 respectively.

(1) Budgets and Budgetary Accounting

Annual budgets are adopted for the General Fund, special revenue funds, debt service funds and for certain other governmental and proprietary activities. 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 function (general government, public safety, public works, etc.) and by activity, generally. The legal level of budgetary control for the special revenue funds and the debt service funds is at the fund level. For the Roads Fund, the budget is prepared in accordance with the State of Michigan Uniform Accounting Procedures Manual for County Road Commissions. The Uniform Accounting Procedures Manual 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 after year-end. 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.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

OTHER SUPPLEMENTARY INFORMATION - COMBINING AND INDIVIDUAL FUND STATEMENTS/SCHEDULES

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS Are Used to Account for Specific Revenues that are Legally Restricted for Expenditure for Particular Purposes.

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 Funds and Trust Funds.

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.

County Library – This fund is used to account for Wayne County revenue designated for library purposes.

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.

Economic and Neighborhood Development (E&ND) – 21st Century – This fund accounts for economic development within Wayne County communities.

Community Corrections – This fund accounts for Alternative Work Force activity and other programs for offenders.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS Are Used to Account for Specific Revenues that are Legally Restricted for Expenditure for Particular Purposes.

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 Funds and Trust Funds.

SPECIAL REVENUE FUNDS, continued

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.

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.

Building Authority – This fund accounts for the operation and maintenance activities of the Building Authority.

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.

Budget Stabilization – This fund was established by charter and is used to account for funds set aside from the General Fund under the provisions of Public Act 30 of 1978.

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

Nuisance Abatement – This fund accounts for activity related to the prosecution of forfeiture, nuisance and criminal environmental enforcement actions. The activities include seizures of assets derived from illegal activity, including illegal drug activity, seizures of vehicles in connection with drug buys and prostitution, and prosecution of nuisance actions associated with abandoned properties.

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

Pinnacle Aeropark – This fund is used to account for the appropriations for the Pinnacle Aeropark project.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS Are Used to Account for Specific Revenues that are Legally Restricted for Expenditure for Particular Purposes.

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 Funds and Trust Funds.

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.

Roads – This fund is used to account for the debt service associated with the various County Road operations.

Wayne County Building Authority – 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.

CAPITAL PROJECTS FUNDS

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

Wayne County Building Authority Construction – This fund is used to account for the funding and costs of constructing new facilities or for major renovations of existing facilities.

County Roads Projects – This fund is used to account for construction associated with various County road projects.

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
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of September 30, 2010
(in thousands)

	Special Revenue Funds			
	Parks	Rouge Demonstration Project	Law Enforcement	County Library
ASSETS:				
Equity in pooled cash and investments	$ 19,058	221	11,044	266
Other cash and investments	3	1	-	1
Due from other funds	-	-	656	-
Due from component units	24	-	-	-
Receivables:				
Delinquent property taxes	1,054	-	-	-
Accounts receivable	56	124	227	-
Due from other governmental units	-	-	1,337	382
Less allowance for uncollectible accounts	-	-	-	(110)
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Restricted equity in pooled cash and investments	-	-	-	-
Restricted due from component units	-	-	-	-
Total assets	20,195	346	13,264	539
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Negative equity in pooled cash	-	-	-	-
Accounts and contracts payable	332	7	132	92
Due to component units	-	-	-	-
Due to other governmental units	-	-	-	-
Accrued wages and benefits	106	30	60	63
Other liabilities	51	-	176	6
Deferred revenue	29	63	16,297	192
Total liabilities	518	100	16,665	353
Fund Balances:				
Reserved for:				
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Other long-term assets	-	-	-	-
Debt service	-	-	-	-
Capital projects	12,273	-	-	-
Unreserved	7,404	246	(3,401)	186
Total fund balances	19,677	246	(3,401)	186
Total liabilities and fund balances	$ 20,195	$ 346	$ 13,264	$ 539

Special Revenue Funds			
Community Development Block Grants	Drug Enforcement	Nutrition	Veteran's Trust
-	9	-	95
-	50	-	-
-	-	87	-
-	-	-	-
-	-	-	-
-	28	-	-
7,652	232	514	-
-	(7)	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
7,652	312	601	95
31	-	48	-
813	20	242	1
-	-	-	-
-	-	178	-
20	64	55	-
5,530	6	78	-
1,782	1,076	-	-
8,176	1,166	601	1
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(524)	(854)	-	94
(524)	(854)	-	94
$ 7,652	$ 312	$ 601	$ 95

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of September 30, 2010
(in thousands)

	Special Revenue Funds			
	E & ND 21st Century	Community Corrections	Victim Witness	Soldiers' Relief
ASSETS:				
Equity in pooled cash and investments	$ -	1,238	-	3,977
Other cash and investments	1	1	-	-
Due from other funds	-	-	-	-
Due from component units	1	-	-	-
Receivables:				
Delinquent property taxes	-	-	-	157
Accounts receivable	-	-	-	-
Due from other governmental units	1,266	39	286	-
Less allowance for uncollectible accounts	-	(12)	-	-
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Restricted equity in pooled cash and investments	-	-	-	-
Restricted due from component units	-	-	-	-
Total assets	$ 1,268	1,266	286	4,134
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Negative equity in pooled cash	$ 1,739	-	173	-
Accounts and contracts payable	160	273	-	17
Due to component units	-	-	-	-
Due to other governmental units	10	-	-	-
Accrued wages and benefits	-	38	41	9
Other liabilities	285	41	-	12
Deferred revenue	667	18	-	-
Total liabilities	2,861	370	214	38
Fund Balances:				
Reserved for:				
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Other long-term assets	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Unreserved	(1,593)	896	72	4,096
Total fund balances	(1,593)	896	72	4,096
Total liabilities and fund balances	$ 1,268	$ 1,266	$ 286	$ 4,134

Special Revenue Funds				
Youth Services	Community & Economic Development	Building Authority	Stadium and Land Development	Budget Stabilization
1,075	101	-	-	3,000
-	298	-	-	-
-	37	-	-	-
-	-	-	-	-
402	-	-	-	-
-	-	-	630	-
-	139	-	-	-
-	(270)	-	-	-
-	-	-	-	-
-	880	-	-	-
-	-	-	-	-
-	-	-	-	-
1,477	1,185	-	630	3,000
-	-	-	630	-
255	76	-	-	-
-	-	-	-	-
-	646	-	-	-
-	79	-	-	-
-	122	-	-	-
-	-	-	-	-
255	923	-	630	-
-	-	-	-	-
-	262	-	-	-
-	-	-	-	3,000
-	-	-	-	-
-	-	-	-	-
1,222	-	-	-	-
1,222	262	-	-	3,000
$ 1,477	$ 1,185	$ -	$ 630	$ 3,000

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of September 30, 2010
(in thousands)

	Special Revenue Funds			
	Environmental Programs	Nuisance Abatement	Health and Family Services	Pinnacle Aeropark
ASSETS:				
Equity in pooled cash and investments	$ 4,567	-	483	-
Other cash and investments	-	-	-	-
Due from other funds	-	414	220	-
Due from component units	-	-	-	-
Receivables:				
Delinquent property taxes	-	-	-	-
Accounts receivable	873	-	-	-
Due from other governmental units	-	-	1,102	826
Less allowance for uncollectible accounts	-	-	-	-
Prepayments and deposits	-	-	887	-
Long-term receivables	-	-	-	-
Restricted equity in pooled cash and investments	-	-	-	-
Restricted due from component units	-	-	-	-
Total assets	$ 5,440	414	2,692	826
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Negative equity in pooled cash	$ -	2,011	-	990
Accounts and contracts payable	-	-	754	-
Due to component units	373	-	-	-
Due to other governmental units	-	-	-	-
Accrued wages and benefits	29	-	19	-
Other liabilities	18	-	145	122
Deferred revenue	-	-	887	-
Total liabilities	420	2,011	1,805	1,112
Fund Balances:				
Reserved for:				
Prepayments and deposits	-	-	887	-
Long-term receivables	-	-	-	-
Other long-term assets	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Unreserved	5,020	(1,597)	-	(286)
Total fund balances	5,020	(1,597)	887	(286)
Total liabilities and fund balances	$ 5,440	$ 414	$ 2,692	$ 826

Debt Service Funds		
General Debt Service	Roads	Wayne County Building Authority
2,386	16	6,257
-	-	-
-	-	-
-	-	-
-	-	-
-	-	1
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
2,386	16	6,258
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
2,386	16	6,258
-	-	-
-	-	-
2,386	16	6,258
$ 2,386	$ 16	$ 6,258

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of September 30, 2010
(in thousands)

	Capital Projects Funds			
	Wayne County Construction	Wayne County Building Authority Construction	County Roads Projects	Other Capital Projects
ASSETS:				
Equity in pooled cash and investments	$ 805	1,596	-	-
Other cash and investments	-	-	-	-
Due from other funds	-	-	-	36
Due from component units	-	-	-	-
Receivables:				
Delinquent property taxes	-	-	-	-
Accounts receivable	-	-	-	-
Due from other governmental units	-	-	-	310
Less allowance for uncollectible accounts	-	-	-	-
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Restricted equity in pooled cash and investments	-	-	-	18,928
Restricted due from component units	-	-	-	4,446
Total assets	$ 805	1,596	-	23,720
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Negative equity in pooled cash	$ -	-	-	1,049
Accounts and contracts payable	-	13	-	625
Due to component units	-	-	-	-
Due to other governmental units	-	-	-	-
Accrued wages and benefits	-	-	-	-
Other liabilities	-	-	-	2,048
Deferred revenue	-	-	-	310
Total liabilities	-	13	-	4,032
Fund Balances:				
Reserved for:				
Prepayments and deposits	-	-	-	-
Long-term receivables	-	-	-	-
Other long-term assets	-	-	-	-
Debt service	-	-	-	-
Capital projects	805	1,583	-	19,688
Unreserved	-	-	-	-
Total fund balances	805	1,583	-	19,688
Total liabilities and fund balances	$ 805	$ 1,596	$ -	$ 23,720

Special Revenue Funds Totals	Debt Service Funds Totals	Capital Projects Funds Totals	Non-major Governmental Funds Totals
$ 45,134	$ 8,659	$ 2,401	$ 56,194
355	-	-	355
1,414	-	36	1,450
25	-	-	25
1,613	-	-	1,613
1,938	1	-	1,939
13,775	-	310	14,085
(399)	-	-	(399)
887	-	-	887
880	-	-	880
-	-	18,928	18,928
-	-	4,446	4,446
65,622	8,660	26,121	100,403
$ 5,622	$ -	$ 1,049	$ 6,671
3,174	-	638	3,812
373	-	-	373
834	-	-	834
613	-	-	613
6,592	-	2,048	8,640
21,011	-	310	21,321
38,219	-	4,045	42,264
887	-	-	887
262	-	-	262
3,000	-	-	3,000
-	8,660	-	8,660
12,273	-	22,076	34,349
10,981	-	-	10,981
27,403	8,660	22,076	58,139
$ 65,622	$ 8,660	$ 26,121	$ 100,403

(Concluded)

CHARTER COUNTY OF WAYNE, MICHIGAN

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended September 30, 2010
(in thousands)

	Special Revenue Funds			
	Parks	Rouge Demonstration Project	Law Enforcement	County Library
REVENUES:				
Taxes:				
Property taxes	11,606	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	73	-	-	-
Federal grants	-	1,235	5,977	-
State grants and contracts	-	-	100	107
Local grants and contracts	3	1,015	-	-
Charges for services	1,257	2,013	2,347	833
Interest and rents	97	-	-	3,530
Other	261	-	-	-
Total revenues	13,297	4,263	8,424	4,470
EXPENDITURES:				
Current operations:				
Personnel	3,053	774	1,798	1,933
Fringe benefits	1,327	384	722	686
Pension	531	184	382	432
Materials and supplies	492	24	38	37
Contractual services	5,465	2,501	3,949	1,340
Travel	6	26	4	6
Operating	494	31	1,170	43
Rentals	1,104	87	5	-
Other charges	14	6	83	422
Capital outlay	1,701	-	350	-
Debt service	-	-	-	-
Total expenditures	14,187	4,017	8,501	4,899
Excess (deficiency) of revenues over (under) expenditures	(890)	246	(77)	(429)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,782	-	656	480
Transfers out	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	3,782	-	656	480
Net change in fund balances	2,892	246	579	51
Fund balances at October 1, 2009 (Note 18)	16,785	-	(3,980)	135
Fund balances at September 30, 2010	19,677	246	(3,401)	186

Special Revenue Funds			
Community Development Block Grant	Drug Enforcement	Nutrition	Veteran's Trust
-	-	-	-
-	-	-	-
-	-	-	-
12,197	366	2,893	-
-	-	861	160
-	-	-	-
-	1,862	645	-
-	1	-	-
-	-	63	-
12,197	2,229	4,462	160
287	1,182	1,512	-
126	453	527	-
47	283	203	-
2	77	2,425	-
2,182	490	750	154
7	-	195	-
3	14	53	-
-	65	-	-
10,075	86	16	-
-	-	32	-
-	-	-	-
12,729	2,650	5,713	154
(532)	(421)	(1,251)	6
54	-	889	-
(47)	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
7	-	889	-
(525)	(421)	(362)	6
1	(433)	362	88
(524)	(854)	-	94

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended September 30, 2010
(in thousands)

	Special Revenue Funds			
	E & ND 21st Century	Community Corrections	Victim Witness	Soldiers' Relief
REVENUES:				
Taxes:				
Property taxes	$ -	-	-	1,765
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	3,846	250	648	-
State grants and contracts	248	2,585	886	-
Local grants and contracts	-	-	-	-
Charges for services	103	2,199	-	-
Interest and rents	56	-	-	12
Other	-	-	-	-
Total revenues	4,253	5,034	1,534	1,777
EXPENDITURES:				
Current operations:				
Personnel	1,845	1,010	1,043	244
Fringe benefits	771	393	471	110
Pension	248	157	132	31
Materials and supplies	81	72	-	2
Contractual services	3,179	2,817	134	695
Travel	34	4	21	1
Operating	138	24	13	4
Rentals	35	271	-	-
Other charges	2,905	5	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	9,236	4,753	1,814	1,087
Excess (deficiency) of revenues over (under) expenditures	(4,983)	281	(280)	690
OTHER FINANCING SOURCES (USES):				
Transfers in	3,489	-	352	-
Transfers out	(133)	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Proceeds from sale of capital assets	25	-	-	-
Total other financing sources (uses)	3,381	-	352	-
Net change in fund balances	(1,602)	281	72	690
Fund balances at October 1, 2009 (Note 18)	9	615	-	3,406
Fund balances at September 30, 2010	$ (1,593)	896	72	4,096

Special Revenue Funds				
Youth Services	Community & Economic Development	Building Authority	Stadium and Land Development	Budget Stabilization
4,456	-	-	-	-
-	-	-	6,522	-
-	-	-	-	-
-	281	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3	-	-	-
-	3	-	-	-
-	-	-	-	-
4,456	287	-	6,522	-
-	27	-	-	-
-	13	-	-	-
-	3	-	-	-
-	-	-	-	-
1,680	240	-	162	-
-	-	-	-	-
-	181	-	-	-
-	-	-	6,360	-
12	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,692	464	-	6,522	-
2,764	(177)	-	-	-
723	37	-	-	-
(3,409)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(2,686)	37	-	-	-
78	(140)	-	-	-
1,144	402	-	-	3,000
1,222	262	-	-	3,000

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2010
(in thousands)

	Special Revenue Funds			
	Environmental Programs	Nuisance Abatement	Health and Family Services	Pinnacle Aeropark
REVENUES:				
Taxes:				
Property taxes	$ -	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	339	-	25,828	826
State grants and contracts	214	-	-	-
Local grants and contracts	564	-	-	-
Charges for services	2,228	-	-	11
Interest and rents	27	-	-	-
Other	-	-	-	-
Total revenues	3,372	-	25,828	837
EXPENDITURES:				
Current operations:				
Personnel	740	-	410	-
Fringe benefits	342	-	187	-
Pension	174	-	59	-
Materials and supplies	24	-	17	-
Contractual services	1,942	1	24,921	1,122
Travel	37	-	3	1
Operating	27	-	11	-
Rentals	60	-	4	-
Other charges	2	8	22	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	3,348	9	25,634	1,123
Excess (deficiency) of revenues over (under) expenditures	24	(9)	194	(286)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	414	222	369
Transfers out	-	-	-	(369)
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	414	222	-
Net change in fund balances	24	405	416	(286)
Fund balances at October 1, 2009 (Note 18)	4,996	(2,002)	471	-
Fund balances at September 30, 2010	$ 5,020	(1,597)	887	(286)

Debt Service Funds		
General Debt Service	Roads	Wayne County Building Authority
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
70	-	14,327
791	-	-
861	-	14,327
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
7,812	5,945	14,326
7,812	5,945	14,326
(6,951)	(5,945)	1
7,884	5,945	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
7,884	5,945	-
933	-	1
1,453	16	6,257
2,386	16	6,258

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended September 30, 2010
(in thousands)

	Capital Projects Funds			
	Wayne County Construction	Wayne County Building Authority Construction	County Roads Projects	Other Capital Projects
REVENUES:				
Taxes:				
Property taxes	$ -	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	251
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	4	7	-	149
Other	-	-	-	-
Total revenues	4	7	-	400
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	127	-	-	2,100
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	93	-	1,452
Capital outlay	-	-	-	38,154
Debt service	-	-	-	315
Total expenditures	127	93	-	42,021
Excess (deficiency) of revenues over (under) expenditures	(123)	(86)	-	(41,621)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(286)	(100)	-	-
Bond issuance	-	-	-	32,555
Bond premium	-	-	-	46
Bond discount	-	-	-	(187)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(286)	(100)	-	32,414
Net change in fund balances	(409)	(186)	-	(9,207)
Fund balances at October 1, 2009 (Note 18)	1,214	1,769	-	28,895
Fund balances at September 30, 2010	$ 805	1,583	-	19,688

Special Revenue Funds Totals	Debt Service Funds Totals	Capital Projects Funds Totals	Non-major Governmental Funds Totals
$ 17,827	$ -	$ -	$ 17,827
6,522	-	-	6,522
73	-	-	73
54,686	-	251	54,937
5,161	-	-	5,161
1,582	-	-	1,582
13,501	-	-	13,501
3,726	14,397	160	18,283
324	791	-	1,115
103,402	15,188	411	119,001
15,858	-	-	15,858
6,512	-	-	6,512
2,866	-	-	2,866
3,291	-	-	3,291
53,724	-	2,227	55,951
345	-	-	345
2,206	-	-	2,206
7,991	-	-	7,991
13,656	-	1,545	15,201
2,083	-	38,154	40,237
-	28,083	315	28,398
108,532	28,083	42,241	178,856
(5,130)	(12,895)	(41,830)	(59,855)
11,467	13,829	-	25,296
(3,958)	-	(386)	(4,344)
-	-	32,555	32,555
-	-	46	46
-	-	(187)	(187)
25	-	-	25
7,534	13,829	32,028	53,391
2,404	934	(9,802)	(6,464)
24,999	7,726	31,878	64,603
$ 27,403	$ 8,660	$ 22,076	$ 58,139

(Concluded)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
PARKS FUND

For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ 11,962	11,962	11,606	(356)
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	60	60	73	13
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	3	3
Charges for services	1,291	1,291	1,257	(34)
Interest and rents	319	319	97	(222)
Other	250	250	261	11
Total revenues	13,882	13,882	13,297	(585)
EXPENDITURES:				
Current operations:				
Personnel	3,955	3,955	3,053	(902)
Fringe benefits	1,641	1,641	1,327	(314)
Pension	839	839	531	(308)
Materials and supplies	572	572	492	(80)
Contractual services	6,083	5,817	5,465	(352)
Travel	10	10	6	(4)
Operating	541	541	494	(47)
Rentals	1,252	1,252	1,104	(148)
Other charges	704	13	14	1
Capital outlay	2,172	1,580	1,701	121
Debt service	-	-	-	-
Total expenditures	17,769	16,220	14,187	(2,033)
Excess (deficiency) of revenues over (under) expenditures	(3,887)	(2,338)	(890)	1,448
OTHER FINANCING SOURCES (USES):				
Transfers in	3,782	3,782	3,782	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	3,782	3,782	3,782	-
Net change in fund balances	(105)	1,444	2,892	1,448
Fund balances at October 1, 2009	16,785	16,785	16,785	-
Fund balances at September 30, 2010	$ 16,680	18,229	19,677	1,448

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
ROUGE DEMONSTRATION PROJECT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	2,358	2,358	1,235	(1,123)
State grants and contracts	-	-	-	-
Local grants and contracts	1,930	1,930	1,015	(915)
Charges for services	2,126	2,126	2,013	(113)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	6,414	6,414	4,263	(2,151)
EXPENDITURES:				
Current operations:				
Personnel	814	814	774	(40)
Fringe benefits	373	373	384	11
Pension	174	174	184	10
Materials and supplies	87	87	24	(63)
Contractual services	4,766	4,766	2,501	(2,265)
Travel	41	41	26	(15)
Operating	56	56	31	(25)
Rentals	92	92	87	(5)
Other charges	11	11	6	(5)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	6,414	6,414	4,017	(2,397)
Excess (deficiency) of revenues over (under) expenditures	-	-	246	246
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	246	246
Fund balances at October 1, 2009	-	-	-	-
Fund balances at September 30, 2010	$ -	-	246	246

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
LAW ENFORCEMENT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	18,033	20,974	5,977	(14,997)
State grants and contracts	2,339	1,079	100	(979)
Local grants and contracts	-	-	-	-
Charges for services	2,288	2,144	2,347	203
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	22,660	24,197	8,424	(15,773)
EXPENDITURES:				
Current operations:				
Personnel	1,816	2,183	1,798	(385)
Fringe benefits	761	880	722	(158)
Pension	387	449	382	(67)
Materials and supplies	136	150	38	(112)
Contractual services	3,918	17,416	3,949	(13,467)
Travel	-	-	4	4
Operating	16,012	3,499	1,170	(2,329)
Rentals	58	37	5	(32)
Other charges	172	183	83	(100)
Capital outlay	-	-	350	350
Debt service	-	-	-	-
Total expenditures	23,260	24,797	8,501	(16,296)
Excess (deficiency) of revenues over (under) expenditures	(600)	(600)	(77)	523
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	656	656
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	656	656
Net change in fund balances	(600)	(600)	579	1,179
Fund balance at October 1, 2009	(3,980)	(3,980)	(3,980)	-
Fund balance at September 30, 2010	$ (4,580)	(4,580)	(3,401)	1,179

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
COUNTY LIBRARY FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	327	327	107	(220)
Local grants and contracts	-	-	-	-
Charges for services	1,128	1,128	833	(295)
Interest and rents	3,792	3,792	3,530	(262)
Other	-	-	-	-
Total revenues	5,247	5,247	4,470	(777)
EXPENDITURES:				
Current operations:				
Personnel	2,175	2,175	1,933	(242)
Fringe benefits	733	733	686	(47)
Pension	368	368	432	64
Materials and supplies	131	131	37	(94)
Contractual services	1,504	1,504	1,340	(164)
Travel	8	8	6	(2)
Operating	63	62	43	(19)
Rentals	3	3	-	(3)
Other charges	741	743	422	(321)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	5,726	5,727	4,899	(828)
Excess (deficiency) of revenues over (under) expenditures	(479)	(480)	(429)	51
OTHER FINANCING SOURCES (USES):				
Transfers in	480	480	480	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	480	480	480	-
Net change in fund balances	1	-	51	51
Fund balance at October 1, 2009	135	135	135	-
Fund balance at September 30, 2010	$ 136	135	186	51

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	26,095	26,845	12,197	(14,648)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	26,095	26,845	12,197	(14,648)
EXPENDITURES:				
Current operations:				
Personnel	429	429	287	(142)
Fringe benefits	187	187	126	(61)
Pension	91	91	47	(44)
Materials and supplies	12	12	2	(10)
Contractual services	12,570	7,937	2,182	(5,755)
Travel	17	14	7	(7)
Operating	21	21	3	(18)
Rentals	-	-	-	-
Other charges	12,822	18,208	10,075	(8,133)
Capital outlay	-	-	-	-
Debt service	187	187	-	(187)
Total expenditures	26,336	27,086	12,729	(14,357)
Excess (deficiency) of revenues over (under) expenditures	(241)	(241)	(532)	(291)
OTHER FINANCING SOURCES (USES):				
Transfers in	241	241	54	(187)
Transfers out	-	-	(47)	(47)
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	241	241	7	(234)
Net change in fund balances	-	-	(525)	(525)
Fund balance at October 1, 2009	1	1	1	-
Fund balance at September 30, 2010	$ 1	1	(524)	(525)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
DRUG ENFORCEMENT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	800	800	366	(434)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	1,900	2,275	1,862	(413)
Interest and rents	-	-	1	1
Other	-	-	-	-
Total revenues	2,700	3,075	2,229	(846)
EXPENDITURES:				
Current operations:				
Personnel	1,158	1,173	1,182	9
Fringe benefits	438	444	453	9
Pension	247	250	283	33
Materials and supplies	121	115	77	(38)
Contractual services	437	444	490	46
Travel	-	-	-	-
Operating	10	10	14	4
Rentals	74	74	65	(9)
Other charges	216	215	86	(129)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	2,701	2,725	2,650	(75)
Excess (deficiency) of revenues over (under) expenditures	(1)	350	(421)	(771)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(350)	-	350
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	(350)	-	350
Net change in fund balances	(1)	-	(421)	(421)
Fund balance at October 1, 2009	(433)	(433)	(433)	-
Fund balance at September 30, 2010	$ (434)	(433)	(854)	(421)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
NUTRITION FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	2,317	3,044	2,893	(151)
State grants and contracts	1,043	1,043	861	(182)
Local grants and contracts	-	-	-	-
Charges for services	654	654	645	(9)
Interest and rents	-	-	-	-
Other	79	79	63	(16)
Total revenues	4,093	4,820	4,462	(358)
EXPENDITURES:				
Current operations:				
Personnel	1,381	1,417	1,512	95
Fringe benefits	483	484	527	43
Pension	206	206	203	(3)
Materials and supplies	2,053	2,667	2,425	(242)
Contractual services	564	564	750	186
Travel	178	178	195	17
Operating	29	29	53	24
Rentals	-	-	-	-
Other charges	1	8	16	8
Capital outlay	-	70	32	(38)
Debt service	-	-	-	-
Total expenditures	4,895	5,623	5,713	90
Excess (deficiency) of revenues over (under) expenditures	(802)	(803)	(1,251)	(448)
OTHER FINANCING SOURCES (USES):				
Transfers in	802	802	889	87
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	802	802	889	87
Net change in fund balances	-	(1)	(362)	(361)
Fund balance at October 1, 2009	362	362	362	-
Fund balance at September 30, 2010	$ 362	361	-	(361)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
VETERAN'S TRUST FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	450	450	160	(290)
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	450	450	160	(290)
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	450	450	154	(296)
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	450	450	154	(296)
Excess (deficiency) of revenues over (under) expenditures	-	-	6	6
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	6	6
Fund balance at October 1, 2009	88	88	88	-
Fund balance at September 30, 2010	$ 88	88	94	6

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
E & ND 21st CENTURY FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	17,044	14,964	3,846	(11,118)
State grants and contracts	488	356	248	(108)
Local grants and contracts	-	-	-	-
Charges for services	-	-	103	103
Interest and rents	-	-	56	56
Other	-	-	-	-
Total revenues	17,532	15,320	4,253	(11,067)
EXPENDITURES:				
Current operations:				
Personnel	1,120	960	1,845	885
Fringe benefits	492	424	771	347
Pension	239	206	248	42
Materials and supplies	165	73	81	8
Contractual services	4,799	3,049	3,179	130
Travel	174	111	34	(77)
Operating	66	62	138	76
Rentals	30	37	35	(2)
Other charges	13,683	13,635	2,905	(10,730)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	20,768	18,557	9,236	(9,321)
Excess (deficiency) of revenues over (under) expenditures	(3,236)	(3,237)	(4,983)	(1,746)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,489	3,489	3,489	-
Transfers out	(251)	(251)	(133)	118
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	25	25
Total other financing sources (uses)	3,238	3,238	3,381	143
Net change in fund balances	2	1	(1,602)	(1,603)
Fund balance at October 1, 2009	9	9	9	-
Fund balance at September 30, 2010	$ 11	10	(1,593)	(1,603)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
COMMUNITY CORRECTIONS FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	636	156	250	94
State grants and contracts	2,671	2,671	2,585	(86)
Local grants and contracts	-	-	-	-
Charges for services	2,161	2,161	2,199	38
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	5,468	4,988	5,034	46
EXPENDITURES:				
Current operations:				
Personnel	1,022	1,022	1,010	(12)
Fringe benefits	414	414	393	(21)
Pension	210	210	157	(53)
Materials and supplies	127	127	72	(55)
Contractual services	3,363	2,883	2,817	(66)
Travel	22	22	4	(18)
Operating	26	26	24	(2)
Rentals	269	269	271	2
Other charges	10	10	5	(5)
Capital outlay	5	5	-	(5)
Debt service	-	-	-	-
Total expenditures	5,468	4,988	4,753	(235)
Excess (deficiency) of revenues over (under) expenditures	-	-	281	281
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	281	281
Fund balance at October 1, 2009	615	615	615	-
Fund balance at September 30, 2010	$ 615	615	896	281

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
VICTIM WITNESS FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	605	605	648	43
State grants and contracts	750	750	886	136
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	1,355	1,355	1,534	179
EXPENDITURES:				
Current operations:				
Personnel	1,064	1,064	1,043	(21)
Fringe benefits	442	442	471	29
Pension	227	227	132	(95)
Materials and supplies	-	-	-	-
Contractual services	179	179	134	(45)
Travel	19	19	21	2
Operating	11	11	13	2
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	1,942	1,942	1,814	(128)
Excess (deficiency) of revenues over (under) expenditures	(587)	(587)	(280)	307
OTHER FINANCING SOURCES (USES):				
Transfers in	587	587	352	(235)
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	587	587	352	(235)
Net change in fund balances	-	-	72	72
Fund balance at October 1, 2009	-	-	-	-
Fund balance at September 30, 2010	$ -	-	72	72

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
SOLDIERS' RELIEF FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ 1,850	1,850	1,765	(85)
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	41	41	-	(41)
Interest and rents	-	-	12	12
Other	-	-	-	-
Total revenues	1,891	1,891	1,777	(114)
EXPENDITURES:				
Current operations:				
Personnel	224	224	244	20
Fringe benefits	95	95	110	15
Pension	48	48	31	(17)
Materials and supplies	11	11	2	(9)
Contractual services	1,439	1,439	695	(744)
Travel	20	20	1	(19)
Operating	11	11	4	(7)
Rentals	27	27	-	(27)
Other charges	10	10	-	(10)
Capital outlay	5	5	-	(5)
Debt service	-	-	-	-
Total expenditures	1,890	1,890	1,087	(803)
Excess (deficiency) of revenues over (under) expenditures	1	1	690	689
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1	1	690	689
Fund balance at October 1, 2009	3,406	3,406	3,406	-
Fund balance at September 30, 2010	$ 3,407	3,407	4,096	689

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
YOUTH SERVICES FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ 4,544	4,544	4,456	(88)
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	4,544	4,544	4,456	(88)
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	1,590	1,560	1,680	120
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	12	12
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	1,590	1,560	1,692	132
Excess (deficiency) of revenues over (under) expenditures	2,954	2,984	2,764	(220)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,223	723	723	-
Transfers out	(4,177)	(4,207)	(3,409)	798
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(2,954)	(3,484)	(2,686)	798
Net change in fund balances	-	(500)	78	578
Fund balance at October 1, 2009	1,144	1,144	1,144	-
Fund balance at September 30, 2010	$ 1,144	644	1,222	578

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
COMMUNITY & ECONOMIC DEVELOPMENT
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	2,457	281	(2,176)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	3	3
Interest and rents	-	-	3	3
Other	-	-	-	-
Total revenues	-	2,457	287	(2,170)
EXPENDITURES:				
Current operations:				
Personnel	-	-	27	27
Fringe benefits	-	-	13	13
Pension	-	-	3	3
Materials and supplies	-	-	-	-
Contractual services	-	2,457	240	(2,217)
Travel	-	-	-	-
Operating	-	-	181	181
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	2,457	464	(1,993)
Excess (deficiency) of revenues over (under) expenditures	-	-	(177)	(177)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	37	37
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	37	37
Net change in fund balances	-	-	(140)	(140)
Fund balance at October 1, 2009 (Note 18)	402	402	402	-
Fund balance at September 30, 2010	$ 402	402	262	(140)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
BUILDING AUTHORITY FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance at October 1, 2009	-	-	-	-
Fund balance at September 30, 2010	$ -	-	-	-

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
STADIUM AND LAND DEVELOPMENT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	6,850	6,850	6,522	(328)
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	5	5	-	(5)
Other	-	-	-	-
Total revenues	6,855	6,855	6,522	(333)
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	248	248	162	(86)
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	6,607	6,607	6,360	(247)
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	6,855	6,855	6,522	(333)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance at October 1, 2009	-	-	-	-
Fund balance at September 30, 2010	$ -	-	-	-

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
BUDGET STABILIZATION FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance at October 1, 2009	3,000	3,000	3,000	-
Fund balance at September 30, 2010	$ 3,000	3,000	3,000	-

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
ENVIRONMENTAL PROGRAMS FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	339	339
State grants and contracts	215	215	214	(1)
Local grants and contracts	359	359	564	205
Charges for services	2,421	2,421	2,228	(193)
Interest and rents	180	180	27	(153)
Other	-	-	-	-
Total revenues	3,175	3,175	3,372	197
EXPENDITURES:				
Current operations:				
Personnel	832	832	740	(92)
Fringe benefits	349	349	342	(7)
Pension	178	178	174	(4)
Materials and supplies	38	38	24	(14)
Contractual services	1,659	1,659	1,942	283
Travel	67	67	37	(30)
Operating	36	36	27	(9)
Rentals	60	60	60	-
Other charges	7	7	2	(5)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	3,226	3,226	3,348	122
Excess (deficiency) of revenues over (under) expenditures	(51)	(51)	24	75
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(51)	(51)	24	75
Fund balance at October 1, 2009	4,996	4,996	4,996	-
Fund balance at September 30, 2010	$ 4,945	4,945	5,020	75

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
NUISANCE ABATEMENT FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	1	1
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	8	8
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	9	9
Excess (deficiency) of revenues over (under) expenditures	-	-	(9)	(9)
OTHER FINANCING SOURCES (USES):				
Transfers in	250	250	414	164
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	250	250	414	164
Net change in fund balances	250	250	405	155
Fund balance at October 1, 2009	(2,002)	(2,002)	(2,002)	-
Fund balance at September 30, 2010	$ (1,752)	(1,752)	(1,597)	155

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
HEALTH AND FAMILY SERVICES FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	23,411	25,752	25,828	76
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	23,411	25,752	25,828	76
EXPENDITURES:				
Current operations:				
Personnel	467	467	410	(57)
Fringe benefits	203	203	187	(16)
Pension	100	100	59	(41)
Materials and supplies	37	37	17	(20)
Contractual services	22,488	24,828	24,921	93
Travel	22	22	3	(19)
Operating	48	48	11	(37)
Rentals	19	19	4	(15)
Other charges	29	29	22	(7)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	23,413	25,753	25,634	(119)
Excess (deficiency) of revenues over (under) expenditures	(2)	(1)	194	195
OTHER FINANCING SOURCES (USES):				
Transfers in	2	2	222	220
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	2	2	222	220
Net change in fund balances	-	1	416	415
Fund balance at October 1, 2009	471	471	471	-
Fund balance at September 30, 2010	$ 471	472	887	415

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
PINNACLE AEROPARK FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	826	826
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	1,397	1,397	11	(1,386)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	1,397	1,397	837	(560)
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	1,177	1,177	1,122	(55)
Travel	-	-	1	1
Operating	-	-	-	-
Rentals	1,121	1,121	-	(1,121)
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	2,298	2,298	1,123	(1,175)
Excess (deficiency) of revenues over (under) expenditures	(901)	(901)	(286)	615
OTHER FINANCING SOURCES (USES):				
Transfers in	1,270	1,270	369	(901)
Transfers out	(369)	(369)	(369)	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium				
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	901	901	-	(901)
Net change in fund balances	-	-	(286)	(286)
Fund balances at October 1, 2009	-	-	-	-
Fund balances at September 30, 2010	$ -	-	(286)	(286)

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
GENERAL DEBT SERVICE FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	16,000	16,000	-	(16,000)
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	242	242	70	(172)
Other	974	974	791	(183)
Total revenues	17,216	17,216	861	(16,355)
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	41,284	41,284	7,812	(33,472)
Total expenditures	41,284	41,284	7,812	(33,472)
Excess (deficiency) of revenues over (under) expenditures	(24,068)	(24,068)	(6,951)	17,117
OTHER FINANCING SOURCES (USES):				
Transfers in	24,067	24,067	7,884	(16,183)
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium				
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	24,067	24,067	7,884	(16,183)
Net change in fund balances	(1)	(1)	933	934
Fund balances at October 1, 2009	1,453	1,453	1,453	-
Fund balances at September 30, 2010	$ 1,452	1,452	2,386	934

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
ROADS DEBT SERVICE FUND
For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	5,958	5,958	5,945	(13)
Total expenditures	5,958	5,958	5,945	(13)
Excess (deficiency) of revenues over (under) expenditures	(5,958)	(5,958)	(5,945)	13
OTHER FINANCING SOURCES (USES):				
Transfers in	5,958	5,958	5,945	(13)
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium				
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	5,958	5,958	5,945	(13)
Net change in fund balances	-	-	-	-
Fund balances at October 1, 2009	16	16	16	-
Fund balances at September 30, 2010	$ 16	16	16	-

CHARTER COUNTY OF WAYNE, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
WAYNE COUNTY BUILDING AUTHORITY DEBT SERVICE FUND

For the Year Ended September 30, 2010
(in thousands)

	Original Budget	Final Amended Budget	Actual	Variance Over (Under)
REVENUES:				
Taxes				
Property taxes	$ -	-	-	-
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	14,327	14,327	14,327	-
Other	-	-	-	-
Total revenues	14,327	14,327	14,327	-
EXPENDITURES:				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	14,327	14,327	14,326	(1)
Total expenditures	14,327	14,327	14,326	(1)
Excess (deficiency) of revenues over (under) expenditures	-	-	1	1
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium				
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	1	1
Fund balances at October 1, 2009	6,257	6,257	6,257	-
Fund balances at September 30, 2010	$ 6,257	6,257	6,258	1

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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 Systems – 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.

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

Copy Center – This fund accounts for printing and copying services provided by the Office of the County Clerk to various County departments, other governmental and private establishments, and for the reproduction of certain court records for the general public.

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
As of September 30, 2010
(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Total Non-major Enterprise Funds
ASSETS:							
Current assets:							
Unrestricted current assets:							
Equity in pooled cash and investments	$ 1,759	-	79	-	-	-	$ 1,838
Other cash and investments	-	-	58	-	-	-	58
Due from other funds	-	-	-	-	-	100	100
Receivables:							
Accounts	-	-	150	5	-	-	155
Due from other governmental units	2,000	2,456	-	-	-	-	4,456
Less allowance for uncollectible accounts	-	(284)	-	-	-	-	(284)
Prepayment and deposits	3	-	-	-	-	-	3
Restricted assets: Equity in pooled cash and investments	527	3,298	-	-	-	-	3,825
Total current assets	4,289	5,470	287	5	-	100	10,151
Non-current assets:							
Restricted assets:							
Equity in pooled cash and investments	1,916	2,979	-	-	-	-	4,895
Accounts receivable	-	3,665	-	-	-	-	3,665
Bond principal due from municipalities	2,143	20,211	-	-	-	-	22,354
Capital assets:							
Non-depreciable	11	-	-	1,423	155	-	1,589
Depreciable, net	3,900	-	-	66	-	5	3,971
Other assets	11	255	-	-	-	-	266
Total non-current assets	7,981	27,110	-	1,489	155	5	36,740
Total assets	$ 12,270	32,580	287	1,494	155	105	$ 46,891
LIABILITIES AND NET ASSETS:							
Current liabilities:							
Payable from unrestricted current assets:							
Negative equity in pooled cash	$ -	2,573	-	1	-	787	$ 3,361
Accounts and contracts payable	5	61	17	-	-	-	83
Accrued wages and benefits	-	-	-	-	-	3	3
Current portion of long-term obligations	-	-	-	-	-	4	4
Other liabilities	4,240	6	58	-	-	94	4,398
Payable from restricted current assets:							
Current portion of long-term obligations	511	2,935	-	-	-	-	3,446
Accrued interest	16	363	-	-	-	-	379
Total current liabilities	4,772	5,938	75	1	-	888	11,674
Noncurrent liabilities:							
Payable from restricted non-current assets:							
Accounts payable	155	3,321	-	-	-	-	3,476
Long-term obligations - bonds payable	1,632	19,174	-	-	-	-	20,806
Other long-term obligations	-	-	-	-	-	30	30
Total non-current liabilities	1,787	22,495	-	-	-	30	24,312
Total liabilities	6,559	28,433	75	1	-	918	35,986
Net Assets:							
Invested in capital assets, net of related debt	1,768	-	-	1,489	155	5	3,417
Restricted for bond programs	4,415	4,360	-	-	-	-	8,775
Unrestricted	(472)	(213)	212	4	-	(818)	(1,287)
Total net assets	5,711	4,147	212	1,493	155	(813)	10,905
Total liabilities and net assets	$ 12,270	32,580	287	1,494	155	105	$ 46,891

CHARTER COUNTY OF WAYNE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

For the Year Ended September 30, 2010

(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Total Non-major Enterprise Funds
OPERATING REVENUES:							
Sewage disposal charges	$ 16,728	59	-	-	-	-	$ 16,787
Other charges for services	-	1,647	2,392	64	-	219	4,322
Total operating revenues	16,728	1,706	2,392	64	-	219	21,109
OPERATING EXPENSES:							
Personnel	-	-	-	-	-	140	140
Fringe benefits	-	-	-	-	-	79	79
Pension	-	-	-	-	-	42	42
Materials and supplies	45	124	616	-	-	44	829
Contractual services	15,527	1,215	984	66	-	57	17,849
Miscellaneous operating	314	552	2	-	-	83	951
Rentals	274	22	-	-	-	210	506
Other charges	-	-	622	1	-	1	624
Depreciation and amortization	352	-	-	4	-	4	360
Total operating expenses	16,512	1,913	2,224	71	-	660	21,380
Operating income (loss)	216	(207)	168	(7)	-	(441)	(271)
Non-operating revenues (expenses)							
Investment earnings (loss)	21	174	-	-	-	(2)	193
Collections from participating local units	77	1,081	-	-	-	-	1,158
Interest expense	(94)	(1,257)	-	-	-	-	(1,351)
Total non-operating revenues (expenses)	4	(2)	-	-	-	(2)	-
Net income (loss) before transfers	220	(209)	168	(7)	-	(443)	(271)
Transfers in	-	-	-	-	-	100	100
Change in net assets	220	(209)	168	(7)	-	(343)	(171)
Net assets at October 1, 2009	5,491	4,356	44	1,500	155	(470)	11,076
Net assets at September 30, 2010	$ 5,711	4,147	212	1,493	155	(813)	$ 10,905

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2010
(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Total Non-major Enterprise Funds
Cash flows from operating activities:							
Receipts from customers	$ 18,676	564	2,242	61	-	219	$ 21,762
Payments to suppliers	(15,768)	(1,958)	(2,169)	(68)	-	(364)	(20,327)
Payments to employees and payments for benefits	-	-	-	-	-	(256)	(256)
Internal activity - receipts from other funds	-	-	-	-	3	-	3
Net cash provided by (used in) operating activities	2,908	(1,394)	73	(7)	3	(401)	1,182
Cash flows from capital and related financing activities:							
Repayment of long-term debt	(516)	(2,965)	-	-	-	-	(3,481)
Bond principal received from municipalities	501	2,727	-	-	-	-	3,228
Interest received from participating local units	77	1,081	-	-	-	-	1,158
Interest paid	(77)	(962)	-	-	-	-	(1,039)
Net cash provided used in capital and related financing activities	(15)	(119)	-	-	-	-	(134)
Cash flows from investing activities:							
Investment earnings (loss)	21	174	-	-	-	(2)	193
Net cash provided by investing activities	21	174	-	-	-	(2)	193
Net decrease in cash and cash equivalents	2,914	(1,339)	73	(7)	3	(403)	1,241
Cash and cash equivalents at October 1, 2009	1,288	5,043	64	6	(3)	(384)	6,014
Cash and cash equivalents at September 30, 2010	$ 4,202	3,704	137	(1)	-	(787)	$ 7,255
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities							
Operating income (loss)	$ 216	(207)	168	(7)	-	(441)	$ (271)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:							
Depreciation and amortization	352	-	-	4	-	4	360
Decreases (increases) in current assets:							
Accounts receivable	1,342	(138)	(150)	(3)	-	-	1,051
Due from other funds	-	-	-	-	3	-	3
Due from other governmental units	606	(1,004)	-	-	-	-	(398)
Other current assets	(1)	-	-	-	-	-	(1)
Increases (decreases) in current liabilities:							
Accounts and contracts payable	(38)	(5)	17	-	-	(43)	(69)
Accrued wages and benefits	-	-	-	-	-	(9)	(9)
Other liabilities	431	(40)	38	(1)	-	74	502
Increase (Decrease) in noncurrent other liabilities	-	-	-	-	-	14	14
Net cash provided by (used in) operating activities	$ 2,908	(1,394)	73	(7)	3	(401)	$ 1,182
Cash and cash equivalents at September 30, 2010 consists of the following:							
Equity in pooled cash and investments	$ 1,759	-	79	-	-	-	1,838
Negative equity in pooled cash	-	(2,573)	-	(1)	-	(787)	(3,361)
Other cash and investments	-	-	58	-	-	-	58
Restricted assets:							
Equity in pooled cash and equivalents	2,443	6,277	-	-	-	-	8,720
Total cash and investments	$ 4,202	3,704	137	(1)	-	(787)	$ 7,255

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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 Departments of Corporation Counsel, Management and Budget, Personnel/Human Resources, 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.

Equipment Lease Financing – This fund is used to account for the costs of financing acquisitions of real property, machinery and equipment. The fund recovers costs by billing user departments.

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

CHARTER COUNTY OF WAYNE, MICHIGAN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
As of September 30, 2010
(in thousands)

	Central Services	Environment	Long-Term Disability	General Health
ASSETS:				
Current assets:				
Equity in pooled cash and investments	$ 10,108	609	520	5,680
Other cash and investments	4	1	-	-
Due from other funds	-	-	-	-
Due from component units	26	-	-	-
Receivables:				
Due from other governmental units	95	-	-	-
Supplies inventory, at cost	160	-	-	-
Prepayments and deposits	297	-	-	-
Total current assets	10,690	610	520	5,680
Non-current assets:				
Capital assets:				
Non-depreciable	-	24	-	-
Depreciable, net	3,087	452	-	-
Other Assets:				
Long-term receivables	-	-	-	-
Total non-current assets	3,087	476	-	-
Total assets	$ 13,777	1,086	520	5,680
LIABILITIES AND NET ASSETS:				
Negative equity in pooled cash	$ -	-	-	-
Accounts and contracts payable	2,298	10	-	1,376
Accrued wages and benefits	654	59	30	2
Current portion of long-term obligations	2,508	255	-	-
Other liabilities	1,664	27	331	3,625
Deferred revenue	85	-	-	-
Total current liabilities	7,209	351	361	5,003
Non-current liabilities:				
Other liabilities	4,388	394	-	-
Total non-current liabilities	4,388	394	-	-
Total liabilities	11,597	745	361	5,003
Net assets:				
Invested in capital assets, net of related debt	3,087	476	-	-
Unrestricted	(907)	(135)	159	677
Total net assets	2,180	341	159	677
Total liabilities and net assets	$ 13,777	1,086	520	5,680

Workers' Compensation Self Insurance	General Liability	Equipment Lease Financing	Building and Grounds Maintenance	Totals
10,624	536	-	-	$ 28,077
-	-	-	1	6
-	58	1,750	1,290	3,098
-	-	-	-	26
-	-	-	-	95
-	-	-	-	160
-	-	-	-	297
10,624	594	1,750	1,291	31,759
-	-	30,525	-	30,549
-	-	5,495	2,347	11,381
-	-	-	36,690	36,690
-	-	36,020	39,037	78,620
10,624	594	37,770	40,328	$ 110,379
-	-	38,499	3,151	$ 41,650
99	338	-	136	4,257
2	-	-	226	973
-	-	-	718	3,481
8,712	256	-	1,763	16,378
-	-	-	-	85
8,813	594	38,499	5,994	66,824
2	-	-	37,834	42,618
2	-	-	37,834	42,618
8,815	594	38,499	43,828	109,442
-	-	36,020	2,347	41,930
1,809	-	(36,749)	(5,847)	(40,993)
1,809	-	(729)	(3,500)	937
10,624	594	37,770	40,328	$ 110,379

CHARTER COUNTY OF WAYNE, MICHIGAN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the Year Ended September 30, 2010
(in thousands)

	Central Services	Environment	Long-Term Disability	General Health
OPERATING REVENUES:				
Charges for services	$ 55,027	4,153	854	102,794
Rentals and expense recoveries	-	185	-	-
Total operating revenues	55,027	4,338	854	102,794
OPERATING EXPENSES:				
Personnel	18,236	1,622	-	-
Fringe benefits	9,984	942	-	-
Pension	3,504	311	-	-
Materials and supplies	415	57	-	45
Contractual services	14,994	1,072	65	530
Travel	122	14	-	-
Miscellaneous operating	3,649	77	885	101,765
Rentals	1,880	243	-	-
Other charges	18	-	-	13
Depreciation and amortization	746	70	-	-
Total operating expenses	53,548	4,408	950	102,353
Operating income (loss)	1,479	(70)	(96)	441
Non-operating revenues (expenses):				
Investment earnings (loss)	16	1	-	-
Income (loss) before transfers	1,495	(69)	(96)	441
Transfers in	-	-	-	-
Transfers out	(2,298)	-	-	-
Change in net assets	(803)	(69)	(96)	441
Net assets at October 1, 2009	2,983	410	255	236
Net assets at September 30, 2010	$ 2,180	341	159	677

Workers' Compensation Self Insurance	General Liability	Equipment Lease Financing	Building and Grounds Maintenance	Totals
5,221	2,594	-	16,367	$ 187,010
-	-	1,228	1,856	3,269
5,221	2,594	1,228	18,223	190,279
16	-	-	5,568	25,442
9	-	-	2,855	13,790
2	-	-	1,291	5,108
-	-	-	982	1,499
566	33	8	1,883	19,151
-	-	-	66	202
2,991	2,735	-	4,640	116,742
-	-	-	1,276	3,399
-	-	-	19	50
-	-	515	169	1,500
3,584	2,768	523	18,749	186,883
1,637	(174)	705	(526)	3,396
-	-	(159)	469	327
1,637	(174)	546	(57)	3,723
-	58	1,750	1,390	3,198
-	-	-	-	(2,298)
1,637	(116)	2,296	1,333	4,623
172	116	(3,025)	(4,833)	(3,686)
1,809	-	(729)	(3,500)	$ 937

CHARTER COUNTY OF WAYNE, MICHIGAN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2010
(in thousands)

	Central Services	Environment	Long-term Disability	General Health
Cash flows from operating activities:				
Receipts for interfund services provided	$ 55,112	4,338	854	102,794
Receipts from interfund loans	587	-	-	-
Payments to employees and payments for benefits	(29,839)	(2,721)	(14)	(4)
Payments to suppliers	(19,879)	(1,469)	(950)	(105,449)
Net cash provided by (used in) operating activities	5,981	148	(110)	(2,659)
Cash flows from noncapital financing activities:				
Long-term receivable	-	-	-	-
Transfers (to) from other funds	(2,298)	-	-	-
Net cash provided by (used in) noncapital and related financing activities	(2,298)	-	-	-
Cash flows from capital and related financing activities:				
Repayment of long-term debt	-	-	-	-
Acquisition of capital assets	(850)	-	-	-
Net cash provided by (used in) capital and related financing activities	(850)	-	-	-
Cash flows from investing activities:				
Investment earnings (loss)	16	1	-	-
Net cash provided by investing activities	16	1	-	-
Net increase (decrease) in cash and cash equivalents	2,849	149	(110)	(2,659)
Cash and cash equivalents at October 1, 2009	7,263	461	630	8,339
Cash and cash equivalents at September 30, 2010	$ 10,112	610	520	5,680
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 1,479	(70)	(96)	441
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	746	70	-	-
(Increases) decreases in current assets:				
Due from other funds	587	-	-	-
Other assets	154	-	-	-
Increases (decreases) in current liabilities:				
Accounts and contracts payable	768	(9)	-	(2,139)
Accrued wages and benefits	(64)	(4)	(14)	(4)
Due to other funds	-	-	-	-
Other liabilities	277	3	-	(957)
Compensated absences payable	107	(9)	-	-
Deferred revenue	85	-	-	-
(Decrease) in noncurrent other liabilities	1,842	167	-	-
Net cash provided by (used in) operating activities	$ 5,981	148	(110)	(2,659)
Cash and cash equivalents at September 30, 2010 consists of the following:				
Equity in pooled cash and investments	$ 10,108	609	520	5,680
Negative equity in pooled cash	-	-	-	-
Other cash and investments	4	1	-	-
Total cash and investments	$ 10,112	610	520	5,680

Workers' Compensation Self Insurance	General Liability	Equipment Lease Financing	Building and Grounds Maintenance	Totals
5,221	2,594	1,228	18,223	$ 190,364
-	-	306	-	893
(25)	-	-	(9,210)	(41,813)
(3,929)	(2,368)	(8)	(8,836)	(142,888)
1,267	226	1,526	177	6,556
-	-	-	(2)	(2)
-	-	-	100	(2,198)
-	-	-	98	(2,200)
-	-	-	(392)	(392)
-	-	-	-	(850)
-	-	-	(392)	(1,242)
-	-	(159)	469	327
-	-	(159)	469	327
1,267	226	1,367	352	3,441
9,357	310	(39,866)	(3,502)	(17,008)
10,624	536	(38,499)	(3,150)	$ (13,567)
1,637	(174)	705	(526)	$ 3,396
-	-	515	169	1,500
-	-	500	-	1,087
-	-	-	-	154
(18)	331	-	30	(1,037)
2	-	-	(5)	(89)
-	-	(194)	-	(194)
(354)	69	-	-	(962)
-	-	-	39	137
-	-	-	-	85
-	-	-	470	2,479
1,267	226	1,526	177	$ 6,556
10,624	536	-	-	$ 28,077
-	-	(38,499)	(3,151)	(41,650)
-	-	-	1	6
10,624	536	(38,499)	(3,150)	$ (13,567)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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 – 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.

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 ASSETS
PENSION AND (OTHER EMPLOYEE BENEFIT) TRUST FUNDS
As of September 30, 2010
(in thousands)

	Employees	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Total Pension and (Other Employee Benefit) Trust Funds
ASSETS:				
Equity in pooled cash and investments	$ 9,858	15	429	$ 10,302
Due from component units	-	-	12	12
Receivables:				
Accounts receivable	3,229	-	-	3,229
Accrued interest receivable	1,318	-	-	1,318
Total receivables	4,547	-	-	4,547
Retirement investments:				
Equity securities	470,035	4,489	175,383	649,907
Debt securities	116,381	80	107,885	224,346
Money market funds	40,504	161	-	40,665
Other investments	175,248	-	27,105	202,353
Total retirement investments	802,168	4,730	310,373	1,117,271
Prepayments and deposits	17	-	-	17
Depreciable capital assets, net	9	-	-	9
Total assets	$ 816,599	4,745	310,814	$ 1,132,158
LIABILITIES:				
Accounts and contracts payable	$ 840	-	-	$ 840
Accrued wages and benefits	70	-	-	70
Other liabilities	308	-	-	308
Due to broker for securities purchased	6,782	-	-	6,782
Total liabilities	$ 8,000	-	-	$ 8,000
NET ASSETS:				
Net assets held in trust for pension benefits	$ 808,599	4,745	310,814	$ 1,124,158

CHARTER COUNTY OF WAYNE, MICHIGAN
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION AND (OTHER EMPLOYEE BENEFIT) TRUST FUNDS
For the Year Ended September 30, 2010
(in thousands)

	Employees	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Total Pension and (Other Employee Benefits) Trust Funds
ADDITIONS:				
Investment income (loss):				
Net appreciation in fair market value	$ 34,251	213	17,251	$ 51,715
Interest and dividends	19,958	21	5,733	25,712
Other investment income	4,964	-	398	5,362
Investment expenses	(4,183)	-	-	(4,183)
Net investment income (loss)	54,990	234	23,382	78,606
Retirement contributions:				
Employer	35,401	38	18,128	53,567
Employee	29,499	21	5,824	35,344
Total additions	119,890	293	47,334	167,517
DEDUCTIONS:				
Administrative expenses:				
Personnel	1,108	-	-	1,108
Fringe benefits	520	-	-	520
Pension	283	-	-	283
Materials and supplies	121	-	-	121
Contractual services	692	45	442	1,179
Travel	51	-	-	51
Rentals	178	-	-	178
Depreciation and amortization	3	-	-	3
Other charges	20	-	-	20
Total administrative expenses	2,976	45	442	3,463
Participant benefits	131,743	152	38,169	170,064
Total participant benefits	131,743	152	38,169	170,064
Total deductions	134,719	197	38,611	173,527
Change in net assets	(14,829)	96	8,723	(6,010)
Net assets at October 1, 2009	823,428	4,649	302,091	1,130,168
Net assets at September 30, 2010	$ 808,599	4,745	310,814	$ 1,124,158

CHARTER COUNTY OF WAYNE, MICHIGAN
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
As of September 30, 2010
(in thousands)

	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	$ 9,927	140,018	667	8,655	1,447	1,555	4,467	$ 166,736
Other cash and investments	780	-	-	25	866	-	-	1,671
Accounts receivable	2,426	-	-	-	-	-	-	2,426
Total assets	$ 13,133	140,018	667	8,680	2,313	1,555	4,467	$ 170,833
LIABILITIES:								
Accounts and contracts payable	$ 46	706	-	160	9	-	1,259	$ 2,180
Due to other governmental units	82	-	-	-	-	1,222	-	1,304
Accrued wages and benefits	-	-	-	-	-	319	3,208	3,527
Undistributed taxes	-	139,312	-	-	-	-	-	139,312
Retainage	-	-	-	-	2,304	-	-	2,304
Other liabilities	13,005	-	667	8,520	-	14	-	22,206
Total liabilities	$ 13,133	140,018	667	8,680	2,313	1,555	4,467	$ 170,833

CHARTER COUNTY OF WAYNE, MICHIGAN
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended September 30, 2010
(in thousands)

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
TRUST AND AGENCY				
ASSETS:				
Equity in pooled cash and investments	$ 2,830	1,639,099	1,632,002	$ 9,927
Other cash and investments	1,269	780	1,269	780
Receivables:				
Accounts	5,537	3,731,012	3,734,123	2,426
Due from other funds	-	1,929,127	1,929,127	-
Total assets	$ 9,636	7,300,018	7,296,521	$ 13,133
LIABILITIES:				
Accounts and contracts payable	$ 43	19,062	19,059	$ 46
Due to other funds	-	12,660	12,660	-
Due to other governmental units	79	23,174	23,171	82
Other liabilities	9,514	27,339	23,848	13,005
Total liabilities	$ 9,636	82,235	78,738	$ 13,133
UNDISTRIBUTED TAX				
ASSETS:				
Equity in pooled cash and investments	$ 152,465	873,938	886,385	$ 140,018
Receivables:				
Accounts	-	844,795	844,795	-
Due from other funds	-	514,641	514,641	-
Total assets	$ 152,465	2,233,374	2,245,821	$ 140,018
LIABILITIES:				
Accounts and contracts payable	$ 295	287,930	287,519	$ 706
Undistributed taxes	152,170	623,668	636,526	139,312
Total liabilities	$ 152,465	911,598	924,045	$ 140,018

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONTINUED
For the Year Ended September 30, 2010
(in thousands)

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
LIBRARY PENAL FINES				
ASSETS:				
Equity in pooled cash and investments	$ 555	2,254	2,142	$ 667
Other cash and investments	-	-	-	-
Total assets	$ 555	2,254	2,142	$ 667
LIABILITIES:				
Accounts and contracts payable	$ -	-	-	$ -
Other liabilities	555	3,755	3,643	667
Total liabilities	$ 555	3,755	3,643	$ 667
OFFICE OF THE COUNTY CLERK				
ASSETS:				
Equity in pooled cash and investments	$ 10,005	47,638	48,988	$ 8,655
Other cash and investments	15	-	(10)	25
Receivables:				
Accounts	2	13,835	13,837	-
Due from other funds	-	24,726	24,726	-
	-	-	-	
Total assets	$ 10,022	86,199	87,541	$ 8,680
LIABILITIES:				
Accounts and contracts payable	$ 192	15,920	15,952	$ 160
Other liabilities	9,830	33,841	35,151	8,520
	-	-	-	
Total liabilities	$ 10,022	49,761	51,103	$ 8,680

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONTINUED
For the Year Ended September 30, 2010
(in thousands)

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
RETAINAGES				
ASSETS:				
Equity in pooled cash and investments	$ 1,169	809	531	$ 1,447
Other cash and investments	864	204	202	866
Receivables:				
Accounts	1	985	986	-
	-	-	-	
Total assets	$ 2,034	1,998	1,719	$ 2,313
LIABILITIES:				
Accounts and contracts payable	$ 28	187	206	$ 9
Retainage	2,006	981	683	2,304
Total liabilities	$ 2,034	1,168	889	$ 2,313
IMPREST PAYROLL				
ASSETS:				
Equity in pooled cash and investments	$ 2,057	289,517	290,019	$ 1,555
Receivables:				
Due from other funds	-	316,901	316,901	-
Total assets	$ 2,057	606,418	606,920	$ 1,555
LIABILITIES:				
Accounts and contracts payable	$ -	20,230	20,230	$ -
Due to other funds	-	19,491	19,491	-
Due to other governmental units	1,340	71,716	71,834	1,222
Accrued wages and benefits	710	501,207	501,598	319
Other liabilities	7	20,164	20,157	14
Total liabilities	$ 2,057	632,808	633,310	$ 1,555

(Continued)

CHARTER COUNTY OF WAYNE, MICHIGAN
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONTINUED
For the Year Ended September 30, 2010
(in thousands)

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
IMPREST RETIREMENT PAYROLL				
ASSETS:				
Equity in pooled cash and investments	$ 4,340	267,281	267,154	$ 4,467
Receivables:				
Due from other funds	-	191	191	-
Total assets	$ 4,340	267,472	267,345	$ 4,467
LIABILITIES:				
Accounts and contracts payable	$ 1,145	15,405	15,291	$ 1,259
Due to other governmental units	6	15,314	15,320	-
Accrued wages and benefits	3,187	384,045	384,024	3,208
Other liabilities	2	1,881	1,883	-
Total liabilities	$ 4,340	416,645	416,518	$ 4,467
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Equity in pooled cash and investments	$ 173,421	3,120,536	3,127,221	$ 166,736
Other cash and investments	2,148	984	1,461	1,671
Receivables:				
Accounts	5,540	4,590,627	4,593,741	2,426
Due from other funds	-	2,785,586	2,785,586	-
Total assets	$ 181,109	10,497,733	10,508,009	$ 170,833
LIABILITIES:				
Accounts and contracts payable	$ 1,703	358,734	358,257	$ 2,180
Due to other funds	-	32,151	32,151	-
Due to other governmental units	1,425	110,204	110,325	1,304
Accrued wages and benefits	3,897	885,252	885,622	3,527
Undistributed taxes	152,170	623,668	636,526	139,312
Retainage	2,006	981	683	2,304
Other liabilities	19,908	86,980	84,682	22,206
Total liabilities	$ 181,109	2,097,970	2,108,246	$ 170,833

(Concluded)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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.

Detroit-Wayne County Stadium Authority (DWCSA) – This authority was incorporated by the County in August of 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 DWCSA's Articles of Incorporation provide for a six-member board ("the Commission"). Each member of the Commission is appointed by the Wayne County Executive.

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.

Probate Court presides over matters related to the settlement of estates and trusts; appoints guardians and conservators for minors and other legally incapacitated persons, and has jurisdiction over numerous other matters, such as mental illness, communicable diseases, substance abuse and certain child custody issues.

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.

Wayne County-Detroit CDE, Inc. (CDE) – The CDE is an IRS Section 501(c) (3) Michigan corporation and a qualified community development entity that was granted new market tax credits (NTMC) 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 NTMC's are used for investment in low-income communities in Wayne County. The County Executive has appointed six of the eleven board members.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

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.

Greater Wayne County Economic Development Corporation (GWEDC) – The 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 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.

HealthChoice of Michigan (HealthChoice) – 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.

Wayne Regional Jobs and Economic Growth Foundation (WRJEGF) – The Foundation is an IRS Section 501(c)(3) Michigan organization formed to raise funds to support and encourage job and economic development opportunities, projects, and initiatives; and corporations, charities and other organizations that promote the growth of businesses in Wayne County.

Development Corporation of Wayne County (DCWC) – The DCWC is an IRS Section 501(c)(3) Michigan foundation formed to facilitate, plan, organize, promote, manage and administer programs and activities designed to foster local Wayne County neighborhood community improvement and development, with emphasis on improving opportunities for low and moderate income individuals and families within Wayne County. The DCWC will obtain and maintain qualification as a Community Housing Development Corporation, under applicable state and federal laws and regulations. The foundation is funded solely by grants from the County.

Wayne County Land Bank Corporation (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.

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
As of September 30, 2010
(in thousands)

	DWCSA	Chapter 8	Chapter 20	Chapter 21	Probate Court	EDC
ASSETS:						
Current assets:						
Equity in pooled cash and investments	$ 618	6,114	8,659	559	1,086	332
Other cash and investments	6,764	-	-	-	-	6,952
Due from primary government	-	373	-	-	-	-
Receivables:						
Accounts receivable	-	31	1,667	-	19	138
Special assessments	-	548	774	1,960	-	-
Due from other governmental units	-	279	866	606	-	-
Less allowance for uncollectable accounts	-	(158)	-	-	-	-
Inventory - real property held for sale	-	-	-	-	-	13
Prepayments and deposits	-	-	-	-	51	391
Total current assets	7,382	7,187	11,966	3,125	1,156	7,826
Non-current assets:						
Restricted assets:						
Equity in pooled cash and investments	-	-	-	596	-	-
Capital assets:						
Non-depreciable	-	-	4,392	-	-	-
Depreciable, net	-	-	16,577	12,183	1,383	-
Bond issuance costs, net of amortization	537	156	-	-	-	-
Long-term receivable from primary government	67,725	-	-	-	-	-
Special assessments receivable	-	4,688	960	1,940	-	-
Total non-current assets	68,262	4,844	21,929	14,719	1,383	-
Total assets	$ 75,644	12,031	33,895	17,844	2,539	7,826
LIABILITIES AND NET ASSETS:						
Current liabilities:						
Accounts and contracts payable	$ -	271	455	15	24	490
Accrued wages and benefits	-	-	11	5	172	-
Due to primary government	-	-	-	-	-	6,799
Due to other governmental units	-	-	104	-	-	-
Accrued interest	622	33	49	9	-	-
Current portion of long-term obligations	2,364	547	802	1,996	217	-
Unearned revenue	-	3,530	-	-	53	206
Other liabilities	-	432	2,094	162	213	6
Total current liabilities	2,986	4,813	3,515	2,187	679	7,501
Non-current liabilities:						
Non-current portion of long-term obligations	65,249	4,689	960	1,940	-	-
Other liabilities	-	-	48	31	843	-
Total non-current liabilities	65,249	4,689	1,008	1,971	843	-
Total liabilities	68,235	9,502	4,523	4,158	1,522	7,501
Net assets:						
Invested in capital assets, net of related debt	-	-	19,235	8,283	1,383	-
Restricted net assets:						
Bond programs	6,785	-	1,734	4,496	-	-
Capital projects	591	-	-	-	-	-
Unrestricted	33	2,529	8,403	907	(366)	325
Total net assets	7,409	2,529	29,372	13,686	1,017	325
Total liabilities and net assets	$ 75,644	$ 12,031	$ 33,895	$ 17,844	$ 2,539	$ 7,826

CDE	GWEDC	BRA	Health Choice	RJEGF	DCWC	Land Bank	Total Non-major Discretely Presented Component Units
-	156	332	-	-	-	183	$ 18,039
3	275	197	5,510	8	854	84	20,647
-	-	-	-	-	-	-	373
271	23	-	1,643	3	-	-	3,795
-	-	-	-	-	-	-	3,282
-	-	401	-	-	-	3,388	5,540
-	-	-	-	-	-	-	(158)
-	-	-	-	-	-	209	222
2	6	-	97	3	3	-	553
276	460	930	7,250	14	857	3,864	52,293
-	-	-	-	-	-	-	596
-	-	-	15	-	-	-	4,407
-	4	-	2	-	-	9	30,158
-	-	-	-	-	-	-	693
-	-	-	-	-	-	-	67,725
-	-	-	-	-	-	-	7,588
-	4	-	17	-	-	9	111,167
276	464	930	7,267	14	857	3,873	$ 163,460
103	18	90	2,908	51	29	1,848	$ 6,302
-	2	-	-	-	-	22	212
-	-	-	-	-	1	-	6,800
-	-	-	-	-	-	-	104
-	-	-	-	-	-	-	713
-	-	-	-	-	-	80	6,006
-	-	458	1,837	-	772	-	6,856
-	6	514	-	-	-	2,005	5,432
103	26	1,062	4,745	51	802	3,955	32,425
-	-	-	-	-	-	-	72,838
-	-	-	-	-	-	96	1,018
-	-	-	-	-	-	96	73,856
103	26	1,062	4,745	51	802	4,051	106,281
-	4	-	17	-	-	9	28,931
-	-	-	-	-	-	-	13,015
-	-	-	-	-	-	-	591
173	434	(132)	2,505	(37)	55	(187)	14,642
173	438	(132)	2,522	(37)	55	(178)	57,179
$ 276	$ 464	$ 930	$ 7,267	$ 14	$ 857	$ 3,873	$ 163,460

CHARTER COUNTY OF WAYNE, MICHIGAN
NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2010
(in thousands)

	DWCSA	Chapter 8	Chapter 20	Chapter 21	Probate Court	EDC
EXPENSES	$ 3,992	2,363	2,879	3,071	10,162	300
PROGRAM REVENUES:						
Charges for services	3,834	954	2,650	1,809	771	314
Operating grants and contributions	-	894	2,446	143	8,963	20
Total program revenues	3,834	1,848	5,096	1,952	9,734	334
Net (expense) / program revenue	(158)	(515)	2,217	(1,119)	(428)	34
GENERAL REVENUES:						
Investment earnings (loss)	-	12	38	7	-	1
Other revenue	-	-	118	-	10	11
Total general revenues	-	12	156	7	10	12
Change in net assets	(158)	(503)	2,373	(1,112)	(418)	46
Net assets at October 1, 2009 (Note 18)	7,567	3,032	26,999	14,798	1,435	279
Net assets at September 30, 2010	$ 7,409	2,529	29,372	13,686	1,017	325

CDE	GWEDC	BRA	Health Choice	RJEGF	DCWC	Land Bank	Total Non-major Discretely Presented Component Units
160	684	667	17,152	110	1,092	10,110	$ 52,742
80	-	-	17,659	-	-	80	28,151
-	526	552	-	76	1,070	7,933	22,623
80	526	552	17,659	76	1,070	8,013	50,774
(80)	(158)	(115)	507	(34)	(22)	(2,097)	(1,968)
-	1	1	2	-	5	6	73
15	45	-	51	-	-	-	250
15	46	1	53	-	5	6	323
(65)	(112)	(114)	560	(34)	(17)	(2,091)	(1,645)
238	550	(18)	1,962	(3)	72	1,913	58,824
173	438	(132)	2,522	(37)	55	(178)	$ 57,179

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 levels 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.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

FINANCIAL TRENDS

Table 1

CHARTER COUNTY OF WAYNE, MICHIGAN
Net Assets by Component
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

	Fiscal Year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities									
Invested in capital assets, net of related debt	$ 950,521	$ 974,539	$ 982,356	$ 1,039,751	$ 1,073,350	$ 1,120,350	$ 1,197,506	$ 1,121,201	$ 1,132,156
Restricted	257,459	192,002	193,203	125,823	86,318	78,499	89,283	116,567	107,936
Unrestricted	(149,046)	(99,313)	(14,199)	82,709	66,706	31,745	(100,261)	14,882	9,136
Total governmental activities net assets	$ 1,058,934	$ 1,067,228	$ 1,161,360	$ 1,248,283	$ 1,226,374	$ 1,230,594	$ 1,186,528	$ 1,252,650	$ 1,249,228
Business-type activities									
Invested in capital assets, net of related debt	$ 167,770	$ 159,735	$ 159,655	$ 160,424	$ 180,638	$ 215,294	$ 213,588	$ 210,961	$ 218,772
Restricted	172,408	185,445	200,105	211,789	188,935	27,757	8,860	5,598	23,508
Unrestricted	6,509	7,274	15,761	22,295	22,332	226,294	263,049	284,801	275,036
Total business-type activities net assets	$ 346,687	$ 352,454	$ 375,521	$ 394,508	$ 391,905	$ 469,345	$ 485,497	$ 501,360	$ 517,316
Primary government									
Invested in capital assets, net of related debt	$ 1,118,291	$ 1,134,274	$ 1,142,011	$ 1,200,175	$ 1,253,988	$ 1,335,644	$ 1,411,094	$ 1,332,162	$ 1,350,928
Restricted	429,867	377,447	393,308	337,612	275,253	106,256	98,143	122,165	131,444
Unrestricted	(142,537)	(92,039)	1,562	105,004	89,038	258,039	162,788	299,683	284,172
Total primary government net assets	$ 1,405,621	$ 1,419,682	$ 1,536,881	$ 1,642,791	$ 1,618,279	$ 1,699,939	$ 1,672,025	$ 1,754,010	$ 1,766,544

Source: Statement of Net Assets

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

Table 2

	Fiscal Year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses									
Governmental activities:									
Legislative	$ 9,736	$ 10,697	$ 11,873	$ 9,871	$ 8,972	$ 9,189	$ 10,177	$ 11,412	$ 11,876
Judicial	126,507	109,282	119,539	98,345	96,897	97,825	96,132	95,642	108,709
General government	133,484	150,409	131,833	174,234	151,149	145,811	153,569	138,171	129,032
Public safety	165,646	165,074	177,999	177,762	166,593	155,603	155,073	143,033	140,377
Public works	6,021	7,353	7,290	7,510	6,992	7,214	1,405	1,361	1,612
Highways, streets and bridges	129,005	136,775	142,452	140,230	164,345	153,093	155,502	136,368	191,950
Health and welfare	944,892	935,874	979,211	950,270	944,029	901,419	898,802	810,848	847,542
Recreation and cultural	23,005	27,006	30,925	27,310	32,173	29,385	21,382	25,316	20,370
Community and economic development	27,105	20,338	20,780	17,763	17,966	-	-	-	-
Non-departmental *	-	-	-	-	16,057	26,348	68,457	16,194	10,556
Interest on long-term debt	21,610	17,880	21,111	18,465	27,412	24,700	21,852	18,524	20,396
Total governmental activities net expenses	1,587,011	1,580,688	1,643,013	1,621,760	1,632,585	1,550,587	1,582,351	1,396,869	1,482,420
Business-type activities									
Sewage Disposal Systems	93,217	100,010	96,723	92,064	157,499	93,033	94,529	88,812	88,384
Jail Commissary	2,224	2,230	2,545	2,149	1,648	1,187	1,617	1,519	1,894
Parking Lots	71	143	143	107	114	204	219	204	274
Wetlands Mitigation	-	3	-	1	1	5	3	18	349
Copy Center	660	762	722	320	23	-	-	-	-
Total business-type activities expenses	96,172	103,148	100,133	94,641	159,285	94,429	96,368	90,553	90,901
Total primary government expenses	$ 1,683,183	$ 1,683,836	$ 1,743,146	$ 1,716,401	$ 1,791,870	$ 1,645,016	$ 1,678,719	$ 1,487,422	$ 1,573,321
Program Revenues									
Governmental activities:									
Charges for services:									
Legislative	$ 2,251	$ 2,232	$ 1,612	$ -	$ -	$ -	$ -	$ -	$ 40
Judicial	19,250	20,028	19,460	22	2	-	-	-	-
General government	93,650	88,063	78,978	82,763	111,035	110,026	98,695	53,754	51,979
Public safety	34,554	38,496	42,122	30,437	26,020	27,283	21,876	31,025	31,649
Public works	5,234	6,240	6,324	6,609	5,973	6,030	166	150	283
Highways, streets and bridges	900	1,859	10,966	8,078	6,649	6,441	2,516	14,058	12,517
Health and welfare	33,543	15,179	14,555	14,518	24,881	30,723	28,000	36,017	31,930
Recreation and cultural	1,344	3,397	2,605	2,631	5,713	3,681	5,025	3,604	4,386
Community and economic development	582	607	862	758	1,321	-	-	-	-
Non-departmental *	-	-	-	-	-	1,367	3,016	7,831	2,513
Operating grants and contributions	926,294	873,408	880,502	869,537	878,985	872,743	866,483	788,897	796,511
Capital grants and contributions	20,762	17,232	24,411	15,347	12,681	10,281	18,963	8,278	8,998
Total governmental activities program revenues	$ 1,138,364	$ 1,066,741	$ 1,082,397	$ 1,030,700	$ 1,073,260	$ 1,068,575	$ 1,044,740	$ 943,614	$ 940,806

* - The non-departmental function has been reclassified to more specific line items.

Source: Statement of Activities

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 2

Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)
(in thousands)

	Fiscal Year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Business-type activities:									
Charges for services:									
Sewage Disposal Systems	$ 74,171	$ 70,745	$ 70,645	$ 68,162	$ 67,553	$ 68,001	$ 68,028	$ 65,806	$ 65,172
Jail Commissary	2,392	1,641	2,745	2,405	1,314	1,314	1,218	1,387	1,427
Parking Lots	64	143	142	226	197	174	314	483	274
Wetlands Mitigation	-	-	-	-	-	-	3	7	62
Copy Center	219	226	540	329	247	-	-	-	-
Operating grants and contributions	13,154	6,569	5,486	6,161	7,071	7,121	9,287	4,415	8,580
Capital grants and contributions	-	58	640	17,467	3,317	335	1,508	1,890	1,406
Total business-type activities program revenues	90,000	79,382	80,198	94,750	79,699	76,945	80,358	73,988	76,921
Total primary government revenues	$ 1,228,364	$ 1,146,123	$ 1,162,595	$ 1,125,450	$ 1,152,959	$ 1,145,520	$ 1,125,098	$ 1,017,602	$ 1,017,727
Net revenue (expense)									
Governmental activities	(448,647)	(513,947)	(560,616)	(591,060)	(559,325)	(482,012)	(537,611)	(453,255)	(541,614)
Business-type activities	(6,172)	(23,766)	(19,935)	109	(79,586)	(17,484)	(16,010)	(16,565)	(13,980)
Total primary government net revenue (expense)	$ (454,819)	$ (537,713)	$ (580,551)	$ (590,951)	$ (638,911)	$ (499,496)	$ (553,621)	$ (469,820)	$ (555,594)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes	$ 349,385	$ 381,351	$ 401,764	$ 485,554	$ 484,636	$ 465,466	$ 382,482	$ 378,551	$ 362,891
Investment earnings	20,875	21,525	28,390	37,697	33,317	29,597	21,817	28,435	30,947
State sales tax	43,966	5,455	21,701	21,985	-	-	31,687	36,295	39,683
Airport parking taxes	9,333	12,553	15,276	13,866	12,696	10,170	7,228	6,690	13,031
Other revenue	9,969	12,378	25,517	47,658	24,456	20,845	28,319	6,817	7,920
Excise	6,522	6,454	8,408	7,403	-	-	-	-	-
Contributed assets	-	-	(27,004)	-	-	-	-	-	-
Gain on reduction in note payable	-	52,716	-	-	-	-	-	-	-
Transfers	(100)	(87)	(359)	(1,195)	-	-	(45)	(111)	-
Total governmental activities	439,950	492,345	473,693	612,968	555,105	526,078	471,488	456,677	454,472
Business-type activities:									
Investment earnings	305	612	661	2,417	2,148	1,156	102	499	511
Other revenue	-	-	-	-	-	175	-	-	201
Transfers of capital assets	-	-	-	(1,118)	-	-	-	-	-
Contributed assets	-	-	(71)	-	-	-	-	-	-
Transfers in (out)	100	87	359	1,195	-	-	45	111	-
Total business-type activities	405	699	949	2,494	2,148	1,331	147	610	712
Total primary government	$ 440,355	$ 493,044	$ 474,642	$ 615,462	$ 557,253	$ 527,409	$ 471,635	$ 457,287	$ 455,184
Change in Net Assets									
Governmental activities	$ (8,697)	$ (21,602)	$ (86,923)	$ 21,908	$ (4,220)	$ 44,066	$ (66,123)	$ 3,422	$ (87,142)
Business-type activities	(5,767)	(23,067)	(18,986)	2,603	(77,438)	(16,153)	(15,863)	(15,955)	(13,268)
Total primary government	$ (14,464)	$ (44,669)	$ (105,909)	$ 24,511	$ (81,658)	$ 27,913	$ (81,986)	$ (12,533)	$ (100,410)

Source: Statement of Activities

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 3

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

(in thousands)
Fiscal Year

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General fund										
Reserved	$ 89,513	$ 75,813	$ 36,106	$ 4,230	$ 7,857	$ 5,558	$ 2,034	$ 16,243	$ 2,717	$ 2,504
Unreserved	(116,029)	(68,949)	(10,606)	21,148	15,842	18,079	17,066	14,517	27,706	27,355
Total general fund	$ (26,516)	$ 6,864	$ 25,500	$ 25,378	$ 23,699	$ 23,637	$ 19,100	$ 30,760	$ 30,423	$ 29,859
All other governmental funds										
Reserved	$ 93,540	$ 72,964	$ 109,062	$ 121,622	$ 116,089	$ 53,910	$ 50,624	$ 71,896	$ 65,274	$ 86,764
Unreserved, reported in:										
Special revenue funds	14,000	(289)	(6,507)	33,025	22,448	81,510	49,648	33,272	31,668	73,548
Total all other governmental funds	$ 107,540	$ 72,675	$ 102,555	$ 154,647	$ 138,537	$ 135,420	$ 100,272	$ 105,168	$ 96,942	$ 160,312

Source: Balance Sheet - Governmental Funds

See accompanying accountant's report.

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) Fiscal Year				
	2010	2009	2008	2007	2006
Revenues					
Taxes	$ 403,582	$ 395,446	$ 432,714	$ 498,060	$ 472,551
Licenses and permits	587	480	274	431	295
Federal grants	90,395	72,988	81,062	72,779	74,348
State grants and contracts	819,310	792,731	793,348	795,048	772,603
Local grants and contracts	14,634	15,141	17,306	19,008	23,279
Charges for services	115,724	94,594	100,410	98,636	115,191
Investment earnings	19,754	19,873	25,285	33,371	29,924
Other	8,870	24,333	24,917	32,382	22,402
Total revenues	1,472,856	1,415,586	1,475,316	1,549,715	1,510,593
Expenditures					
Legislative	8,865	10,697	11,629	11,807	10,992
Judicial	107,464	89,615	100,370	98,130	96,628
General government	114,967	127,117	124,885	134,865	124,876
Public safety	145,476	156,011	167,469	161,972	151,343
Public works	786	1,217	1,098	1,051	1,164
Highways, streets and bridges	73,583	83,631	89,833	87,022	94,821
Health and welfare	946,259	938,830	985,003	955,338	948,725
Recreation and cultural	23,907	28,268	29,821	20,921	25,100
Non-departmental *	-	-	-	-	17,666
Community and economic development	5,856	5,407	12,802	1,800	-
Capital outlay	54,267	23,553	47,688	12,954	11,846
Debt service:					
Principal	19,208	20,519	27,756	20,293	19,959
Interest	13,365	8,568	9,671	17,912	18,305
Other	494	915	2,159	578	9
Total expenditures	1,514,497	1,494,348	1,610,184	1,524,643	1,521,434
Excess of revenues over (under) expenditures	(41,641)	(78,762)	(134,868)	25,072	(10,841)
Other financing sources (uses)					
Transfers in	141,747	209,589	249,506	318,947	295,941
Transfers out	(138,747)	(211,838)	(231,988)	(304,769)	(282,441)
Payment to refunded bond escrow agent	-	-	-	(90,278)	-
Bond issuance	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	25	89	176	839	520
Other financing sources	-	-	-	-	-
Total other financing sources (uses)	42,724	30,246	82,897	(7,283)	14,020
Net change in fund balances	$ 1,083	$ (48,516)	$ (51,971)	$ 17,789	$ 3,179
Debt service as a percentage of noncapital expenditures	2.3%	2.0%	2.5%	2.6%	2.5%

* - The non-departmental function has been reclassified to more specific line items.

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

See accompanying accountant's report.

Table 4

CHARTER COUNTY OF WAYNE, MICHIGAN
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal years
(modified accrual basis of accounting)
(Unaudited)

(in thousands) Fiscal Year				
2005	2004	2003	2002	2001
$ 444,819	$ 366,881	$ 349,422	$ 329,480	$ 314,988
362	257	244	256	219
86,857	73,030	66,666	55,463	53,762
762,754	809,759	751,244	788,538	771,478
25,186	21,601	23,132	18,995	22,990
133,187	118,980	123,714	141,038	138,739
27,193	19,819	23,309	24,292	37,204
17,909	17,784	22,274	25,525	26,814
1,498,267	1,428,111	1,360,005	1,383,587	1,366,194
11,024	11,370	11,399	11,869	9,923
97,596	94,200	93,707	107,008	90,958
109,079	117,704	109,917	121,991	98,747
150,354	149,489	137,391	135,373	127,104
1,318	1,405	1,362	1,611	1,758
102,428	106,791	86,605	141,318	124,257
901,866	895,239	810,142	866,151	836,844
28,149	21,938	23,916	20,217	20,806
26,348	21,665	23,259	10,556	13,105
-	-	-	-	-
13,412	16,150	44,849	37,107	37,320
19,949	19,290	18,274	18,497	19,701
18,568	18,530	18,338	18,283	18,624
17	69	16	6	972
1,480,108	1,473,840	1,379,175	1,489,987	1,400,119
18,159	(45,729)	(19,170)	(106,400)	(33,925)
329,148	176,072	149,135	178,018	156,501
(308,148)	(147,980)	(135,141)	(154,018)	(144,501)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
526	1,081	13,740	19,775	15,731
-	-	-	-	2,750
21,526	29,173	27,734	43,775	30,481
$ 39,685	$ (16,556)	$ 8,564	$ (62,625)	$ (3,444)
2.6%	2.6%	2.7%	2.5%	2.9%

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

REVENUE CAPACITY

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 5

Taxable Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

(4) For Tax Levy	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
December 1, 2001	24,538,741,746	5,633,694,266	3,222,115,143	16,835,082	31,184,947	6,243,469,918	39,686,041,102	7.8461	98,093,888,078	40.46%
December 1, 2002	26,365,491,443	5,875,885,769	3,395,825,746	18,349,348	21,616,517	6,228,017,436	41,905,186,259	7.8220	107,601,019,802	38.94%
December 1, 2003	27,748,871,755	6,201,281,779	3,617,393,177	16,505,210	21,987,876	5,733,303,676	43,339,343,473	7.8220	113,946,834,620	38.03%
December 1, 2004	29,645,812,559	6,483,133,612	3,816,523,698	27,730,216	23,624,451	5,921,105,201	45,917,929,737	7.8220	120,386,762,122	38.14%
July 1, 2005	31,508,172,159	6,775,008,713	3,936,157,162	26,933,363	24,849,832	6,037,978,810	48,309,100,039	1.8828	125,359,817,812	38.54%
December 1, 2005	31,508,172,159	6,775,008,713	3,936,157,162	26,933,363	24,849,832	6,037,978,810	48,309,100,039	5.9392	125,359,817,812	38.54%
July 1, 2006	33,607,446,027	7,105,243,493	3,963,530,779	28,056,401	15,819,058	5,852,263,246	50,572,359,004	3.7655	128,803,281,446	39.26%
December 1, 2006	33,607,446,027	7,105,243,493	3,963,530,779	28,056,401	15,819,058	5,852,263,246	50,572,359,004	4.0565	128,803,281,446	39.26%
July 1, 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	5.6483	132,254,579,368	40.07%
December 1, 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	2.1737	132,254,579,368	40.07%
July 1, 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	5.6483	127,441,315,314	41.52%
December 1, 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	2.1737	127,441,315,314	41.52%
July 1, 2009	32,889,053,263	8,276,471,682	4,092,418,840	54,757,162	18,233,322	5,658,628,433	50,989,562,702	5.6483	114,693,804,624	44.46%
December 1, 2009	32,889,053,263	8,276,471,682	4,092,418,840	54,757,162	18,233,322	5,658,628,433	50,989,562,702	2.1737	114,693,804,624	44.46%
July 1, 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	5.6483	101,296,707,068	45.99%
December 1, 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	2.1737	101,296,707,068	45.99%

(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.

(4) The County's charter millage was gradually shifted from a December 1 levy to a July 1 levy during fiscal years 2005, 2006, and 2007. In 2008 and each year thereafter, 100% of the County's charter millage will be levied on July 1.

Source: Wayne County Assessment and Equalization Division

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 6

Direct and Overlapping Property Tax Rates
Last Ten Years
(Unaudited)

		Fiscal year									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
County direct rates											
	General	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6556
	Soldiers Relief	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0185
	Parks	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2473
	Jail	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9432
	Total direct rate	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8646
Overlapping Rates											
	Huron-Clinton Metro Authority	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2154	0.2161	0.2170	0.2186
	Wayne County Transit Authority	0.5900	0.5900	0.5900	0.5900	0.5900	0.5980	0.5980	0.5980	0.6000	0.3258
^	Wayne County Zoological Authority	0.1000	0.1000	0.1000	-	-	-	-	-	-	-
&	Cities (34)										
	Low	11.4365	11.4353	11.4351	11.5149	11.5683	11.3865	12.0064	12.0063	12.0269	10.9345
	High	42.9414	38.9496	35.4641	34.2434	35.9706	36.3511	37.6525	38.0275	39.0000	35.5331
&	Village (0)	-	-	14.3000	14.3000	14.2996	14.3000	13.7000	13.6995	13.7500	13.3000
&	Townships (9)										
	Low	2.3660	2.3660	0.5908	0.5943	0.5943	0.5961	2.6812	2.7880	2.7872	2.5652
	High	16.9349	14.0429	13.6179	13.6179	13.4306	13.2917	15.1199	15.1276	14.9288	14.0116
	School Districts (39)										
	Low	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	17.9586	17.4207
	High	33.5000	33.5000	33.5000	33.5000	33.5000	30.6236	30.7696	31.8000	31.1900	30.2836
	Intermediate School Districts (4)										
	Monroe	4.7541	4.7541	4.7541	4.7541	4.7541	4.4644	4.4644	4.7700	4.7922	4.8010
	Oakland	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.1780	3.3991	3.4224	3.4526
	Washtenaw	3.9745	3.9745	3.9745	3.9745	3.9745	3.9970	3.9350	3.0552	3.0738	3.1050
	Wayne	3.4643	3.4643	3.4643	3.4643	3.4643	3.3678	3.3678	3.4643	3.4643	1.9753
	Community Colleges (3)										
	Henry Ford	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	2.4596	2.4596	2.4735	2.4735
	Schoolcraft	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.8024	1.8043	1.8193
	Wayne County	2.4769	2.4769	2.4769	2.4769	2.4769	2.4769	2.4844	2.4862	2.4862	2.4995
	DDAs (4)										
	Detroit	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9895	0.9895	0.9895	0.9895
*	Hamtramck	1.8251	1.8251	1.8251	1.8380	2.0000	-	-	-	-	1.9932
	Northville	1.8360	1.8360	1.8360	1.8406	1.8617	1.9365	1.9664	1.9664	1.9956	1.9984
**	Wyandotte	-	-	-	-	-	-	-	1.7688	1.7688	1.8120
	Library (7)										
	Beacon Memorial (Wyandotte)	1.5362	1.5362	1.5362	1.5362	1.5362	1.5466	1.5446	-	1.5562	1.5672
	Belleville	0.7000	-	-	-	-	-	-	-	-	-
	Canton	1.5437	1.4980	1.4980	1.5437	1.5437	1.5554	1.5331	1.5635	1.5766	1.5946
	Grosse PTE	1.5412	1.5412	1.5412	1.5412	1.5413	1.5000	1.5000	1.5829	1.6074	1.6321
	Northville	1.1573	0.9573	0.9573	0.9573	0.9573	0.9573	0.9664	0.9785	0.9859	0.9911
	Plymouth	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4745
	Redford	0.9233	0.9233	0.9233	0.9233	0.9233	0.9314	0.9368	0.9497	0.9623	0.9751

Source: Wayne County Assessment and Equalization Division

\# Soldiers Relief millage is combined with the General operating millage in 2001.

* Abolished in tax year 2002 - 2005 and re-established in tax year 2006.

** Elected not to levy the millage tax year 2004 - 2010.

^ 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

Table 7

Principal Property Taxpayers
Fiscal Year 2010
(Unaudited)

Company	Line of Business	2010 (2) Total Assessment	2010 Rank	2010 Percentage of State Equalized Value	2001 (2) Total Assessment	2001 Rank	2001 Percentage of State Equalized Value
Ford Motor Company	Automotive	$ 1,242,282,731	1	2.45 %	$ 1,955,127,091	1	3.99 %
DTE Energy *	Utility	841,147,625	2	1.66	924,806,197	2	1.89
Chrysler Group LLC **	Automotive	416,412,948	3	0.82	409,708,622	3	0.84
General Motors Corp.	Automotive	282,560,433	4	0.56	385,182,664	4	0.79
Sererstal Dearborn Inc.	Steel	260,210,114	5	0.51			
MGM Grand Detroit LLC	Casino	237,995,142	6	0.47			
Michigan Consolidated Gas	Utility	219,470,731	7	0.43	333,758,309	5	0.68
United States Steel	Steel	208,600,769	8	0.41			
Marathon Oil	Petroleum	158,559,407	9	0.31			
Riverfront Holdings Inc.	Real Estate Agents	143,123,806	10	0.28			
National Steel Corporation ***	Steel				230,197,318	6	0.47
Rouge Steel Company	Steel				177,403,800	7	0.36
Auto Alliance Int'l Inc.	Automotive				177,121,387	8	0.36
Comcast Cablevision	Cablevision				83,026,092	9	0.17
Marshall Fields	Retail				63,623,655	10	0.13
Total		$ 4,010,363,706		7.92 %	$ 4,739,955,135		9.66 %
Total State Equalized Value (S.E.V.) (1)		$ 50,648,353,534			$ 49,046,944,039		

(1) The State Equalized Value (SEV) for the County's fiscal year 2010, which commenced on October 1, 2009 was determined as of December 31, 2008. SEV for fiscal year 2001 was determined as of December 31, 1999.

(2) Total assessments do not include abated properties.

* Formerly Detroit Edison in 2001.

** Formerly DaimlerChrysler Company LLC.

*** National Steel Corporation and below were top ten property taxpayers in 2001, but not in 2010.

Source: Wayne County Assessment and Equalization Division.

See accompanying accountant's report.

Table 8

CHARTER COUNTY OF WAYNE, MICHIGAN
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

For Tax Levy		Fiscal Year	Total Tax Levy	Current Tax Collection	Percent of Tax Levy Collected Before Delinquent	Reimbursed From Delinquent Tax Fund	Total Tax Collection	Ratio of Total Collection to Levy	Delinquent Personal Taxes
December 1, 2000		2001	$ 272,033,478	$ 248,577,421	91.38	$ 18,858,352	$ 267,435,773	98.31	$ 4,597,705
December 1, 2001		2002	287,676,785	259,463,887	90.19	21,899,454	281,363,341	97.81	6,313,444
December 1, 2002		2003	300,248,968	271,149,093	90.31	21,332,863	292,481,956	97.41	7,767,012
December 1, 2003		2004	311,960,682	283,716,208	90.95	22,631,265	306,347,473	98.20	5,613,209
December 1, 2004		2005	328,113,000	296,814,625	90.46	24,205,435	321,020,060	97.84	7,092,940
July 1, 2005	(1)	2005	92,643,222	83,447,086	90.07	7,474,124	90,921,210	98.14	1,722,012
December 1, 2005		2006	250,479,822	225,616,195	90.07	20,207,818	245,824,013	98.14	4,655,809
July 1, 2006	(2)	2006	187,524,292	171,249,952	91.32	15,076,602	186,326,554	99.36	1,197,738
December 1, 2006		2007	173,099,347	158,076,878	91.32	13,916,863	171,993,741	99.36	1,105,606
July 1, 2007	(3)	2007	270,595,792	246,986,570	91.28	22,354,091	269,340,661	99.54	1,255,131
December 1, 2007		2008	105,231,697	96,050,333	91.28	8,693,258	104,743,591	99.54	488,106
July 1, 2008		2008	269,898,620	243,448,556	90.20	24,209,879	267,658,435	99.17	2,240,185
December 1, 2008		2009	104,960,575	94,569,478	90.10	9,925,198	104,494,676	99.56	465,899
July 1, 2009		2009	259,894,498	233,419,680	89.81	19,677,427	253,097,107	97.38	1,358,327
December 1,2009		2010	101,070,158	90,774,320	89.81	7,652,333	98,426,653	97.38	528,238
July 1, 2010		2010	250,590,493	215,809,843	86.12	**	**	**	**

Source: Wayne County Treasurer's Office

See accompanying accountant's report.

(1) 2005 Tax Year is 1/3 tax rate shift of county charter rate from December 1 to July 1
(2) 2006 Tax Year is 2/3 tax rate shift of county charter rate from December 1 to July 1
(3) 2007 Tax Year is full tax rate shift of county charter rate from December 1 to July 1

** The July 1, 2010 levy became delinquent on March 1, 2011. Collections reported above on this levy are from the levy date through March 9, 2011.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

DEBT CAPACITY

Table 9

CHARTER COUNTY OF WAYNE, MICHIGAN
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)
(in thousands)

	Governmental Activities				Business-Type Activities		
Fiscal year	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Sewer Bonds	Revenue Bonds	Total Primary Government
2001	$ -	$ 855	$ 46,800	$ 20,303	$ 283,594	$ 1,657,103	$ 2,008,655
2002	131,299	84,843	53,069	66,418	264,089	5,789	605,507
2003	204,732	3,566	84,800	63,394	251,350	5,378	613,220
2004	183,855	3,294	135,000	15,382	236,719	4,952	579,202
2005	165,505	3,007	142,400	14,055	221,841	4,511	551,319
2006	146,836	2,702	139,800	12,809	209,452	4,066	515,665
2007	132,949	-	180,000	11,639	211,233	3,605	539,426
2008	170,973	-	319,000	10,540	196,193	7,429	704,135
2009	183,450	-	376,560	-	178,844	26,479	765,333
2010	199,188	-	131,060	6,098	161,783	33,714	531,843

Source: Wayne County Department of Management and Budget.

For population and per capita person income data see Table 14, Demographic and Economic Statistics.

See accompanying accountant's report.

Table 10

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 Operations in Fiscal Year	Net Bonded Debt	Net Bonded Debt as a Percentage of Taxable Value	Net Bonded Debt Per Capita
2001	2,058,087	$ 37,296,590,731	$ 809,140,185	2.17	$ 393.15
2002	2,052,396	39,686,041,102	771,793,219	1.94	376.04
2003	2,044,832	41,905,186,259	788,049,544	1.88	385.39
2004	2,035,701	43,339,343,473	798,858,655	1.84	392.42
2005	2,024,183	45,917,929,737	757,276,595	1.65	374.11
2006	2,009,204	48,309,100,039	717,144,569	1.48	356.93
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	460.03
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

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 2010 taxable value shown above is the 2009 taxable value.

See accompanying accountant's report.

Table 11

CHARTER COUNTY OF WAYNE, MICHIGAN
Direct and Overlapping Governmental Activities Debt
As of September 30, 2010
(in thousands)
(Unaudited)

Indebtedness:

The following table sets forth the indebtedness of the County as of September 30, 2010:

Debt Carrying the County's Limited Tax General Obligation:		
Building Authority Bonds[1]	$	44,745
Capital Improvement Bonds		130,495
Installment Purchase Agreements		7,670
Stadium Authority Bonds[3]		70,250
Drainage Districts Bonds and Notes		10,870
Michigan Transportation Fund Bonds		18,820
Delinquent Tax Notes		131,060
Airport Hotel Revenue Bonds		109,120
Sewage Disposal Bonds		195,639
Total Debt Carrying the County's Limited Tax Pledge		718,669
Other Debt:		
Metro Airport Revenue Bonds		2,121,835
Hotel Debt (Capital Loans)		5,267
Willow Run Notes		592
Airport Installment Purchase Agreement[2]		6,608
Total Other Debt		2,134,302
Gross Direct Debt	$	2,852,971
Deductions:		
Metro Airport Revenue Bonds[2]		2,121,835
Hotel Debt (Capital Loans)[8]		5,267
Willow Run Notes[2]		592
Airport Installment Purchase Agreement[2]		6,608
Stadium Authority Bonds[3]		70,250
Drainage Districts Bonds[4]		10,870
Michigan Transportation Fund Bonds[5]		18,820
Delinquent Tax Notes[6]		131,060
Airport Hotel Revenue Bonds[8]		109,120
Sewage Disposal Bonds[7]		195,639
Total Deductions		2,670,061
Net Direct Debt	$	182,910

(1) Payable from lease rentals which constitute full faith and credit obligations of the County.

(2) Payable solely from airport revenues, passenger facility charges, or direct airline pledges.

(3) Motor vehicle rental and hotel tax revenues are projected to be sufficient to cover debt service.

(4) Payments from benefited local communities or properties are projected to be sufficient to cover debt service, based on experience.

(5) Revenues from the State of Michigan Transportation Fund are projected to be sufficient to cover debt service, based on experience.

(6) Delinquent tax revenues are projected to be sufficient to cover debt service, based on experience.

(7) User fees or payments from benefited local communities are projected to be sufficient to cover debt service, based on experience.

(8) Payable primarily from Airport Hotel revenues.

Source: Wayne County Department of Management and Budget, Accounting Division

See accompanying accountant's report.

Overlapping Debt:

Property in the County is currently taxed for a proportionate share of outstanding debt obligations of overlapping governmental entities including school districts, cities, villages and townships within the County of Wayne, the Regional Educational Service Agency and Wayne County Community College. The table below shows the County's outstanding tax supported overlapping debt as of September 30, 2010.

OVERLAPPING DEBT
As of September 30, 2010
(in thousands)

School Districts		3,270,465
Cities and Villages		1,789,934
Townships		265,658
Libraries		27,798
Community Colleges		9,140
Total Overlapping Debt	$	5,362,995

Source: Municipal Advisory Council of Michigan

Debt Statement Summary:

The following table shows the County's net direct and overlapping debt as of September 30, 2010:

NET DIRECT AND OVERLAPPING DEBT
As of September 30, 2010
(in thousands)

Direct debt:		
Gross Principal amount	$	2,852,971
Less amount payable from other sources		2,670,061
Net direct debt		182,910
Overlapping debt		5,362,995
Net direct and overlapping debt	$	5,545,905

Source: Municipal Advisory Council of Michigan and Wayne County Department of Management and Budget

See accompanying accountant's report.

Table 12

CHARTER COUNTY OF WAYNE, MICHIGAN
Legal Debt Margin Information
September 30, 2010
(Unaudited)

Tax Year	State Equalized Valuation (SEV)	General Purpose Debt Limit (10% of SEV)	Tax-Supported Debt Outstanding	Legal Debt Margin	Percent of Debt Outstanding to SEV
2001	49,046,944,039	4,904,694,404	890,140,185	4,014,554,219	1.81%
2002	53,800,509,901	5,380,050,990	771,793,219	4,608,257,771	1.43%
2003	56,973,417,310	5,697,341,731	788,049,544	4,909,292,187	1.38%
2004	60,193,381,061	6,019,338,106	798,858,655	5,220,479,451	1.33%
2005	62,679,908,906	6,267,990,891	757,018,978	5,510,971,913	1.21%
2006	64,401,640,723	6,440,164,072	717,144,569	5,723,019,503	1.11%
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%

Source: Wayne County Department of Management and Budget.

Table 13

CHARTER COUNTY OF WAYNE, MICHIGAN
Pledged - Revenue Coverage
Last Ten Fiscal Years
(Unaudited)
(in thousands)

	Water and Sewer Revenue Bonds						Special Assessment Bonds			
Fiscal year	Gross * Revenues	Operating ** Expenses	Net Revenue	Debt service Principal	Debt service Interest	Coverage	Special Assessment	Debt Service Principal	Debt Service Interest	Coverage
2001	11,838	10,302	1,536	400	191	2.60	2,078	1,480	573	1.01
2002	13,522	10,172	3,350	410	179	5.69	2,058	1,530	528	1.00
2003	14,801	14,282	519	425	167	0.88	2,016	1,570	480	0.98
2004	15,289	15,929	(640)	440	153	(1.08)	2,074	1,610	430	1.02
2005	14,552	15,374	(822)	455	139	(1.38)	2,036	1,655	381	1.00
2006	15,895	15,325	570	460	128	0.97	2,038	1,700	338	1.00
2007	15,659	15,408	251	475	116	0.42	2,042	1,750	292	1.00
2008	38,354	34,513	3,841	490	269	5.06	2,050	1,805	242	1.00
2009	39,603	36,138	3,465	630	458	3.19	2,045	1,850	195	1.00
2010	34,945	32,115	2,830	1,000	864	1.52	2,049	1,905	144	1.00

Note: For fiscal years 2007 and prior, Water and Sewer revenue bond information is presented for the Northeast System only, since other debt was general obligation. In December, 2008 the Downriver Sewer System issued a Revenue Bond, 2007 D, in the amount of $4.3 million for capital improvements. The first principal payment was not due until May, 2009. However, since interest payments were made during FY2008, the Gross Revenues and Operating Expenses of the larger Downriver Sewer System are included in 2008 and thereafter, accounting for the large increase in reported Revenues and Expenses.

* Gross Revenues calculated based on total operating revenues.

** Operating Expenses calculated based on total operating expenses less non-cash items (i.e. Depreciation)

Source: Department of Environment

See accompanying accountant's report.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

DEMOGRAPHIC AND ECONOMIC INFORMATION

Table 14

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

	Population				Per Capita Personal Income				
Year	Michigan	Change From Prior Period	Wayne County	Change From Prior Period	U.S.	Michigan	Wayne County	Michigan Median Age	Wayne County Average Unemployment Rate
2000	9,956,689	0.60%	2,058,734	-0.62%	29,843	29,551	27,515	35.1	4.3
2001	10,003,243	0.47%	2,058,087	-0.03%	30,562	29,945	28,250	35.1	6.1
2002	10,038,165	0.35%	2,052,396	-0.28%	30,795	30,231	28,246	35.1	7.3
2003	10,068,311	0.30%	2,044,832	-0.37%	31,466	31,138	29,288	35.1	8.6
2004	10,093,398	0.25%	2,035,701	-0.45%	33,072	31,730	29,526	35.1	8.6
2005	10,100,833	0.07%	2,024,183	-0.57%	34,685	32,804	30,855	35.1	8.7
2006	10,095,643	-0.05%	2,009,204	-0.74%	36,629	33,847	30,755	36.8	8.4
2007	10,071,822	-0.24%	1,981,654	-1.37%	38,611	35,086	31,724	37.2	8.7
2008	10,003,422	-0.68%	1,949,929	-1.60%	39,751	35,299	32,094	38.0	9.9
2009	9,969,727	-0.34%	1,925,848	-1.23%	39,138	34,025	38,256	38.5	16.2

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

** Fiscal year 2010 statistics are not available

See accompanying accountant's report.

Table 15

CHARTER COUNTY OF WAYNE, MICHIGAN
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

	2009 **			2000		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Ford Motor Company	33,000	1	4.53%	51,822	1	5.69%
Detroit Public Schools	13,750	2	1.89%	20,218	2	2.22%
City of Detroit	13,187	3	1.81%	17,605	4	1.93%
Henry Ford Health System	12,229	4	1.68%	9,794	8	1.08%
Detroit Medical Center	10,499	5	1.44%	13,819	5	1.52%
U.S. Government	8,135	6	1.12%	6,957	10	0.76%
U.S. Postal Service	6,797	7	0.93%	7,239	9	0.79%
State Of Michigan	6,551	8	0.90%	9,863	7	1.08%
General Motors Corporation	6,320	9	0.87%	11,828	6	1.30%
Oakwood Healthcare Inc.	5,679	10	0.78%			0.00%
Daimlerchrysler Corp.				17,933	3	1.97%
	116,147		15.96%	167,078		18.34%
Total: Wayne County Employment 2009 & 2000			727,699			911,069

** The information for 2010 will not be available until 2011. 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 2000 and 2010 Edition
(Employee totals are based on full-time equivalents.)

See accompanying accountant's report.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2010

OPERATING INFORMATION

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 16

Full-time County Government Employees by Function / Program

Last Ten Fiscal Years

(Unaudited)

	Wayne County Employees[4]									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Function/Program										
Legislative										
Board of Commissioners	42	42	48	29	83	89	81	75	84	43
Auditor General's Office	15	15	18	16	15	14	17	21	23	23
Judicial										
All court and court related actives	650	687	712	751	750	737	737	697	871	935
General government										
Treasurer's Office (5)	69	34	39	80	81	89	83	78	78	72
Tax Assessment	37	44	47	45	49	46	49	50	50	49
Tax Billings/collections (5)	5	35	40	7	7	8	8	0	0	0
Budgeting	9	9	11	18	16	9	16	9	10	10
Purchasing	18	21	22	23	26	29	27	25	25	25
Central Accounting	36	36	40	44	42	44	37	50	54	54
Central Administration	52	66	66	63	57	59	66	68	71	69
Other Financial Administration	94	119	114	103	115	121	131	113	133	152
Data Processing	34	48	35	49	49	52	52	35	46	37
Building Maintenance	87	107	120	122	130	135	144	147	143	139
County Clerk	264	251	262	276	293	285	277	277	274	274
Register of Deeds	78	85	91	90	89	100	78	87	76	82
Prosecuting Attorney	244	268	292	295	308	300	309	302	287	245
Corporation Counsel	68	84	89	90	93	88	76	67	75	75
Public safety										
Homeland Security (6)	5	10	10	10	-	-	-	-	-	-
Sheriff's Department										
Arresting Powers (2)	194	286	330	1149	409	386	697	744	773	678
Civilian	50	64	75	123	126	139	139	0	0	120
Jails & Detention Facilities (2), (3)	1057	1098	1250	20	744	744	711	698	658	666
Firefighters	0	0	0	0	0	0	0	0	64	67
Public works										
Public works	80	82	88	108	132	162	202	206	205	206
Sewage Disposal	70	73	79	114	105	107	101	106	112	112
Airport (1)	0	0	0	0	0	0	0	6	661	649
Highways, streets and bridges										
Administration	16	15	16	14	20	40	42	39	37	32
Engineering	91	121	126	130	141	145	151	157	169	159
Maintenance	351	371	414	447	508	582	606	598	592	576
Health and welfare (3)	462	471	474	623	623	776	559	492	487	482
Recreation and cultural										
Parks	65	70	66	76	82	78	72	67	68	60
Libraries	33	37	37	38	42	77	44	44	41	42
Community and economic development (6)	33	37	40	35						
Other (6)	-	-	-	202	261	296	307	297	308	303
Total	4,309	4,686	5,051	5,190	5,396	5,737	5,819	5,555	6,475	6,436

(1) Wayne County operated the Airports until August 9, 2002. Pursuant to Public Act 90 (the Authority Act), the Michigan Public Acts of 2002 (effective March 26, 2002), the Airport Authority (a component unit of the County) has operational jurisdiction of the Airports, with the exclusive right, responsibility, and authority to occupy, operate, control and use them.

(2) 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.

(3) 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.

(4) Number of full-time active employees as of March 12. Excludes Probate and Third Circuit Court Judges, as they are considered employees of the State of Michigan.

(5) Prior to 2008, the tax billing and collections division of the Treasurer's Office were included in the Treasurer's office line.

(6) Prior to 2007, the community and economic development and homeland security functions were included in "Other".

Source: Wayne County Department of Management & Budget

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 17

Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Function										
Police										
Physical Arrests	961	662	1,869	2,219	1,820	1,972	2,075	2,188	2,230	2,360
Bookings	961	662	535	692	1,820	1,972	2,075	2,188	2,230	2,360
Parking Violations	147	51	51	23	110	132	141	94	87	101
Traffic Violations	23,730	20,908	22,926	18,930	23,469	24,359	24,387	25,133	26,741	27,410
Incidents	4,443	3,282	7,089	6,987	15,923	16,767	16,310	17,301	17,685	18,735
Crash Reports	60	57	95	331	276	291	303	311	330	345
Culture and recreation (1)										
Rounds of Golf - Warren Valley	44,463	55,220	61,479	42,154	47,482	60,486	60,819	61,917	64,817	69,396
Picnic Permits	952	940	986	1,019	1,004	1,042	1,048	1,059	1,013	1,061
Aquatic Center Attendance	56,516	42,107	48,588	45,879	43,278	54,583	32,185	22,332	43,592	49,796
Nankin Mills Center - (program attendance)	12,760	14,503	13,207	13,239	17,524	19,509	17,890	16,105	13,360	12,571
Crosswinds Marsh (program attendance)	4,559	5,437	3,951	3,518	3,647	3,172	2,620	2,413	2,734	2,589
Highways, streets and bridges										
Street resurfacing asphalt (tons)	11,942	1,852	26,202	44,658	76,420	42,143	92,932	64,677	93,932	109,548
Street resurfacing (miles)	26	19	17	16	14	7	20	14	20	33
Snow removing salt (tons)	52,570	74,131	191,748	98,243	120,000	93,886	151,342	184,544	56,172	172,000
Ditching program (Linear feet)	48,291	46,653	53,402	55,433	86,620	121,385	86,620	86,345	85,900	264,000
Ditching program (miles)	9	9	10	11	16	23	16	16	16	50
Emergency road repairs (tons)	3,155	4,111	4,345	3,122	2,670	4,808	4,426	3,090	3,000	6,103
Forestry Section										
Tree removal	9,389	6,839	5,497	1,947	2,900	2,869	3,087	5,700	8,000	5,000
Tree planting & trimming	2,093	1,746	2,133	1,183	875	1,956	688	450	4,700	2,400

(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

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 18

Capital Asset Statistics by Function

Last Ten Fiscal Years

(Unaudited)

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Function										
Public safety										
Stations - Road Patrol	1	1	1	1	1	1	1	1	1	1
Police Services Automobiles	50	48	53	59	62	62	62	62	62	45
Marine Safety (Boats and Vans)	20	22	15	14	13	13	13	13	13	13
Jail Automobiles	23	23	26	12	21	21	21	21	21	13
Motorcycles (1)	5	5	3	25	25	33	45	45	35	35
Culture and recreation										
Pavilions	16	14	14	14	14	14	14	14	14	14
Golf Courses	2	2	2	2	2	2	2	2	2	2
Playscapes	16	14	14	13	13	13	13	13	13	13
Soccer Fields	25	25	25	25	25	25	24	24	23	23
Picnic Areas	7	9	9	9	9	9	9	17	17	17
Baseball Diamonds	26	26	26	26	26	26	26	26	26	26
Highways, streets and bridges										
Traffic signal (maintained)	90	138	141	97	48	40	48	50	46	34
Traffic signs (installed)	2,244	2,818	2,824	2,708	2,500	4,435	2,500	2,500	2,300	4,500

Source: Various County departments

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

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 19

Revenues by Source and Expenses by Type - Pension Trust Funds
Required Supplementary Information
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year Ended 9/30	Revenues by Source				Expenses by Type		
	Contributions Employee	Employer	Investment Income	Total	Benefits	Admini-stration	Total
Wayne County Employee's Retirement System							
2001	$ 2,807	$ 39	$ 44,181	$ 47,027	$ 96,801	$ 5,046	$ 101,847
2002	17,468	45	47,450	64,963	100,186	6,946	107,132
2003	5,897	3,002	107,666	116,565	105,035	5,816	110,851
2004	2,445	7,374	86,293	96,112	107,875	5,953	113,828
2005	4,159	11,106	138,194	153,459	111,284	6,739	118,023
2006	7,590	12,663	93,135	113,388	110,872	6,548	117,420
2007	7,834	15,398	144,677	167,909	110,419	6,928	117,347
2008	70,096	18,420	(148,973)	(60,457)	111,048	6,945	117,993
2009	74,414	32,559	(14,882)	92,091	120,962	7,228	128,190
2010	29,499	35,401	59,173	124,073	131,743	7,157	138,900
Wayne County Circuit Court Commissioners Bailiff's Retirement System							
2001	$ 29	$ 61	$ 201	$ 291	$ 152	$ 16	$ 168
2002	27	68	134	229	144	10	154
2003	27	63	520	610	124	10	134
2004	27	44	286	357	124	-	124
2005	26	29	522	577	124	11	135
2006	25	50	587	662	123	12	135
2007	34	38	1,467	1,539	123	13	136
2008	31	36	(1,869)	(1,802)	144	27	171
2009	28	38	(268)	(202)	145	40	185
2010	21	38	233	292	151	45	196

Ten year historical trend is required supplementary information.

Note: Effective December 1, 1997, the Wayne County Common Pleas Bailiff's Retirement System was merged with the Wayne County Employee's Retirement System.

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 20

Analysis of Funding Progress - Pension Trust Funds
Required Supplementary Information
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

Fiscal Year Ended 9/30	Net Assets Available for Benefit as Used by the Actuaries	Pension Benefit Obligation	Percentage Funded	Unfunded (Excess) Pension Benefit Obligation	Annual Covered Payroll	Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll
Wayne County Employee's Retirement System						
2000	$ 1,029	$ 948	109%	$ (81)	$ 276	0%
2001	1,042	979	106%	(63)	294	0%
2002	1,043	1,011	103%	(32)	309	0%
2003	997	1,008	99%	11	289	4%
2004	910	960	95%	50	343	14%
2005	891	969	92%	78	299	26%
2006	895	1,000	90%	105	320	33%
2007	948	1,170	81%	222	325	68%
2008	985	1,339	74%	354	330	107%
2009	971	1,444	67%	473	298	159%
Wayne County Circuit Court Commissioners Bailiff's Retirement System						
2000	$ 4,324	$ 3,789	114%	$ (535)	$ 714	-
2001	4,391	3,789	116%	(602)	714	-
2002	4,367	3,527	124%	(840)	714	-
2003	4,403	3,557	124%	(846)	714	-
2004	4,437	3,584	124%	(853)	714	-
2005	4,661	3,314	141%	(1,347)	600	-
2006	5,056	3,278	154%	(1,778)	600	-
2007	5,626	3,614	156%	(2,012)	700	-
2008	5,859	3,367	174%	(2,492)	651	-
2009	5,795	3,287	176%	(2,508)	547	-

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligations, and unfunded pension benefits in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligatior provides one indication of the plan's funding status on a going-concern basis. Analysis of the percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflatior and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

Note: The Wayne County Common Pleas Court Bailiff's Retirement System was merged with the Wayne County Employee's Retirement System, effective December 1, 1997.

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN
500 GRISWOLD STREET DETROIT, MICHIGAN 48226

WWW.WAYNECOUNTY.COM