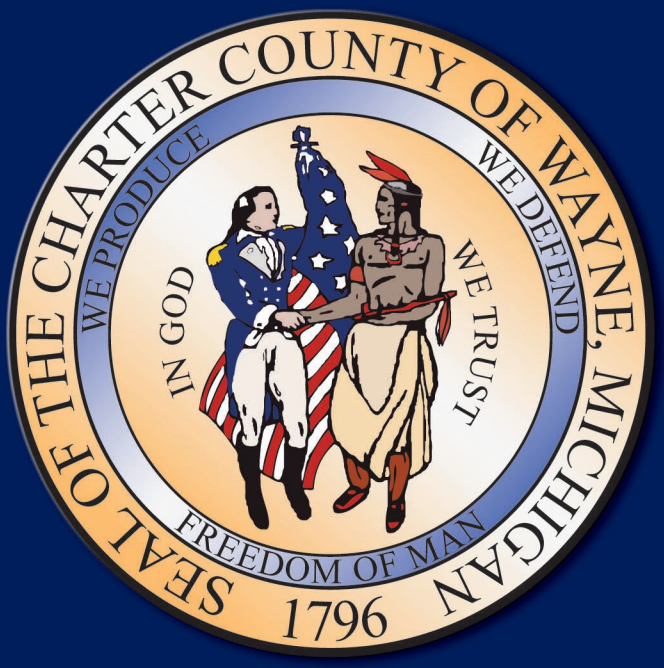
CHARTER COUNTY OF WAYNE, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT



ROBERT A. FICANO
COUNTY EXECUTIVE

FOR THE YEAR ENDED SEPTEMBER 30, 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2013

PREPARED BY:
THE DEPARTMENT OF MANAGEMENT AND BUDGET

CHARTER COUNTY OF WAYNE, MICHIGAN

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2013

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

March 31, 2014

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, 2013.

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, 2013. 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. Beginning in fiscal year 2013, both entities are reported as a part of the County's General Fund.

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 18 judges

for the resolution of general civil cases. The criminal division is assigned 25 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

Recent economic data shows that the State of Michigan ended 2013 stronger. The State's unemployment rate decreased to 7.7 percent in December 2013, which is lower than the 8.9 percent jobless rate from December a year ago. Forty-nine counties reported unemployment below 10 percent as the jobless rate remains stubbornly high across much of Michigan.

For the County, the economic outlook continues to be guarded. Cost pressures, particularly in the healthcare and pension area continue to challenge County finances. The state of the economy plays a significant role in the County's ability to provide core services and the mix of other services sought by its stakeholders.

Despite these cost challenges progress in other areas of the County continues to improve.

The North American International Auto Show (NAIAS) continues to provide a huge annual economic boost to this region, benefiting hotels, restaurants, exhibit companies, and retail throughout the metro area. Significant improvements are being made to Cobo Hall through 2015, which contributes to the expansion and retention of this important event. The Auto Show kicked off with the 25th annual black tie Charity Preview on January 17, 2014 as usual. This event, originally known as the Detroit Auto Show (1907) has now become one of the largest global shows in the United States. It has earned a top spot of almost every car maker in the world. According to the NAIAS, the economic impact to the city, state and region is approximately $365 million, more than the Super Bowl, World Series and the Stanley Cup Playoffs. Estimates show that attendance broke 800,000, which had not been achieved since 2003.

Working with our local communities and the Michigan Economic Development Corporation, 80 new projects/investments were made in Wayne County in 2013. These projects have a combined value of $605,258,730 and a total commitment to create 5,114 new jobs.

Wayne County Economic Development Growth Engine (EDGE) serves many customers which include our existing business community & companies, new investors, public government partners & stakeholders, non-profit & faith-based organizations, educators/institutes/universities, and peer economic and community development agencies. We share their respective visions and provide support to implement their strategies and achieve measureable outcomes. The focus of Wayne County's economic and community development team is adding value to our customers' goals, strategies and implementation plans.

EDGE facilitates the improvement of the business/investment/community environment through various programs designed to strengthen workforce training & education opportunities, development ready initiatives, increased logistics/supply chain/network distribution infrastructure & capacity, insuring a diverse housing stock, new technology development, and marketing the region. In addition our EDGE

also serves as a connection and networking portal for our customers, making sure available resources and contacts are at their disposal.

Much of the work we do is with the automotive and transportation companies. Certainly the State's mainstay and the most active industry in our region, the automotive sectors that we enjoy considerable success are advanced research and design, advanced engineering, materials / metals / composites, power train, drive train, chassis, engines, alternative fuels, connected vehicle technology and IT, plastics, resins and adhesives, and manufacturing/assembly platforms, logistics and supply chain systems.

Automotive companies spend $12 billion/year in research and development in Michigan, our State is home to over 330 auto related companies, we are host to 9 of the 10 world's largest automakers and 46 of the top 50 global suppliers. These numbers indicate a world class position. The County is extending its reach and influence at little or no cost by re-energizing partnerships. Working with our local community partners and stakeholders, we strive to keep our customers our priority through active participation and providing leadership when appropriate to develop and improve processes and create a healthy and sustainable environment in Wayne County.

In addition to the above, Wayne County EDGE is in the process of rehabilitating 80 homes in 14 communities. Each home will be occupied by a low income family, preference given to veterans, seniors and the disabled. EDGE also contributed to the success of the following programs:

- For 2013, Wayne County has funded approximately $530,000 in rehabilitation while serving approximately 94 households through the HOME program. Through HOME, Wayne County Community Development has successfully rehabilitated vacant homes for moderate income families in 12 communities. Currently, several projects are underway for homeowner occupied housing rehabilitation in Lincoln Park and Livonia.
- HUD has congratulated Wayne County on its administration of the new First Time Homebuyer program, which allowed 20 first-time home buying families to purchase homes in Wayne County. The program provides homeownership assistance for low-income households purchasing either existing or newly constructed homes in 37 Wayne County HOME participating communities and Consortium communities while insuring affordability and sustaining homeownership in neighborhoods.
- Under the Neighborhood Stabilization Program (NSP), funds were dedicated to the rehabilitation of abandoned and foreclosed homes in many Wayne County communities. Wayne County expended $6.5 million in low-income housing rehabilitation between 2009 and 2013 and also provided supportive services (case management, job placement, financial literacy, etc.) to provide a sustainable approach to housing.
- The Deconstruction Pilot Program removed 80 blighted homes in 5 communities and created employment for over 100 individuals. Over 70% of the materials from each home was recycled or reused.

Wayne County EDGE is in the process of implementing a unique clean-energy financing program, the "PACE program", which enables property owners to finance efficiency upgrades and other energy improvements through a property tax assessment. Since the PACE loan is a special assessment obligation, it is senior to any mortgage, and hence very secure for the lender. Up to 100% of a project's cost can be covered under a PACE special assessment. PACE special assessments can be amortized for 10 to 20 years or longer (up to the useful life of the improvements or equipment involved), many times longer than a traditional bank loan.

The establishment of the program is a foundational component in the creation of a strong clean energy environment in the Wayne County business community, furthering essential goals such as reduced energy costs, reduced greenhouse gas emissions, economic stimulation and development, improved property valuation and increased employment. According to Governor Snyder, the PACE energy package is projected to save Michigan consumers and businesses through the state $1.04 billion per year by 2025.

Property tax is the County's largest revenue source, representing fifty-one percent of total General Fund revenue. However, lower home values mean reduced assessments. County property tax collections

declined by 5% this year. Revenue sharing and state grants, both representing 8%, are 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 tax.

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. Wayne County received $38.2 million in revenue sharing for fiscal year 2013, which is consistent with the amount budgeted by the State of Michigan. There is discussion at the State to restore revenue sharing to full funding as originally provided in State statutes, which has not occurred for several years. Revenue sharing also contains an incentive component created in 2013, called the County Incentive Program. This program provides that part of the revenue sharing funds will be received if specific requirements are fulfilled for three categories - Accountability and Transparency, Consolidation of Services and Employee Compensation. For fiscal year 2013, Wayne County budgeted $32.0 million for County Revenue Sharing and $8.0 million for the County Incentive Program, a total increase of $1.9 million and successfully complied with the requirements of the County Incentive Program.

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 2013 revenue sharing payment each local unit will receive will be 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 continue to be adjusted downward.

Deficit Elimination

Reigning in the accumulated deficit is critical. Fiscal year 2013 activity shows the County ended the year with an operating deficit of $10.3 million. While the final results are less than originally projected, this demonstrates that there is more work to be done. The accumulated unassigned general fund deficit is approximately $159 million. A deficit elimination plan has been presented to the Commission for approval. As has become clear, solving the crisis will not happen without the cooperation and assistance of all involved in County government. Restoring the financial health of Wayne County will require the unwavering cooperation of all stakeholders, including County elected officials, management, unions, employees, and the State of Michigan.

The County continues to face significant structural challenges, such as increases in employee retirement and health care costs, continued loss of property tax revenue and the lack of new revenue streams. Much of what has created operational losses are statutory governance requirements and mandates, which are not within the control of the County. The lagging regional economic recovery, continuous population loss, declining property values, the Headlee Amendment (1978), and Proposal A (1994) have exposed serious flaws in the government finance model, which places limitations on incremental increases to property taxes, even if there is a substantial increase in property taxable values. In other words, it will take approximately 15 years or more before the County's tax collections will reach the levels realized prior to the housing market collapse in 2008. While municipalities struggle, the State has scaled back revenue sharing, while maintaining, and in some cases increasing, mandates upon local government.

Since reaching a peak in 2008 and through September 30, 2013, property tax revenues have declined dramatically. For the fiscal year beginning October 1, 2013, the General Fund decline will be in excess of $106 million compared to 2008. The cumulative decline in property tax revenues since 2008 is approximately $353 million. As a result of the decline, the County has had to reduce funding for public safety, health and welfare and other vital services to the citizens of the County, and continues to cut expenses and reduce personnel wherever possible. However, mandatory funding levels for specific

services, including the courts and the jails, coupled with inflationary increases of health and pension costs, have continued to impact the deficit.

Long-Term Financial Planning

Faced with downward pressures on property values, increasing expenditures, shifting demographics, as well as a host of other complex challenges, the County has changed its approach to planning. Traditional County planning was not well suited to address such challenges due to its inherent tactical and short-term nature. This made 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:

- Establish Reserves 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

The General Fund has an accumulated unassigned deficit of $159 million at September 30, 2013, 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, reduced property taxes, and cost overruns in other General Fund supported services. 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. While the County has become more efficient and continues to improve its operations with limited resources, it will continue to be a challenging road to recovery. Over the last eight 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 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 approximately $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. Contributions to the trust commenced in 2011. The plan redesign and establishment of the trust resulted in substantial savings to the County.
- 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 will continue to restructure its operations in the future 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.

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, 2012. 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 2012 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 nineteenth year in a row, the County received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2012. 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, 2012. 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 fifth year in a row, the County received this national recognition. Awards were received for the Vendor Management System, Virtualized Desktop Environment, and Compass, which is a web-based program for driver so to review road conditions in Wayne County in real time.

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,

Mark J. Abbo
Chief Financial Officer

Lyn Roberts
Deputy Chief Financial Officer

OFFICE OF THE COUNTY EXECUTIVE

Robert A. Ficano
County Executive Officer

Jeffrey Collins
Deputy County Executive

June S. Lee
Assistant County Executive

Timothy L. Nasso
Chief Operating Officer

Mark J. Abbo, CPA
Chief Financial Officer

COUNTY EXECUTIVE DEPARTMENT HEADS

Children and Family Services
Tadarial Sturdivant

Economic Development Growth Engine
Bryce Kelley

Personnel/Human Resources
Tish King

Homeland Security/Emergency Management
Timothy McGillivary

Corporation Counsel
Zenna Faraj Elhasan

Health and Human Services
Thomas Kochis

Management and Budget
Mark J. Abbo, CPA

Public Services
Terry Spryszak

Senior Citizens and Veterans Affairs
Kevin F. Kelley

Technology
Edward D. Winfield

WAYNE COUNTY COMMISSION

Gary Woronchak
Chairman, 13th District

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

Timothy P. Killeen
1st District

Martha G. Scott
3rd District

Ilona Varga
4th District

Irma Clark-Coleman
5th District

Burton Leland
6th District

Diane Webb
8th District

Laura Cox
9th District

Shannon G. Price
10th District

Kevin McNamara
11th District

Richard LeBlanc
12th District

Raymond Basham
14th District

Joseph Palamara
15th District

OTHER WAYNE COUNTY ELECTED OFFICIALS

Circuit Court
Robert J. Colombo, Jr.
Chief Judge

Timothy M. Kenny
Chief Judge Pro Tempore

Probate Court
Milton L. Mack, Jr.
Chief Judge

Freddie G. Burton, Jr.
Chief Judge Pro Tempore

County Clerk
Cathy M. Garrett

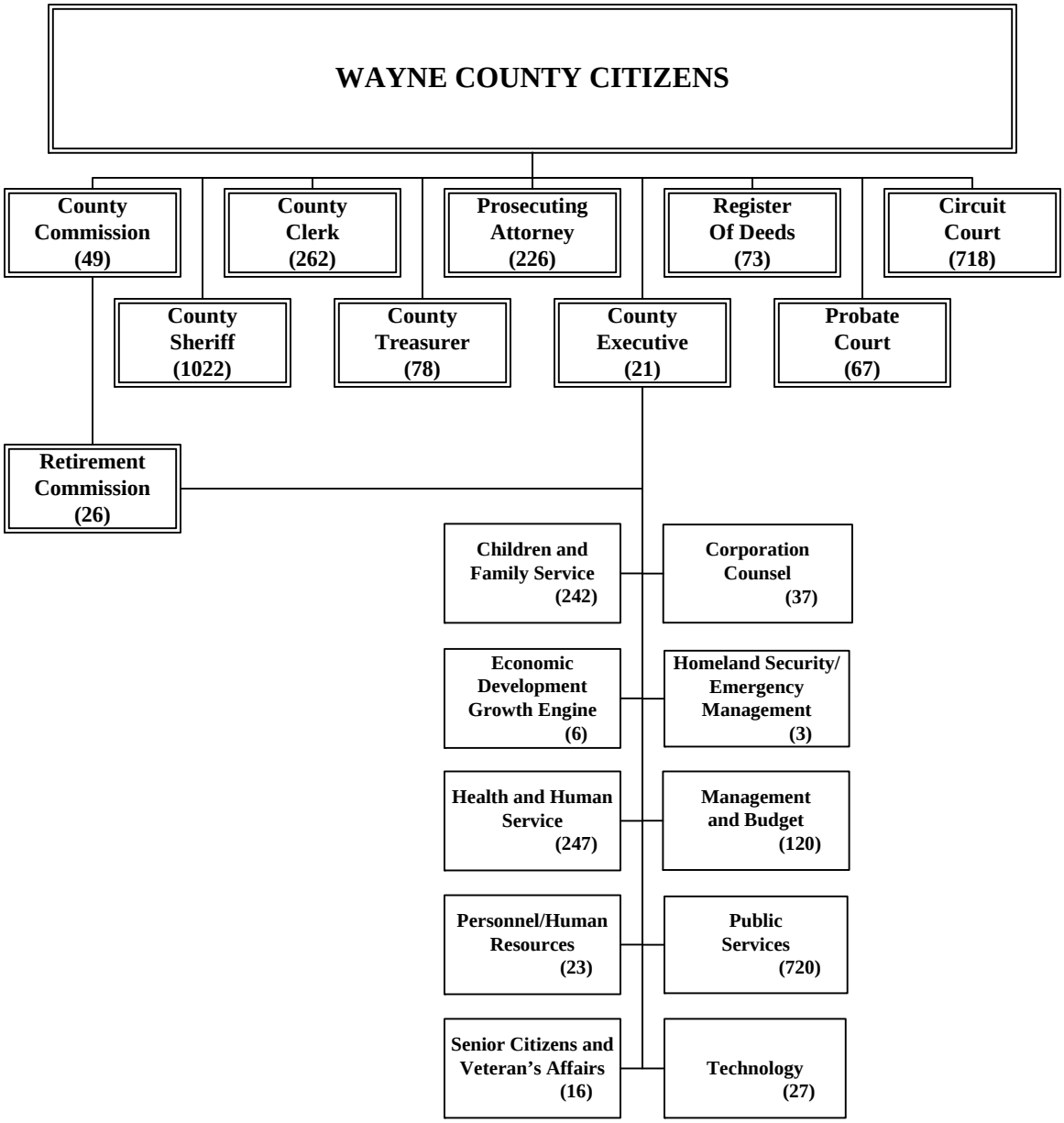
Register of Deeds
Bernard J. Youngblood

Prosecuting Attorney
Kym L. Worthy

Sheriff
Benny N. Napoleon

Treasurer
Raymond J. Wojtowicz

WAYNE COUNTY, MICHIGAN
ORGANIZATION CHART



TOTAL NUMBER OF POSITIONS: 3,983

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter County of Wayne Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2013

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

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Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter County of Wayne, Michigan (the "County") as of and for the year ended September 30, 2013, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility of the Financial Statements

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

Auditor's Responsibility

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 6.77 and 39.79 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
Greater Wayne County Economic Development Corporation	0.02%	0.00%
HealthChoice of Michigan	0.24%	4.67%

We also did not audit the financial statements of the Pension Trust Funds, which represent 77.55 and 45.42 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, Greater Wayne County Economic Development Corporation, HealthChoice of Michigan, and the Pension Trust Funds are based solely on the reports of the other auditors.

Praxity
MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

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 - Detroit CDE, Inc.

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

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

Opinions

In our opinion, based on our audit and the reports of 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, 2013 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 17 to the basic financial statements, in 2013 the County adopted GASB Statement No. 61, *The Financial Reporting Entity Omnibus,* an amendment of GASB Statements No. 14 and 34. As a result, certain discretely component units have now been blended with the primary government. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplemental Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other budgetary comparison schedules and combining statements, as identified in the table of contents as other supplemental information, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.

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

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

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2014 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.

Plante & Moran, PLLC

March 31, 2014

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

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, 2013. 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 1 to 6 of this report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Overview of the Financial Statements

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

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

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

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

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include the 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 and the wetlands mitigation project .

The government-wide financial statements include not only the County itself (known as the primary government), but also thirteen legally separate organizations (including three blended component units) for which the County has financial accountability or other financial interest. These entities operate as governmental entities similar to the governmental activities described above 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.

During the year, the County adopted GASB 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 by modifying certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government or a blended component unit. In order to conform the reporting of component units under the new GASB 61 requirements, the activities of the Detroit-Wayne County Stadium Authority and the Economic Development Corporation of Wayne County are reported by the County as blended component units and included as government activities in the government–wide statements. The activities of both component units were previously reported in separate discretely presented component units. The County's blended component units, Wayne County Building Authority, Detroit Wayne County Stadium Authority and Economic Development Corporation of Wayne County are included in governmental activities.

As of October 1, 2012, the County records the activities for the Third Circuit Court and the Probate Court in the general and the other capital projects funds; the activities of both Courts were previously reported in two separate discretely presented component units. The change in reporting for these activities accurately reflects the activities as governmental activities of the County, since the primary funding source for both Courts is the general fund. The County's discretely presented major component unit is the Wayne County Airport Authority.

There are nine 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:

Chapter 8 Drainage District
Chapter 20 Drainage District
Chapter 21 Drainage District
Wayne County-Detroit CDE, Inc.
Greater Wayne County Economic Development Corporation
Brownfield Redevelopment Authority
HealthChoice of Michigan
Wayne Regional Jobs and Economic Growth Foundation
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 30 to 32 of this report. The following represent the highlights discussed in more detail later in the report.

Government-Wide Highlights:

- The assets of the County exceeded its liabilities at September 30, 2013, by $1.1 billion (net position). The entire net position balance is either restricted for specific purposes, related to the County's investment in capital assets and is not available for spending or unrestricted and available for spending.

- The County's total net position decreased by $127 million (10.2 percent) for the fiscal year ended September 30, 2013. Net position of governmental activities decreased by $118.9 million (12.9 percent), while net position of the business-type activities decreased by $7.9 million (2.4 percent).

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 31 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, Juvenile Justice and Abuse/Neglect, and Building Authority Construction, all of which are considered to be major funds. As of October 1, 2012, the County records the activities for the Third Circuit Court and the Probate Court in the general and the other capital projects funds; the activities of both Courts were previously reported in two separate discretely presented component units. The change in reporting for these activities accurately reflects the activities as governmental activities of the County, since the primary funding source for both Courts is the general fund. During the year, the County adopted GASB 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 by modifying certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government or a blended component unit. In order to conform the reporting of component units under the new GASB 61 requirements, the activities of the Detroit-Wayne County Stadium Authority and the Economic Development Corporation of Wayne County are reported by the County as blended component units and included as government activities in the government –wide statements. The activities of both component units were previously reported in separate discretely presented component units. As a result of this change, the beginning of the year net position in governmental activities increased by $2.1 million. Data from the other 25 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 basic governmental funds financial statements can be found on pages 33 to 38 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 Department of Technology costs, Department of Environment administrative costs, risk management services (self insurance), health insurance, long-term disability, and building and grounds maintenance. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included as governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the operations of the County's 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 39 to 43. Individual fund data for the internal service funds is provided in the form of combining statements and can be found on pages 165 to 170.

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

The fiduciary fund financial statements can be found on pages 44 to 45 and pages 171 to 176 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 49 to 120 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 121 to 132 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 133.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis
(Unaudited)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $1.12 billion at September 30, 2013.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012 Restated	2013	2012	2013	2012 Restated
Current and other assets	$ 971,306	$ 1,120,229	$ 198,148	$ 207,085	$ 1,169,454	$ 1,327,314
Capital assets, net	1,064,851	1,147,163	322,268	332,770	1,387,119	1,479,933
Total assets	2,036,157	2,267,392	520,416	539,855	2,556,573	2,807,247
Long-term liabilities	821,997	690,644	145,370	129,852	967,367	820,496
Other liabilities	413,311	656,991	58,601	85,616	471,912	742,607
Total liabilities	1,235,308	1,347,635	203,971	215,468	1,439,279	1,563,103
Net position:						
Invested in capital assets, net of related debt	926,220	907,079	171,861	172,080	1,098,081	1,079,159
Restricted	255,153	245,225	119,229	137,351	374,382	382,576
Unrestricted	(380,524)	(232,547)	25,355	14,956	(355,169)	(217,591)
Total net position	$ 800,849	$ 919,757	$ 316,445	$ 324,387	$ 1,117,294	$ 1,244,144

By far the largest portion of the County's net position for Governmental Activities and Business-type Activities combined ($1.1 billion or 98 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 net increase of $18.9 million in net position invested in capital assets, which was primarily due to the increase capital assets of $11.8 million related to the Circuit and Probate courts that were included within the General fund this year. In addition, there was a decrease in unspent proceeds for capital related debt of $7.1 million in governmental activities. Depreciation on County capital assets and capital asset additions were consistent with the prior year.

An additional portion of the County's net position ($374.4 million, or 34 percent) represents resources that are subject to external restrictions on how they may be used. Restricted net position reported in connection with the County's governmental activities increased $9.9 (4.0 percent) compared to prior year, which is primarily due to the restrictions of $8.7 million for the additional pension contributions made by the Mental Health Agency at September 30, 2013. Restricted net position for business-type activities decreased by $18.1 million (13.2 percent) due to a reduction in the amount restricted for repayment of debt.

Unrestricted net position has a deficit balance of ($355.2 million) and is not available to meet ongoing obligations to citizens and creditors. Overall, net position decreased by $127 million, and the unrestricted net position decreased by $137.5 million or 63.2 percent primarily due to the write off of $88 million related to the consolidated jail construction and a increase in restricted net position for governmental activities discussed above. See discussion on the change in net position below.

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012 Restated	2013	2012	2013	2012 Restated
Program revenues:						
Charges for services	$ 196,480	$ 201,476	$ 99,294	$ 99,291	$ 295,774	$ 300,767
Operating grants	979,813	956,104	4,670	4,507	984,483	960,611
Capital grants	17,242	14,499	-	-	17,242	14,499
General revenues:						
Property taxes	285,192	296,441	-	-	285,192	296,441
Sales taxes	43,120	42,877	-	-	43,120	42,877
Excise taxes	7,745	7,449	-	-	7,745	7,449
Airport parking taxes	5,800	13,085	-	-	5,800	13,085
Investment earnings	29,128	27,654	217	195	29,345	27,849
Transfer of capital assets	-	-	-	(1)	-	(1)
Other revenue and amortization of bond issuance costs	17,959	20,194	-	-	17,959	20,194
Total revenues	1,582,479	1,579,779	104,181	103,992	1,686,660	1,683,771
Expenses:						
General government	167,181	161,273	-	-	167,181	161,273
Legislative	8,618	8,627	-	-	8,618	8,627
Judicial	145,929	144,953	-	-	145,929	144,953
Public safety	174,936	167,463	-	-	174,936	167,463
Public works	5,825	5,830	-	-	5,825	5,830
Highways, streets and bridges	110,561	109,914	-	-	110,561	109,914
Health and welfare	916,074	939,228	-	-	916,074	939,228
Recreation and cultural	24,791	32,650	-	-	24,791	32,650
Community and economic development	18,375	42,455	-	-	18,375	42,455
Interest on long-term debt	40,446	46,268	-	-	40,446	46,268
Sewage disposal systems	-	-	109,790	108,973	109,790	108,973
Jail Commissary	-	-	2,710	2,783	2,710	2,783
Parking lots	-	-	9	13	9	13
Copy center	-	-	178	-	178	-
Total expenses	1,612,736	1,658,661	112,687	111,769	1,725,423	1,770,430

continued…

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012 Restated	2013	2012	2013	2012 Restated
Change in net position before transfers and special item	(30,257)	(78,882)	(8,506)	(7,777)	(38,763)	(86,659)
Transfers	(564)	(199)	564	199	-	-
Special item	(88,087)	-	-	-	(88,087)	-
Change in net position	(118,908)	(79,081)	(7,942)	(7,578)	(126,850)	(86,659)
Net position:						
Beginning of year	919,757	998,838	324,387	331,965	1,244,144	1,330,803
End of year	$ 800,849	$ 919,757	$ 316,445	$ 324,387	$ 1,117,294	$ 1,244,144

Governmental Activities. Governmental activities decreased the County's net position by $118.9 million. Key fluctuations from the prior year are as follows:

- *Charges for Services* decreased by $5.0 million, predominantly due to a decrease in interest income collected from communities for 2010 and 2011 delinquent taxes ($2.3 million), as well as a reduction in the transfer for economic development due to the distribution of excess tourist taxes ($2.4 million).

- *Operating grants and contributions* increased by $23.7 million primarily due to the recognition of lease revenue ($14.8 million) from the state related to the DHS buildings and approximately $10.0 million in additional Medicaid savings that were utilized in the current year in comparison to the prior year.

- *Capital grants and contributions* increased by $2.7 million due to an increase in federal grants for road construction projects.

- *Property Taxes* decreased $11.2 million due to a decline in the taxable value of real and personal property of nearly 5 percent.

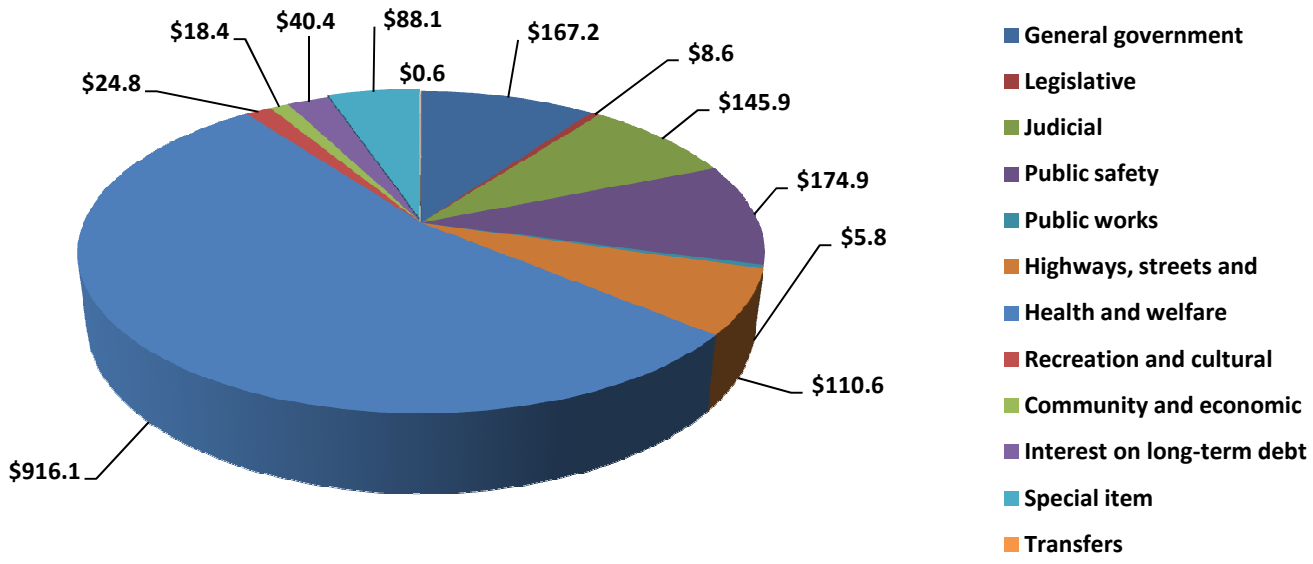
- *Other revenue and amortization of bond issuance costs* decreased by $2.2 million due to a decrease in revenue from equipment rental offset by an increase in revenues from Cobo liquor tax and rent reimbursements.

- General Government expenses increased by $5.9 million primarily due to an increase in the required retirement contribution for defined benefit plans ($3.8 million), as well as an increase in the reserve for litigation for cases ($2.8 million) offset by a series of expenditure reductions due to budget cuts.

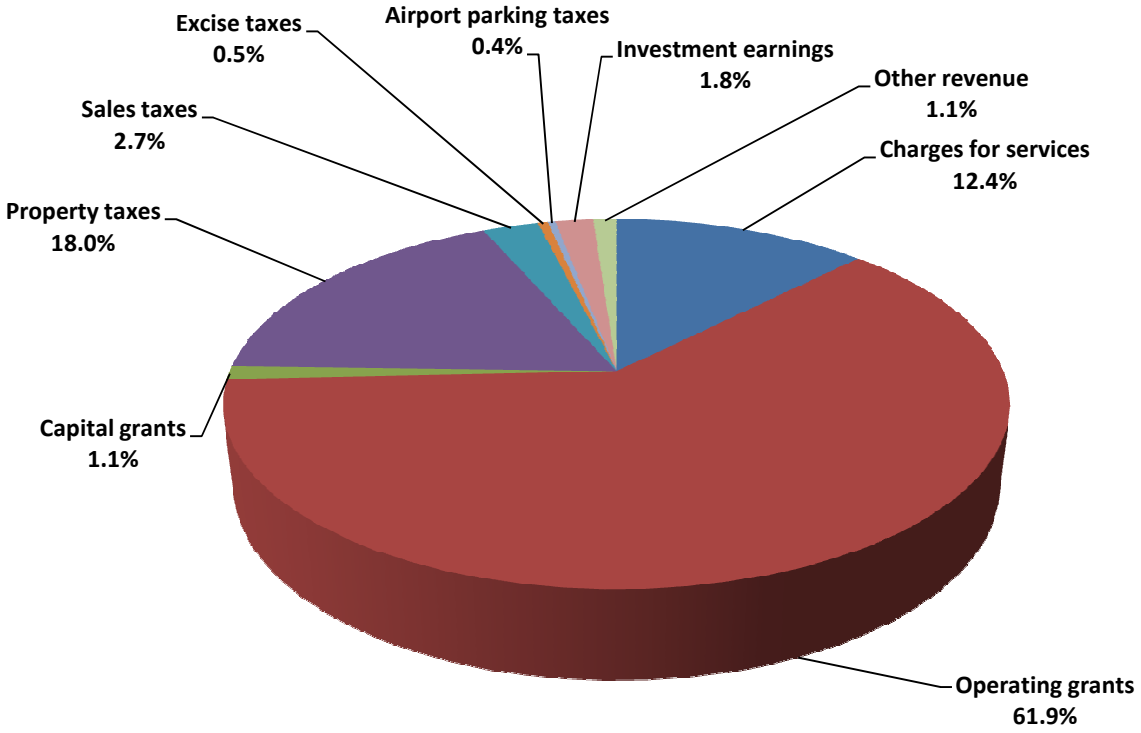
- *Health and Welfare* expenses decreased by $23.2 million due to the reduction in payments for indigent medical services ($13 million) as well as a decrease in prisoner medical costs ($8.1 million).

- *Public Safety* expenses increased by $7.5 million due to an increase in personnel costs, including overtime for the jails and an increase in the actuarially required retirement contribution for defined benefit plans.

Summary of Expenses - Governmental Activities

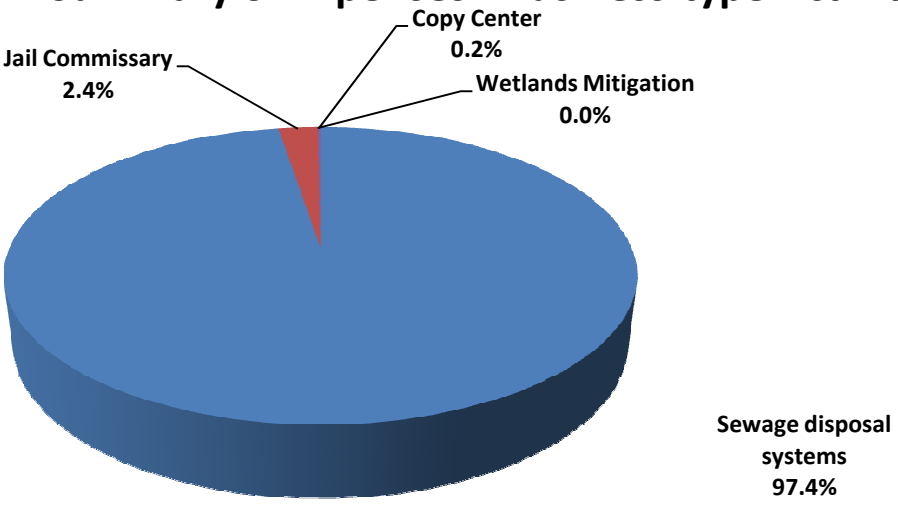


Revenue by Source - Governmental Activities

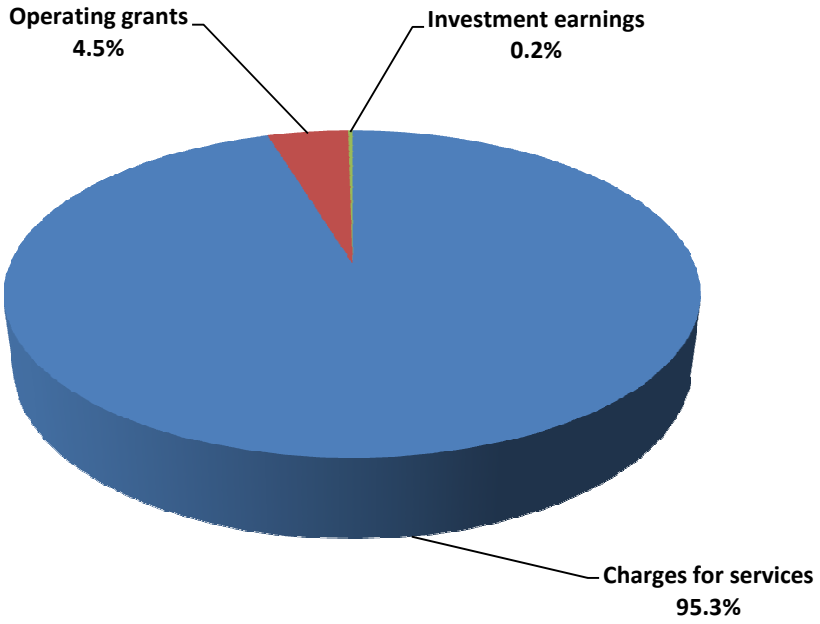


Business-type Activities. The business-type activities decreased the County's net position by $7.9 million for the year. This decrease resulted due to services being provided that are not fully recoverable through sewage disposal rates. This includes depreciation expense of $17.7 million offset by a partial increase in sewage disposal rates.

Summary of Expenses - Business-type Activities



Revenue by Source - Business-type Activities



Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $86.6 million, a decrease of $70.1 million in comparison with the prior year after restatement. Nonspendable fund balances totaled $39.2 million, and assigned fund balances totaled $54.1 million, with unassigned fund deficits totaling $177.4 million. The remainder of fund balance is restricted (1) to pay debt service ($22.8 million); (2) to pay for capital projects and improvements, ($80 million); (3) for inpatient hospitalization and health and welfare services ($16.2 million); (4) for Mental Health risk financing ($35.1 million); and (5) for roads and other special revenue fund purposes ($16.5

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

The General Fund is the chief operating fund of the County. At the end of the fiscal year total fund balance amounted to an accumulated deficit of $145.6 million, of which $159.5 million is the unassigned deficit (an increase of $10.4 million).

The fund balance of the General Fund decreased by $10.3 million over the prior year. Significant fluctuations from the prior year are discussed below.

- Property taxes decreased $11.2 million due to a decline in the taxable value of real and personal property and an increase in the liability reserve for the recovery of delinquent taxes paid to municipalities not collected for $5.7 ....

- Federal and state grants increased by $17.7 and $8.6 million respectively because grants received by the Third Circuit and Probate Courts were reported in the general fund. Third Circuit and Probate court activities were previously reported in discretely presented component units.

- Charges for services decreased by $13.0 million due to the transfer of indigent health care revenue (parking fees) to the Health fund.

- Local revenues increased by $5.4 million due to local grants received by the Third Circuit Court from the Mental Health Agency were reported in the General Fund. Third Circuit Court activities were previously reported in discretely presented component units.

- General Government expenditures increased by $6.2 million primarily related to the increase in retirement and building rental costs. Retirement costs increased by $3.8 million due to the increase in the actuarially determined contribution rate as well as to a retirement credit received in 2012 that was not available in 2013. Building rental expenditures associated with debt repayment increased by $4.0 million due to the increase in debt service payments. These increases were offset by $1.5 million decrease in personnel related costs.

- Public Safety expenditures increased by $10.4 million primarily related to the increase in retirement costs. Retirement costs increased by $7.1 million due to the increase in the actuarially determined contribution rate as well as to a retirement credit received in 2012 that was not available in 2013. There was also an increase in overtime charges ($2.1 million) for deputies working in the jail due to increased occupancy in the jail when compared to the

- Health and Welfare expenditures decreased by $29 million primarily due to the transfer of jail medical activity from the General Fund to the Health Fund. A corresponding increase is in the Health Fund for these services.

- Debt service increased $1.6 million due to the payment of interest on 2012 tax anticipation notes (TANs) ($1.1 million) in fiscal year 2013 and the accrual for the 2013 interest ($427 thousand); the County paid off the 2013 TANs in October 2013 and the related interest was paid subsequent to year end.

- Community and Economic Development decreased by $1.7 million due to decreased appropriations made by the County for the Land Bank. Appropriations for fiscal year 2012 were approximately $1.7 million, including $688,000 for deficit elimination. No appropriations were recorded for the Land Bank in fiscal year 2013.

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

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

- Downriver System. $15.1 million; net position decreased by $11.0 million from the prior year as the result of depreciation expense of $14.5 million which was partially offset by $3.3 million in collections from communities participating in the disposal system.

- Rouge Valley System. $8.2 million; net position increased by $2.0 million from the prior year due to a $1.3 million decrease in sewage disposal charges to communities; offset by a $1 million reduction in operating expenses.

Unrestricted net position for the Delinquent Tax Revolving Fund amounted to $82.2 million; net position decreased by $5.5 million as a result of net income of $43.5 million before transfers offset by a $49 million transfer to the General Fund.

General Fund Budgetary Highlights

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

- Federal revenue increased by $4.6 million due to a grant award from the US Department of Commerce and Economic Development for $2.0 million. Federal revenues were also received for Homeland Security initiatives, which caused a corresponding increase in Public Safety expenditures.

- Local grants and contracts decreased by $1.0 million due to the loss of funding for mandated mental health hearings by the Probate Court. The hearings were funded by the Mental Health Agency in previous years.

- Other revenue decreased by $6.3 million due to the reclassification of revenues collected from departments for building rental, with a corresponding increase in general government expenditures of $4.2 million.

- Public Safety expenditures increased by 2.6 million due to an increase in Homeland Security grant awards. Grant awards for Homeland Security initiatives were received after the budget was adopted provided for sirens in police vehicles for neighboring communities and border control activities.

- General Government expenditures increased by $7.8 million due to the reclassification of charges to departments for building rentals, as well as expenditures related to the grant from US Department of Commerce Economic Development for $2.0 million.

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

- Property taxes decreased by $8.9 million as a result of a reduction in property tax collections as compared to projections. Property tax collections continued to decline due to reductions in taxable values during the fiscal year.

- Federal grant revenues are under budget by $3.8 million because of lower than anticipated project expenditures for fiscal year 2013 related to the 2012 Southeast Border Interoperability Solution Project and US Department of Commerce Economic Development reimbursable grants.

- State grants and contracts decreased by $5.7 million primarily due to the reduction in adult benefit waiver funding from MDCH for indigent medical services.

- Charges for services decreased by $5.9 million due to the reduction of $2.5 million in administrative chargebacks related to the cancellation of the modernization project and a reduction in Sheriff's-court fees and court recording fees.

- Judicial expenditures decreased by $8.6 million due to the reduction in indigent attorneys fees and an unanticipated reduction in personnel and fringe benefit costs due to attrition and turnover in the Third Circuit Court.

- Public Safety expenditures exceeded the amended budget by $28.6 million, which includes overages in Sheriff and jail operations not limited to overtime ($13 million) and fringe benefits ($10.7 million).

- Health and welfare expenditures decreased by $5.5 million due to the reduction in adult benefit waiver revenues and the cancellation of the Health and Human Services modernization project that included the upgrade to Jail Health EMR system, Open-text Enterprise Solution and Document Management.

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, 2013 amounted to $1.4 billion, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. The decline in the County's gross investment in capital assets for the current fiscal year was $87.9 million. The decrease was primarily due to the impairment of capital assets caused by the termination of the consolidated jail construction project and depreciation in governmental and business-type activities offset by capital acquisitions and improvements.

Major capital asset additions for governmental activities, $85.2 million, during the fiscal year ended September 30, 2013 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 $38.7 million. In addition, heavy equipment, machinery and vehicles for the use of the Department of Public Services were purchased totaling $2.3 million.

- $4.2 million for parks improvement projects throughout various local and county parks.

- Construction of the Wayne County Consolidated Jail complex incurred expenditures of $42.8 million in the current year.

Major acquisitions for business-type activities of $7.3 million, included various infrastructure additions and improvements for the Downriver ($6.3 million) Sewage Disposal Systems.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2013	2012 Restated	2013	2012	2013	2012 Restated
Land and improvements	$ 539,643	$ 554,211	$ 6,220	$ 6,286	$ 545,863	$ 560,497
Buildings and improvements	119,026	128,939	5,931	6,622	124,957	135,561
Machinery, equipment and vehicles	42,864	39,673	793	505	43,657	40,178
Infrastructure	336,926	352,897	305,834	265,301	642,760	618,198
Construction in progress	26,392	71,446	3,490	54,055	29,882	125,501
Total capital assets, net	$ 1,064,851	$ 1,147,166	$ 322,268	$ 332,769	$ 1,387,119	$ 1,479,935

Additional information on the County's capital assets can be found in Note 8 on pages 80 to 83 of this report.

Long-Term Debt. At the end of the current fiscal year, the County had total bonded debt and notes outstanding of $841.7 million. Of this amount, $454.2 million comprised debt backed by the full faith and credit of the County. The remainder of the County's debt, $387.5 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 $99.2 million (10.5 percent). Debt for governmental activities made up most of the decrease ($85.7 million). This decrease is two fold: (1) decrease in debt service for the General Obligation bonds; (2) decrease in the delinquent tax anticipation notes issued due to a slow improving economy. Business-type activities debt decreased overall by $13.5 million (7.6 percent) as a result of issuance of new debt of $7.8 million offset by payments totaling $21.3 million.

	Outstanding Bonded Debt as of September 30 (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds (backed by the County)	$ 346,055	$ 369,297	$ 108,174	$ 126,907	$ 454,229	$ 496,204
Capital leases & notes payable	258,616	320,958	-	-	258,616	320,958
Deferred loss on refunding	(2,204)	(3,530)	(463)	(634)	(2,667)	(4,164)
Bond discount	(252)	(296)	-	-	(252)	(296)
Bond premium	1,979	2,204	295	316	2,274	2,520
Total general obligation bonds, net of bond discount and loss on refunding	604,194	688,633	108,006	126,589	712,200	815,222
Revenue bonds (backed by specific fee revenues)	72,965	73,090	55,917	50,699	128,882	123,789
Bond premium	4,962	5,291	527	564	5,489	5,855
Deferred loss on refunding	(2,762)	(2,974)	(15)	(64)	(2,777)	(3,038)
Total revenue bonds, net of loss on refunding	75,165	75,407	56,429	51,199	131,594	126,606
Total bonds and notes payable, net of bond discounts and loss on refundings	$ 679,359	$ 764,040	$ 164,435	$ 177,788	$ 843,794	$ 941,828

The County currently has a "BBB-" rating with a stable outlook from Standard & Poor's, a "Baa3" rating with a negative outlook from Moody's Investors Service and a "BB-" rating with a negative outlook from Fitch Ratings for uninsured debt issues.

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 $1.0 billion, which is significantly less than the County's $4.3 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 10 on pages 84 to 98 of this report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Management's Discussion and Analysis
(Unaudited)

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

- The County's 2013 Equalization Report indicates that the total State Equalized Valuation for the County declined to $42.9 billion, a decrease of 1.6 percent over the prior year. Additionally, the total taxable valuation of the County, which serves as the basis for current and future tax levies, remained relatively the same over prior year.

- The County projects balanced operations for the General Fund for the next fiscal year. The budget totals $1.5 billion which represents a decline from fiscal year 2012-2013. The budget adopted includes personnel reductions, program eliminations, fee increases, and cost avoidances across the entire County. It also focuses on structural changes that will moderate the negative impact on services and workforce reductions. Some of the items considered in the adopted budget include:
  - Continuation of the 10% salary reduction implemented four years ago for most elected officials and employees, including Third Circuit Court and AFSCME Non-Supervisory employees, who have solidified agreements with the County regarding wage concessions during the current fiscal year;
  - Continuation of the employee and retiree health care cost sharing as mandated by the State of Michigan;
  - Elimination of payments to the State where the County is no longer obligated to do so;
  - Enhanced revenues through modernization of fees to reflect current economic costs; and
  - Ten percent reduction in general fund general purpose expenditures from elected officials and departments.

- The unemployment rate for Wayne County, according to the United States Department of Labor, at September 2013 decreased to 10.5 percent, compared to the September 2012 rate of 11.4 percent.

The consumer price index for all urban customers (CPI-U) for the Detroit metropolitan area showed an increase of 1 percent from 216.569 in December of 2012 to 218.217 in December of 2013.

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.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

BASIC FINANCIAL STATEMENTS

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position

September 30, 2013
(in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Equity in pooled cash and investments (Note 4)	$ 142,880	$ 20,640	$ 163,520	$ 13,808
Other cash and investments (Note 4)	41,942	8	41,950	86,047
Internal balances (Note 7)	(8,236)	8,236	-	-
Receivables:				
Due within one year	205,853	18,073	223,926	12,759
Due in more than one year	829	-	829	10,420
Due from component units (Note 7)	161	39	200	-
Due from primary government	-	-	-	8
Due from other government	-	-	-	25,826
Other assets	45,761	681	46,442	25,262
Restricted assets (Notes 4 and 5):				
Equity in pooled cash and investments (Note 4)	109,923	32,561	142,484	-
Other cash and investments (Note 4)	40,601	3,530	44,131	492,845
Accounts receivables (Notes 4 and 5)	371,592	114,380	485,972	9,812
Assets converted from capital asset held for sale	20,000	-	20,000	-
Capital assets not being depreciated (Note 8)	564,835	8,799	573,634	286,251
Capital assets being depreciated, net (Note 8)	500,016	313,469	813,485	1,837,689
Total assets	2,036,157	520,416	2,556,573	2,800,727
Liabilities				
Accounts payable and accrued expenses	176,502	19,516	196,018	63,472
Accrued interest payable	10,945	-	10,945	175
Unearned revenue	25,211	-	25,211	13,615
Due to fiduciary funds	-	-	-	2,712
Due to primary government (Note 7)	-	-	-	200
Due to other government	-	-	-	1,215
Due to component units	8	-	8	-
Bonds, notes and other liabilities payable from restricted assets (Note 10):				
Due within one year	89,492	38,114	127,606	122,880
Due in more than one year	166,931	111,179	278,110	-
Bonds, notes and other liabilities (Note 10):				
Due within one year	111,153	971	112,124	3,469
Due in more than one year	420,843	31,837	452,680	2,138,252
Net pension obligation & other postemployment benefits (Notes 15 and 16)	234,223	2,354	236,577	128
Total liabilities	1,235,308	203,971	1,439,279	2,346,118
Net position				
Net investment in capital assets	926,220	171,861	1,098,081	58,010
Restricted for:				
Health and welfare	74,211	-	74,211	-
Delinquent tax administration	160,533	-	160,533	-
Debt service	8,857	119,229	128,086	-
Veterans programs	3,870	-	3,870	-
Economic development	6,591	-	6,591	-
Bond Programs	-	-	-	277,075
Capital projects	1,091	-	1,091	16,363
Drug enforcement	-	-	-	1,429
Airport operations	-	-	-	29,325
Unrestricted (deficit)	(380,524)	25,355	(355,169)	72,407
Total net position	$ 800,849	$ 316,445	$ 1,117,294	$ 454,609

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2013
(in thousands)

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities:					
General government	$ 167,181	$ 97,331	$ 20,574	$ -	$ (49,276)
Legislative	8,618	2,021	-	-	(6,597)
Judicial	145,929	8,716	46,921	-	(90,292)
Public safety	174,936	39,416	10,807	-	(124,713)
Public works	5,825	5,487	-	-	(338)
Highways, streets and bridges	110,561	3,512	85,641	17,242	(4,166)
Health and welfare	916,074	28,199	800,038	-	(87,837)
Recreation and cultural	24,791	10,002	1,167	-	(13,622)
Community and economic development	18,375	1,796	14,665	-	(1,914)
Interest on long-term debt	40,446	-	-	-	(40,446)
Total governmental activities	1,612,736	196,480	979,813	17,242	(419,201)
Business-type activities:					
Sewage disposal systems	109,790	96,218	4,670	-	(8,902)
Jail commissary	2,710	3,013	-	-	303
Parking lots	9	63	-	-	54
Copy center	178	-	-	-	(178)
Total business-type activities	112,687	99,294	4,670	-	(8,723)
Total primary government	$ 1,725,423	$ 295,774	$ 984,483	$ 17,242	$ (427,924)
Component units:					
Airport Authority	$ 447,401	$ 380,902	$ 1,353	$ 41,638	$ (23,508)
Drainage Districts	8,641	6,075	1,000	-	(1,566)
Wayne County - Detroit CDE, Inc.	292	-	-	-	(292)
Greater Wayne County Economic Development Corp.	61	-	-	-	(61)
Brownfield Redevelopment Authority	759	-	1,021	-	262
HealthChoice of Michigan	25,678	21,323	-	-	(4,355)
Regional Jobs and Economic Growth Foundation	13	-	-	-	(13)
Wayne County Land Bank Corporation	381	686	-	-	305
Total component units	$ 483,226	$ 408,986	$ 3,374	$ 41,638	$ (29,228)

continued...

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities
For the Year Ended September 30, 2013
(in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Change in net position				
Net expense from previous page	$ (419,201)	$ (8,723)	$ (427,924)	$ (29,228)
General revenues:				
Taxes:				
Property	285,192	-	285,192	-
Sales	43,120	-	43,120	-
Excise	7,745	-	7,745	-
Airport parking	5,800	-	5,800	-
Investment earnings	29,128	217	29,345	1,623
Other revenue	17,959	-	17,959	1,105
Transfers in (out)	(564)	564	-	-
Special item (Note 17)	(88,087)	-	(88,087)	-
Total general revenues, transfers and special item	300,293	781	301,074	2,728
Change in net position	(118,908)	(7,942)	(126,850)	(26,500)
Net position at October 1, 2012 as restated (Note 17)	919,757	324,387	1,244,144	481,109
Net position at September 30, 2013	$ 800,849	$ 316,445	$ 1,117,294	$ 454,609

concluded.

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Balance Sheet
Governmental Funds
September 30, 2013
(in thousands)

	General	Roads
Assets		
Equity in pooled cash and investments (Note 4)	$ -	$ 8,000
Other cash and investments (Notes 4 and 5)	238	2
Due from other funds (Note 7)	12,355	30,267
Due from component units (Note 7)	8	100
Receivables:		
Current property taxes	71,400	-
Delinquent property taxes	16,527	-
Accounts	1,268	8,002
Due from other governmental units (Note 7)	40,318	15,567
Less allowance for uncollectible accounts	(213)	(456)
Supplies inventory, at cost	968	5,817
Prepayments and deposits	766	3,098
Long-term receivables (Note 6)	-	-
Less allowance for uncollectible accounts	-	-
Restricted assets:		
Equity in pooled cash and investments (Notes 4 and 5)	-	-
Other cash and investments (Notes 4 and 5)	7,455	-
Total assets	$ 151,090	$ 70,397
Liabilities		
Accounts and contracts payable	3,719	2,468
Due to other funds (Note 7)	106,037	-
Due to component units (Note 7)	-	-
Due to other governmental units (Note 7)	3,231	4,099
Accrued wages and benefits	9,283	1,372
Deposits	-	16,422
Other liabilities	39,212	1,276
Deferred revenue	70,174	1,633
Short-term notes payable	65,000	-
Total liabilities	296,656	27,270
Fund balances		
Nonspendable	1,734	8,915
Restricted	9,183	12,399
Assigned	3,000	21,813
Unassigned deficit	(159,483)	-
Total fund balances (deficits)	(145,566)	43,127
Total liabilities and fund balances	$ 151,090	$ 70,397

See accompanying notes to the basic financial statements.

Mental Health	Health	Juvenile Justice and Abuse / Neglect	Building Authority Construction Capital Project	Nonmajor Governmental Funds	Total
$ 15,814	$ 1,438	$ -	$ -	$ 35,180	$ 60,432
36,213	1	1	-	5,483	41,938
49,141	-	-	-	18,884	110,647
-	-	-	-	45	153
-	-	-	-	-	71,400
-	-	-	-	-	16,527
388	71	1,710	-	1,749	13,188
10,640	984	29,154	-	9,403	106,066
(210)	-	-	-	-	(879)
-	79	164	-	9	7,037
25,821	-	487	-	2,025	32,197
-	-	-	-	829	829
-	-	-	-	(541)	(541)
-	-	-	72,609	13,398	86,007
-	-	-	-	-	7,455
$ 137,807	$ 2,573	$ 31,516	$ 72,609	$ 86,464	$ 552,456
32,033	1,728	11,256	-	5,607	56,811
-	11	21,385	68	11,488	138,989
-	-	-	-	8	8
11,662	13	-	-	656	19,661
348	653	712	-	527	12,895
-	-	-	-	-	16,422
-	1,321	3,139	3,952	3,901	52,801
25,035	500	1,720	-	4,224	103,286
-	-	-	-	-	65,000
69,078	4,226	38,212	4,020	26,411	465,873
25,821	79	651	-	2,034	39,234
35,112	-	-	68,589	45,335	170,618
7,796	-	-	-	21,491	54,100
-	(1,732)	(7,347)	-	(8,807)	(177,369)
68,729	(1,653)	(6,696)	68,589	60,053	86,583
$ 137,807	$ 2,573	$ 31,516	$ 72,609	$ 86,464	$ 552,456

CHARTER COUNTY OF WAYNE, MICHIGAN

Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
September 30, 2013
(in thousands)

Total fund balances - total governmental funds	$ 86,583
Amounts reported for *governmental activities* in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Governmental capital assets	2,718,612
Less accumulated depreciation	(1,657,126)
Assets converted from capital assets held for sale in governmental activities are not financial resources and therefore are not reported in the governmental funds.	20,000
Internal service funds are used by management to charge the costs of certain activities, such as personnel, central services, information technology and insurance costs to individual funds. The assets and liabilities of certain internal service funds are recorded as governmental activities in the Statement of Net Position.	11,397
The assets and liabilities of the Delinquent Tax Revolving fund, an enterprise fund, are recorded as governmental activities in the Statement of Net Position.	243,072
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the governmental funds.	78,078
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds, capital leases, notes and other debt	(422,948)
Unamortized bond premium	(6,941)
Unamortized bond discount	252
Unamortized deferred loss on refunding	4,966
Unamortized bond issuance costs	5,284
Accrued interest payable	(10,518)
Compensated absences	(24,981)
Claims, litigation and assessments	(12,446)
Net pension obligation	(20,349)
Other postemployment benefit obligation	(212,086)
Net position of governmental activities	$ 800,849

See accompanying notes to the basic financial statements.

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CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2013
(in thousands)

	General	Roads	Mental Health
Revenues			
Taxes:			
Property	$ 271,492	$ -	$ -
Sales	43,120	-	-
Excise	-	-	-
Licenses and permits	662	-	-
Federal grants	24,315	1,531	7,862
State grants and contracts	48,694	79,285	621,336
Local grants and contracts	7,958	6,464	-
Charges for services	121,568	3,490	19
Interest and rents	2,225	255	383
Other	16,590	24	-
Total revenues	536,624	91,049	629,600
Expenditures			
Current operations:			
Legislative	8,768	-	-
Judicial	138,109	-	-
General government	136,900	-	-
Public safety	155,257	-	-
Public works	379	-	-
Highways, streets and bridges	-	71,895	-
Health and welfare	41,633	-	640,036
Recreational and cultural	3,411	-	-
Community and economic development	-	-	-
Capital outlay	2,053	15,595	-
Debt service	1,731	1,437	-
Total expenditures	488,241	88,927	640,036
Revenues over (under) expenditures	48,383	2,122	(10,436)
Other financing sources (uses)			
Transfers in (Note 7)	49,045	-	16,500
Transfers out (Note 7)	(107,756)	(7,230)	-
Proceeds from sale of capital assets	-	1	-
Total other financing sources (uses)	(58,711)	(7,229)	16,500
Net change in fund balances	(10,328)	(5,107)	6,064
Fund balances (deficits) at October 1, 2012, as restated, (Note 17)	(135,238)	48,234	62,665
Fund balances (deficits) at September 30, 2013	$ (145,566)	$ 43,127	$ 68,729

See accompanying notes to the basic financial statements.

Health	Juvenile Justice and Abuse / Neglect	Building Authority Construction Capital Project	Nonmajor Governmental Funds	Total
$ -	$ -	$ -	$ 13,565	$ 285,057
-	-	-	-	43,120
-	-	-	7,745	7,745
-	-	-	96	758
8,017	4,249	-	48,163	94,137
4,265	74,575	-	4,995	833,150
6,746	13,236	-	2,491	36,895
11,414	9,222	-	19,242	164,955
-	-	931	24,732	28,526
-	-	-	314	16,928
30,442	101,282	931	121,343	1,511,271
-	-	-	-	8,768
-	-	-	2,165	140,274
-	-	-	2,484	139,384
-	-	-	12,729	167,986
-	-	-	-	379
-	-	-	-	71,895
39,006	172,127	-	38,312	931,114
-	-	-	20,857	24,268
-	-	1	21,747	21,748
45	-	43,037	8,777	69,507
-	-	-	53,320	56,488
39,051	172,127	43,038	160,391	1,631,811
(8,609)	(70,845)	(42,107)	(39,048)	(120,540)
8,137	71,661	-	38,240	183,583
-	-	(10,613)	(7,588)	(133,187)
-	-	-	-	1
8,137	71,661	(10,613)	30,652	50,397
(472)	816	(52,720)	(8,396)	(70,143)
(1,181)	(7,512)	121,309	68,449	156,726
$ (1,653)	$ (6,696)	$ 68,589	$ 60,053	$ 86,583

CHARTER COUNTY OF WAYNE, MICHIGAN

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended September 30, 2013
(in thousands)

Net change in fund balances - total governmental funds	$	(70,143)
Amounts reported for *governmental activities* in the Statement of Activities are different because:		
The change in net position of the internal service funds is reported with governmental activities in the Statement of Activities.		5,471
The change in net position of the Delinquent Tax Revolving Fund, an enterprise fund, is reported with governmental activities in the Statement of Activities.		(5,464)
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		69,507
Less current year depreciation		(58,534)
Loss on impairment of capital assets		(88,087)
Repayment of bond principal and other debt is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Position.		24,594
Revenues in the Statement of Activities that do not provide current financial resources are deferred and not reported as revenues in the governmental funds.		19,099
Non-cash capital contributions in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		15,713
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		(37)
Change in other postemployment benefits		(42,077)
Change in net pension obligation		10,211
Change in accrued compensated absences		3,572
Change in accrued claims, litigation and assessments		(1,196)
Amortization of bond premium, discount, issuance costs and deferred loss on refunding		(1,537)
Change in net position of governmental activities	$	(118,908)

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position
Proprietary Funds
September 30, 2013
(in thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Assets						
Current assets:						
Equity in pooled cash and investments (Note 4)	$ 9,572	$ 5,816	$ 82,443	$ 5,252	$ 103,083	$ 3
Other cash and investments (Notes 4 and 5)	1	-	-	7	8	3
Due from other funds	4,594	4,400	8,864	-	17,858	20,288
Receivables:						
Accounts	71	-	-	125	196	-
Due from component units	39	-	-	-	39	7
Due from other governmental units (Note 10)	5,240	10,004	-	2,793	18,037	95
Less allowance for uncollectible accounts	(159)	-	-	-	(159)	-
Prepayments and deposits	110	-	-	-	110	1,240
Total current assets	19,468	20,220	91,307	8,177	139,172	21,636
Restricted assets (Note 5):						
Equity in pooled cash and investments	21,225	4,419	23,916	6,917	56,477	-
Other cash and investments	3,530	-	33,146	-	36,676	-
Delinquent property taxes receivable	-	-	371,592	-	371,592	-
Accounts receivable	12,027	-	-	2,142	14,169	-
Bond principal due from municipalities	89,415	150	-	10,646	100,211	-
Total restricted assets	126,197	4,569	428,654	19,705	579,125	-
Noncurrent assets:						
Capital assets not being depreciated	3,584	1,449	-	3,766	8,799	24
Capital assets being depreciated, net	216,598	93,857	293	3,014	313,762	3,048
Bond issuance cost, net of amortization	371	44	-	156	571	-
Total noncurrent assets	220,553	95,350	293	6,936	323,132	3,072
Total assets	366,218	120,139	520,254	34,818	1,041,429	24,708
Liabilities						
Current liabilities:						
Accounts and contracts payable	1,490	138	15	176	1,819	1,359
Accrued wages and benefits	135	-	-	-	135	519
Due to other funds (Note 7)	-	-	9,046	758	9,804	-
Current portion of long-term obligations (Note 12)	477	495	-	-	972	1,178
Other liabilities	350	11,947	-	5,280	17,577	5,062
Total current liabilities	2,452	12,580	9,061	6,214	30,307	8,118

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position
Proprietary Funds
September 30, 2013
(in thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Payable from restricted assets:						
Accounts payable	$ 1,675	$ -	$ 764	$ 2,670	$ 5,109	$ -
Accrued wages and benefits	-	-	47	-	47	-
Other liabilities	12,311	-	245	-	12,556	-
Accrued interest	440	-	727	232	1,399	-
Due to other government (Note 7)	-	-	11,336	-	11,336	-
Other postemployment benefits (Note 16)	-	-	196	-	196	-
Bonds and notes payable (Note 10):						
Due in less than one year	16,840	-	87,875	3,946	108,661	-
Due in more than one year	94,931	4,569	166,931	11,679	278,110	-
Total liabilities payable from restricted assets	126,197	4,569	268,121	18,527	417,414	-
Noncurrent liabilities:						
Other postemployment benefits (Note 16)	2,354	-	-	-	2,354	1,592
Bonds and notes payable due in more than one year (Note 10)	26,138	5,584	-	-	31,722	-
Other long-term liabilities	115	-	-	-	115	3,601
Total noncurrent liabilities	28,607	5,584	-	-	34,191	5,193
Total liabilities	157,256	22,733	277,182	24,741	481,912	13,311
Net position						
Net investment in capital assets	82,134	84,658	293	5,069	172,154	3,072
Restricted for:						
Delinquent tax administration	-	-	160,533	-	160,533	-
Bond programs	111,771	4,569	-	2,889	119,229	-
Unrestricted	15,057	8,179	82,246	2,119	107,601	8,325
Total net position	$ 208,962	$ 97,406	$ 243,072	$ 10,077	$ 559,517	$ 11,397

Reconciliation of statement of net position of enterprise funds to business-type activities

Total enterprise fund net position	$ 559,517
The Delinquent Tax Revolving Fund primarily serves the general government and therefore is reported as governmental activities in the statement of net position (Note 1)	(243,072)
Net position of business-type activities	$ 316,445

See accompanying notes to the basic financial statements. concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statements of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds
For the Year Ended September 30, 2013
(in thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Operating revenues						
Sewage disposal charges	$ 15,021	$ 52,291	$ -	$ 22,428	$ 89,740	$ -
Industrial surcharges	1,578	-	-	-	1,578	-
State grants	650	-	-	-	650	-
Other charges for services	3,368	-	-	4,608	7,976	151,533
Fines and forfeitures	-	-	74,075	-	74,075	-
Rentals and expense recoveries	-	-	-	-	-	1,658
Total operating revenues	20,617	52,291	74,075	27,036	174,019	153,191
Operating expenses						
Personnel	2,283	-	949	-	3,232	7,896
Fringe benefits	1,606	-	612	-	2,218	5,333
Pension	854	-	238	-	1,092	2,619
Materials and supplies	2,036	23	1,428	895	4,382	874
Contractual services	5,272	46,844	15,890	23,158	91,164	8,824
Travel	27	-	2	-	29	68
Miscellaneous operating	4,036	204	1,278	791	6,309	114,817
Rentals	63	21	135	414	633	1,900
Other charges	-	-	-	932	932	2,569
Depreciation and amortization	14,508	2,901	44	355	17,808	870
Total operating expenses	30,685	49,993	20,576	26,545	127,799	145,770
Operating income (loss)	(10,068)	2,298	53,499	491	46,220	7,421
Nonoperating revenues (expenses)						
Investment earnings	32	5	598	179	814	-
Collections from participating units	3,251	4	-	765	4,020	-
Interest expense	(4,256)	(270)	(10,552)	(937)	(16,015)	-
Total nonoperating revenues (expenses)	(973)	(261)	(9,954)	7	(11,181)	-
Income (loss) before transfers	(11,041)	2,037	43,545	498	35,039	7,421
Transfers in	-	-	-	564	564	1,727
Transfers out	-	-	(49,009)	-	(49,009)	(3,677)
Change in net position	(11,041)	2,037	(5,464)	1,062	(13,406)	5,471
Net position at October 1, 2012	220,003	95,369	248,536	9,015	572,923	5,926
Net position at September 30, 2013	$ 208,962	$ 97,406	$ 243,072	$ 10,077	$ 559,517	$ 11,397

Reconciliation of statement of revenues, expenses and changes in fund net position to the business-type activities in the statement of activities	
Net change in net position - enterprise funds	$ (13,406)
The Delinquent Tax Revolving Fund primarily serves the general government and therefore is reported as governmental activities in the statement of activities (Note 1)	5,464
Change in net position of business-type activities	$ (7,942)

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, 2013
(in thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Cash flows from operating activities						
Receipts from customers	$ 19,050	$ 53,172	$ 507,210	$ 28,968	$ 608,400	$ 153,082
Payments to suppliers	(11,753)	(44,523)	(429,609)	(26,935)	(512,820)	(134,803)
Payments to employees	(2,282)	-	(1,823)	(53)	(4,158)	(15,789)
Payments for benefits	(1,945)	-	(419)	-	(2,364)	(5,058)
Internal activity - receipts from other funds	(4,594)	(4,400)	38,154	(883)	28,277	-
Internal activity - payments to other funds	(84)	(14)	20,382	(337)	19,947	(20,137)
Internal activity - receipts from component units	(20)	-	1,459	-	1,439	(7)
Net cash provided by (used in) operating activities	(1,628)	4,235	135,354	760	138,721	(22,712)
Cash flows from non-capital financing activities						
Transfers (to) from other funds	-	-	(49,009)	563	(48,446)	(1,950)
Cash flows from capital and related financing activities						
Repayment of long-term debt	(16,874)	(490)	(281,115)	(3,965)	(302,444)	-
Proceeds from issuance of long term debt	6,229	359	220,000	1,376	227,964	-
Bond principal received from municipalities	12,927	20	-	4,679	17,626	-
Interest received from participating local units	3,251	4	-	765	4,020	-
Acquisition of capital assets	(6,252)	(23)	-	(986)	(7,261)	-
Interest paid	(4,244)	(266)	(11,422)	(939)	(16,871)	-
Net cash provided by (used in) capital and related financing activities	(4,963)	(396)	(72,537)	930	(76,966)	-
Cash flows from investing activities						
Investment earnings	32	5	598	179	814	-
Change in cash and cash equivalents	(6,559)	3,844	14,406	2,432	14,123	(24,662)
Cash and cash equivalents at October 1, 2012	40,887	6,391	125,099	9,744	182,121	24,668
Cash and cash equivalents at September 30, 2013	$ 34,328	$ 10,235	$ 139,505	$ 12,176	$ 196,244	$ 6
Cash and cash equivalents at September 30, 2013 consist of the following:						
Equity in pooled cash and investments	$ 9,572	$ 5,816	$ 82,443	$ 5,252	$ 103,083	$ 3
Other cash and investments	1	-	-	7	8	3
Restricted assets:						
Equity in pooled cash and investments	21,225	4,419	23,916	6,917	56,477	-
Other cash and investments	3,530	-	33,146	-	36,676	-
Total cash and investments	$ 34,328	$ 10,235	$ 139,505	$ 12,176	$ 196,244	$ 6

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2013
(in thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewage Disposal Systems		Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total	
	Downriver	Rouge Valley				
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	$ (10,068)	$ 2,298	$ 53,499	$ 491	$ 46,220	$ 7,421
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	14,508	2,901	44	355	17,808	870
Changes in current assets and liabilities:						
Delinquent property taxes receivable	-	-	22,166	-	22,166	-
Accounts receivable	257	-	-	1,293	1,550	-
Due from other funds	(4,594)	(4,400)	38,154	-	29,160	(20,134)
Due from other governmental units	(1,824)	881	-	639	(304)	51
Due from component units	(20)	-	1,459	-	1,439	(7)
Other current assets	14	-	-	-	14	(54)
Accounts and contracts payable	(373)	102	371	(1,020)	(920)	(296)
Accrued wages	1	-	(24)	-	(23)	57
Accrued benefits	11	-	3		14	24
Due to other funds	(84)	(14)	20,382	(1,220)	19,064	-
Other liabilities	40	2,468	(278)	222	2,452	(5,405)
Compensated absences payable	27	-	(6)	-	21	60
Deferred revenue	-	-	-	-	-	(160)
Noncurrent other liabilities	477	-	(416)	-	61	(5,139)
Net cash provided by (used in) operating activities	$ (1,628)	$ 4,236	$ 135,354	$ 760	$ 138,722	$ (22,712)

See accompanying notes to the basic financial statements.

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CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds
September 30, 2013
(in thousands)

	Pension and Other Employee Benefits Trust Funds	Agency Funds
Assets		
Equity in pooled cash and investments (Note 4)	$ 14,307	$ 178,902
Other cash and investments (Note 4)	-	2,136
Accounts receivable	496	-
Accrued interest receivable	569	-
Due from other component Units	2,712	
Due from other governmental units		62
Retirement investments (Note 4):		
Equity securities	743,239	-
Debt securities	202,649	-
Money market funds	17,182	-
Other investments	188,981	-
Total retirement investments	1,152,051	-
Prepayments and deposits	23	-
Depreciable capital assets, net (Note 8)	5	-
Total assets	1,170,163	$ 181,100
Liabilities		
Accounts and contracts payable	755	$ 11,410
Due to other governmental units (Note 7)	-	2,816
Accrued wages and benefits	96	-
Due to broker for securities purchased	762	-
Undistributed taxes	-	143,472
Other liabilities	422	23,402
Total liabilities	2,035	$ 181,100
Net position		
Held in trust for pension and other employee benefits	$ 1,168,128	

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Changes in Fiduciary Net Position

Pension and Other Employee Benefits Trust Funds
For the Year Ended September 30, 2013
(in thousands)

Additions	
Investment income:	
Net appreciation in fair market value	$ 127,074
Interest and dividends	25,414
Other investment income	1,947
Investment expenses	(3,022)
Net investment income	151,413
Contributions:	
Employer	93,693
Employee	23,361
Total contributions	117,054
Total additions	268,467
Deductions	
Administrative expenses	3,474
Participant benefits	164,672
Total deductions	168,146
Change in net position	100,321
Net position at October 1, 2012	1,067,807
Net position at September 30, 2013 (Note 15)	$ 1,168,128

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Net Position

Component Units
September 30, 2013
(in thousands)

	Airport Authority	Nonmajor Component Units	Total
Assets			
Equity in pooled cash and investments (Note 4)	$ -	$ 13,808	$ 13,808
Other cash and investments (Note 4)	76,958	9,089	86,047
Receivables:			
Due in one year	10,472	2,287	12,759
Due in more than one year	-	10,420	10,420
Due from primary government	-	8	8
Due from other governmental units	25,826	-	25,826
Other assets	25,117	145	25,262
Restricted assets (Note 5):		-	
Other cash and investments	492,845	-	492,845
Accounts receivable	9,812	-	9,812
Capital assets not being depreciated (Note 8)	285,598	653	286,251
Capital assets being depreciated, net (Note 8)	1,802,950	34,739	1,837,689
Total assets	2,729,578	71,149	2,800,727
Liabilities			
Accounts payable and accrued expenses	58,049	5,423	63,472
Accrued interest payable	105	70	175
Unearned revenue	1,385	12,230	13,615
Due to fiduciary funds	2,712	-	2,712
Due to primary government (Note 7)	200	-	200
Due to other governmental units (Note 7)	1,215	-	1,215
Bonds, notes and other liabilities payable from restricted assets (Note 10):			
Due in one year	122,880	-	122,880
Bonds, notes and other liabilities (Note 10):			
Due in one year	2,631	838	3,469
Due in more than one year	2,127,832	10,420	2,138,252
Net pension obligation and other postemployment benefits (Notes 15 and 16)	-	128	128
Total liabilities	2,317,009	29,109	2,346,118
Net position			
Net investment in capital assets	27,234	30,776	58,010
Restricted for:			
Bond programs	277,075	-	277,075
Capital projects	15,870	493	16,363
Drug enforcement	1,429	-	1,429
Airport operations	29,325	-	29,325
Unrestricted	61,636	10,771	72,407
Total net position	$ 412,569	$ 42,040	$ 454,609

See accompanying notes to the basic financial statements.

CHARTER COUNTY OF WAYNE, MICHIGAN

Statement of Activities
Component Units
For the Year Ended September 30, 2013
(in thousands)

	Airport Authority	Nonmajor Component Units	Total
Expenses	$ 447,401	$ 35,825	$ 483,226
Program revenues			
Charges for services	380,902	28,084	408,986
Operating grants and contributions	1,353	2,021	3,374
Capital grants and contributions	41,638	-	41,638
Total program revenues	423,893	30,105	453,998
Net expense	(23,508)	(5,720)	(29,228)
General revenues			
Investment earnings (loss)	1,616	7	1,623
Other revenue	-	1,105	1,105
Total general revenues	1,616	1,112	2,728
Change in net position	(21,892)	(4,608)	(26,500)
Net position at October 1, 2012, as restated (Note 17)	434,461	46,648	481,109
Net position at September 30, 2013	$ 412,569	$ 42,040	$ 454,609

See accompanying notes to the basic financial statements.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

NOTES TO THE BASIC FINANCIAL STATEMENTS

CHARTER COUNTY OF WAYNE, MICHIGAN

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 one major and three nonmajor governmental funds.

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

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

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.

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 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 seven of the eleven Board members. The CDE's limited liability corporations administer the NMTC projects.

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

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

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

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 County 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 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 of Article 7, of the Michigan Constitution of 1963 and the Land Bank Fast Track Act, 2003 PA 258 MCL 124.751 to 124.774. The agreement established the Wayne County Land Bank Corporation (Land Bank), a separate legal entity and public body corporate, to administer and execute the objectives of the Land Bank. 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, CDE, Inc., the GWEDC, HealthChoice of Michigan, 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

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

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.

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

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

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

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

Brownfield Redevelopment Authority
500 Griswold, 30th 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.

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 Position 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 position is reported in the following three categories: net investment in capital assets, net of related debt; restricted net position and unrestricted net position.

- Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction or improvement of those assets.

- Restricted net position results when constraints placed on use of net position is either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

- Unrestricted net position consists of net position which does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources, which are imposed by management, but can be removed or modified.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are specifically associated with a service, program or department and are clearly identifiable to a specific function. In addition, indirect expenses for centralized services and administrative overhead are included as part of the direct expenses reported for the various 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 benefits 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. The County considers all other revenues to be available if they are collected within sixty (60) days of the end of the fiscal year, except grant and trade receivables. They shall be considered available if they are collected within ninety (90) days of the end of the fiscal year.

Expenditures are recognized as payable on the modified accrual basis when the liability is incurred, except for principal and interest on general long-term obligations, compensated absences, and claims, litigation, and assessments, which are recognized when due.

The County reports the following major governmental funds:

- *General Fund* – The General Fund accounts for all financial resources and expenditures except those required to be accounted for in other funds. The General Fund is the County's primary operating fund.

- *Roads Special Revenue Fund* – This fund is used to account for the operations associated with the maintenance and construction of certain roads, streets, and bridges located within the County. These operations are funded principally by the federal government, the State of Michigan, and local governmental units within the County.

- *Mental Health Special Revenue Fund* – This fund is used to account for revenue restricted for providing mental health services to County residents. These operations are primarily funded by the State of Michigan through Medicaid and State grants and contracts.

- *Health Special Revenue Fund* – This fund is used to account for revenue restricted for the purpose of providing health protection, maintenance, and improvement for the residents of the County. These operations are principally funded by federal grants and the State of Michigan through Medicaid and State grants and contracts.

- *Juvenile Justice and Abuse/Neglect Special Revenue Fund* – This fund accounts for the cost of providing required foster care and/or residential care to abused, neglected, and delinquent children in the County, including County residents who become wards of the State of Michigan. These operations are principally funded by grants and contracts from the State of Michigan.

- *Wayne County Building Authority Construction Capital Projects Fund* – This fund is used to account for the funding and costs of constructing new facilities and major renovations of existing facilities. Financing is provided from bond proceeds received exclusively for certain capital projects.

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 Enterprise Funds* – These major enterprise funds are used to record the fiscal activities associated with operation and maintenance of the Downriver and Rouge Valley sewage treatment facilities. Costs are recovered through development of usage rates, which are billed to the local communities served.

- *Delinquent Tax Revolving Enterprise Fund* – This major enterprise fund is used to account for money advanced by the County to various taxing authorities for unpaid property taxes. It was established by law to buy any or all delinquent real property taxes and special assessments owed to the County and taxing authorities in the County.

Additionally, the County reports the following fund types:

- *Special revenue funds* are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

- *Debt service funds* are used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources and for special assessment bond principal and interest from special assessment levies when the County is obligated in some manner for the payment.

- *Capital projects funds* are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

- *Enterprise funds* are used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges or where periodic determination of net income is appropriate for accountability purposes.

- *Internal service funds* are used to account for the costs of certain goods, services, and activities (such as information technology, employee health benefits, property insurance, buildings and grounds maintenance, etc.) provided by one department to another department or to component units of the County.

- *Pension and other employee benefits trust funds* are used to account for the assets of the County's employees' pension plan and other post employment benefit plans. These funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting.

- *Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the County holds for others in an agency capacity. Agency funds, which only report a Statement of Fiduciary Net Position, use the accrual basis of accounting. The specific nature of transactions recorded in these funds are: current tax collections and their subsequent disbursement to other governmental units; court fines received by the District Courts and disbursed to public libraries; 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 unit:

- *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.

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.

Assets, liabilities, and net position or fund balance

Deposits and investments

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

Inventories, prepaid items and deposits

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

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

Fund balances in governmental funds have been reported as nonspendable for the balance in inventory, prepaid items, deposits, and other long-term assets at September 30, 2013, as that portion of fund balance is not in spendable form or is legally or contractually required to be maintained intact.

Interfund balances

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

Capital assets

Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

Infrastructure assets are defined as long-lived capital assets that are stationary in nature and can be preserved longer than most other capital assets. Infrastructure assets have an initial, individual cost of more than $5,000.

Equipment, buildings, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in either the governmental or business-type activities column in the government-wide financial statements. All capital assets are recorded at historical cost or estimated historical cost, if actual cost information is not available. Donated capital assets are recorded at 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 (years), with the exception of certain Department of Public Services machinery and equipment and vehicles, which are depreciated using sum-of-the years' digits:

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

Tax anticipation notes

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

Long-term obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts, 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, net pension obligations, other post-employment benefits and reserves for commitments and contingencies. See Note 10, Long-Term Debt and Other Obligations, Note 15, Employee Benefits, Note 16, Other Post-employment Benefit Obligations, and Note 14, 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 postemployment 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 the following components of fund balance:

- *Nonspendable:* Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

- *Restricted:* Amounts that have externally imposed constraints and are legally restricted by outside parties, constitutional provisions or enabling legislation for use of a specific purpose.

- *Committed:* Amounts that have been committed for specific purposes by formal action of the government's highest level of decision-making authority (i.e. County Commission). Commitments are made and can be rescinded only via resolution of the County Commission.

- *Assigned:* Amounts that are intended by the government to be used for specific purposes, but are not restricted or committed. By resolution of the Wayne County Commission, authority to assign fund balance has been designated to the Chief Financial Officer or his/her designee subject to the approval of the Wayne County Commission.

- *Unassigned:* Residual amounts remaining in the General Fund and negative amounts in special revenue funds.

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

The County Commission has adopted, by ordinance, a Budget Stabilization Fund under Michigan's Public Act 30 of 1978. The County Commission may, with a 2/3 vote, set aside General Fund surplus, up to a maximum of 15% of the most recent General Fund budget (or average of the five most recent budgets, if less). An appropriation from the Budget Stabilization Fund, which also requires a 2/3 vote of the County Commission, may only occur to correct a budget shortfall, or in the case of a natural disaster. The balance at September 30, 2013 of the Stabilization amount, which is reported in the General Fund, is $3 million.

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

Use of estimates

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

Reclassifications

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

Cash flows

For purposes of the 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.

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 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 118. The budgetary comparison schedules for the other governmental funds begin on page 138.

	Final Amended Budget	Actual Expenditures	Amount Over Amended Budget
General fund			
General government:			
Adult Probation	$ 2,039	$ 2,105	$ 66
County Elections	1,917	2,032	115
Office of the County Executive	5,435	5,733	298
Prosecuting Attorney	31,029	42,518	11,489
Public safety:			
County jail	89,131	118,723	29,592
Sheriff	30,950	32,205	1,255
Health and welfare:			
Cooperative Extension	335	360	25
Special revenue funds			
Health -			
Other Health Programs	3,510	3,958	448
Juvenile Justice -			
Community Corrections	247	258	11
Drug enforcement -			
Sheriff Drug Enforcement	453	1,568	1,115
Nutrition -			
Senior Citizens Services	4,653	5,082	429
Veterans Trust -			
Veterans Affairs	250	263	13
Stadium and Land Development -			
Tourist Tax	6,600	7,751	1,151

General Fund – Actual expenditures in these functions exceeded budgeted expenditures by $42.8 million which relates mainly to excess expenditures in the County Jail ($29.5 million) and Prosecuting Attorney ($11.5 million). These overages were not budgeted and will be funded primarily through General Fund General Purpose Revenues. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Health – Actual expenditures in this activity exceeded budgeted expenditures by $448,000. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Juvenile Justice – Actual expenditures in this activity exceeded budgeted expenditures by $11,000. The overage was funded through General Fund transfers. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Drug Enforcement - Actual expenditures in this activity exceeded budgeted expenditures by $1.1 million The overage will be funded as seizure cases are adjudicated in court. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Nutrition Fund - Actual expenditures in this activity exceeded budget by $429,000. The overage was funded through General Fund transfers. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Veterans Trust - Actual expenditures in this activity exceeded budget by $13,000. The overage was funded through General Fund transfers. This fund is in deficit. Refer to footnote 3 for disclosure of the deficit elimination plan for this fund.

Stadium and Land Development – Actual expenditures in this activity exceeded budget by $1.1 million. The overage was funded by additional tourist tax collections. This is not in deficit.

The Wayne County Commission adopted original and amended budgets for the General, Health, Juvenile Justice, Drug Enforcement, Nutrition and Veterans Trust funds that projected fund deficits due to beginning of year deficits.

3. FUND DEFICITS

The County is required by its Home Rule Charter and State statutes, specifically Public Act 2 of 1968 and Public Act 275 of 1980, as amended, to operate under a plan to eliminate any fund deficits. The unassigned general fund deficit for the year ended September 30, 2013 amounts to $159 million. Section 87b of the General Property Tax Act allows for any surplus retained in the Delinquent Tax Revolving Fund ("DTRF") to be transferred to the County general fund. Historically, such transfer would occur at the discretion of the County Treasurer. The DTRF currently has a fund balance of $243 million, $82 million of which is unrestricted. Had the $82 million of unrestricted DTRF fund balance been formally declared surplus for the year ended September 30, 2013, the unassigned general fund deficit would have been reduced to $77 million.

The unassigned deficits at September 30, 2013 were as follows (amounts in thousands):

		Source of Funding			
	Deficit	General Fund Appropriations	Other Internal	Expenditure Reduction	Other Revenue Sources
Governmental funds					
General	$ 159,483	$ 159,483	$ -	$ -	$ -
Health	1,732	1,732	-	-	-
Juvenile Justice	7,347	3,674	-	3,673	-
Drug Enforcement	1,416	-	-	-	1,416
Nutrition	2,822	2,822	-	-	-
Health and Family Services	1,793	-	-	-	1,793
Community and Economic Development	2,776	2,776	-	-	-
Total governmental funds	$ 177,369	$ 170,487	$ -	$ 3,673	$ 3,209
Internal service funds					
Buildings and Grounds Maintenance	$ 420	$ 420	$ -	$ -	$ -

In addition, the deficit (in thousands) of $19 in the QEBA fidiciary fund will be covered by other internal appropriations and $2,769 in the Chapter 8 Drainage Districts component unit will be covered by other revenue sources.

The General Fund has earmarked $17.5 million in 2014 and anticipates committing $34.9 million per year from 2015 through 2016, 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.

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, 2013:

	Primary Government	Component Units	Total
Statement of Net Position			
Equity in pooled cash and investments	$ 163,520	$ 13,808	$ 177,328
Other cash and investments	41,950	86,047	127,997
Restricted assets: (Note 5)			
Equity in pooled cash and investments	142,484	-	142,484
Other cash and investments	44,131	492,845	536,976
Statement of Fiduciary Net Position			
Equity in pooled cash and investments	$ 193,209	$ -	$ 193,209
Other cash and investments	2,136	-	2,136
Investments - pension and other employee benefits trust funds	1,152,051	-	1,152,051
Total	$ 1,739,481	$ 592,700	$ 2,332,181

Reconciliation of Deposits and Investments	
Bank deposits (demand and time deposits):	
Treasurer's pool	$ 459,959
Other deposits (not in Treasurer's pool)	173,861
Investments in securities, mutual funds and similar instruments:	
Treasurer's pool	53,062
Pension and other employee benefits trust funds	1,152,051
Other investments (not in Treasurer's pool)	493,234
Cash on hand	14
Total	$ 2,332,181

Composition of Cash and Investment Balances

Pooled cash and investments consist of demand deposits, certificates of deposit, money market funds, commercial paper, and obligations of the U.S. Treasury and agencies and obligations of political subdivisions within the State of Michigan. The Wayne County Treasurer administers these pools, which include the assets of certain component units. Equity in pooled cash represents the fund/reporting unit's position in the portfolio. In other words, it is the value of their ownership in the 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.

Treasurer's Cash and Investment Portfolio

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

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

At year-end, the County portfolio had $534.4 million of bank deposits (primarily demand deposits and certificates of deposit) with a carrying value of $533.8 million, that were largely uninsured and uncollateralized. Other primary government depository accounts (outside of the portfolio administered by the Treasurer) had a total bank balance and carrying value of $5.7 million. The County believes that due to the dollar amount of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the County evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with acceptable levels of estimated risk are used as depositories.

Custodial Credit Risk of Investments – Following is a summary of the County's investments as of September 30, 2013 (in thousands):

U.S. agency bonds	$	7,000
Municipal bonds		31,475
Money market funds		14,587
	$	53,062

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

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

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

Investment Type	Fair Value	Rating	Agency
Government agency bonds	$ 7,000	AA+	S&P
Municipal bonds	1,170	AA	S&P
Municipal bonds	4,110	AA-	S&P
Municipal bonds	920	AA1	Fitch
Municipal bonds	2,255	Aa2	Moody's
Municipal bonds	2,115	Aa2	S&P
Municipal bonds	2,500	MIG 1	Moody's
Municipal bonds	18,405	SP-1	S&P
	31,475		
Money market funds	1,021	AAAm	S&P
Money market funds	12,594	Aaa-mf	Moody's
Money market funds	972	Not Rated	N/A
	14,587		
Total	$ 53,062		

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%
Certificate of deposit (bank)	50%
Certificates of deposit (credit unions)	10%
Certificates of deposit (savings and loan associations)	10%

County limits based on use of a single issuer:

Investment Type	Limit
Bankers' acceptances	25% of total portfolio
Repurchase agreements	10% of total portfolio
Certificates of deposit (bank)	33% of total portfolio
Certificates of deposit (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	Maximum Maturity
General fund, operating funds	One year
Debt service, special assessment, nonexpendable trust funds	Five years
Delinquent tax revolving fund	Four years
Funds subject to federal arbitrage restrictions	Varies

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

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

Investments as of September 30, 2013 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 000's)	Average Maturity
Government agency bond	$ 7,000	841
Municipal bonds	31,475	434
Investments subject to risk	$ 38,475	

As of September 30, 2013, 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 in Pooled Cash	Other Cash & Investments	Other Cash & Investments
Governmental activities	$ 320,618	53.9%	$ 243,809	$ 76,809	$ 5,734
Business-type activities	65,725	11.1%	62,195	3,530	8
Fiduciary activities	194,176	32.7%	193,209	967	1,169
Component units	13,808	2.3%	13,808	-	578,892
Total	$ 594,327	100.0%	$ 513,021	$ 81,306	$ 585,803

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.

Wayne County Employees' Retirement System Defined Benefit Plan

As of September 30, 2013 the Plan's investments (in thousands) are classified as follows:

Equity securities and mutual funds:	
Common stocks	$ 339,072
Equity mutual funds	162,534
International equities	1,684
Total equity securities	503,290

Debt securities and mutual funds:		
Bond mutual funds	$	84,012
Corporate		3,258
Asset-backed securities		356
Mortgage-backed securities		3,534
Government agencies bonds		467
U.S. government bonds		961
State and municipal bonds		248
Foreign debt securities		430
Total debt Securities		93,266
Money market funds		16,897
Other investments:		
Real estate investment trusts		101,055
Hedge funds		25,156
Structured debt		16,758
Investments in partnerships (net of valuation allowance of $13,000,000)		10,077
Total other investments		153,046
Total investments	$	766,499

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 $13.9 million as of September 30, 2013 are included in the County's pooled cash.

Custodial Credit Risk of Investments – The Plan's investment policy and Public Act 314 of 1965, as amended, require that are (a) investments are held by a third-party safe-keeper in the Plan's name; (b) investments are held by a trustee in the Plan's name; or (c) investments are part of a mutual fund. The Plan's investment policy also requires that the safekeeping institution shall annually provide a copy of its most recent report on internal controls (also referred to as a "SAS 70 report").

As of September 30, 2013, 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, 2013, there were no investments that exceeded five percent or more of the Plan's total investments, other than investments in mutual funds, similar pooled investments, or investments issued, assumed, or guaranteed by the United States, its agencies, or United States government-sponsored enterprises.

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

Common stocks	$ 133,087
Corporate bonds	265
Government agencies bonds	135
U.S. government bonds	916
	$ 134,403

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

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

The Plan's investment in debt securities (in thousands) were rated at September 30, 2013 as follows:

	Corporate Bonds	Asset-backed Securities	Mortgage-backed Securities	U.S. Government Agencies	State and Municipal Bonds	Foreign Debt Securities
Standard & Poor's						
AAA	$ -	$ 178	$ 3,234	$ -	$ 106	$ -
AA	283	25	85	467	142	67
A	1,962	50	135	-	-	187
BBB	960	-	-	-	-	76
Moody's						
Aaa	-	-	57	-	-	100
A	53	83	-	-	-	-
Caa	-	-	23	-	-	-
Unrated	-	20	-	-	-	-
Total	$ 3,258	$ 356	$ 3,534	$ 467	$ 248	$ 430

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, 2013, the Plan's money market funds were rated A1+ by Standard & Poor's with weighted average maturities of 49 days.

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

Maturities of the Plan's debt securities as of September 30, 2013 were as follows (in thousands):

	Investment Maturities (Fair Value by Years)				
	Due < 1 year	Due in 1-5 years	Due in 6-10 years	Due > 10 years	Totals
Corporate bonds	$ 578	$ 1,077	$ 1,234	$ 369	$ 3,258
Asset-backed securities	-	205	131	20	356
Mortgage-backed securities	27	422	365	2,720	3,534
Government agencies bonds	-	402	-	65	467
U.S. government bonds	60	100	130	671	961
State and municipal bonds	-	31	75	142	248
Bond mutual funds	155	-	83,857	-	84,012
Foreign debt securities	-	176	113	141	430
	$ 820	$ 2,413	$ 85,905	$ 4,128	$ 93,266

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):

Investment/Country	Currency	Fair Value (USD)
Foreign debt securities		
Canada	Canadian dollar	$ 241
Netherlands	European euro	76
United Kingdom	British pound	46
Venezuela	Venezuelan bolivar	67
		430
International equities		
Canada	Canadian dollar	901
Netherlands	European euro	454
Norway	Norwegian krone	329
		1,684
		$ 2,114

Commitments - The Plan has commitments to investments of $29.2 million in private equities, structured debt and private real estate investments as of September 30, 2013, of which management believes $17.8 million is unlikely to be called.

The Plan has credit enhancement agreements totaling $25 million as of September 30, 2013 for which it receives fees from the companies in exchange for the credit enhancements.

Wayne County Circuit Court Commissioners Bailiffs' Retirement System

As of September 30, 2013, the Plan's investments (in thousands) are classified as follows:

Equity mutual funds	$	4,917
Debt securities		
Government agencies -		
Bond mutual funds		99
Other investments (Global real estate mutual funds)		285
Money market funds		51
Total investments	$	5,352

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 $8,238 as of September 30, 2013, are included in the County's pooled cash.

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

As of September 30, 2013, 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, 2013, 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, 2013, the Plan's investments in bond mutual funds were rated AAA by Standard & Poor's.

As of September 30, 2013, the Plan's money market funds were rated A1+ by Standard & Poor's with weighted average maturities of 49 days.

Other 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, 2013, the Plan's investments in bond mutual funds had maturities less than one year.

Wayne County Employees' Retirement System Defined Contribution Plan

As of September 30, 2013, the Plan's investments (in thousands) are classified as follows:

Equity mutual funds	$ 235,032
Debt mutual funds	
Guaranteed income fund	92,682
Bond mutual funds	16,602
Total debt funds	109,284
Participant loans receivable	26,778
Total investments	$ 371,094

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 $415,084 as of September 30, 2013 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 "SSAE 16 report").

As of September 30, 2013, none of the Plan's investments were subject to custodial credit risk due to one of the following: (a) investments were held by third-party safe-keeper in the Plan's name; (b) investments were held by a trustee in the Plan's name; or (c) investments were part of a mutual fund.

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

The Plan has investments in a guaranteed income fund that has an average portfolio credit rating of AA- by Standard & Poor's and weighted average maturity of 3.7 years. Also, the Plan has investments in bond mutual funds that have the following portfolio characteristics as of September 30, 2013:

Amount (in thousands)	Portfolio Average Quality by S&P	Weighted Average Maturity (in years)
$ 2,002	AAA	4.03
12,272	AAA	5.58
2,329	BB	6.66
$ 16,603		

The participant loans have a weighted maturity of 3.1 years at September 30, 2013.

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

Component Unit - Airport Authority

At September 30, 2013, 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. The Authority is subject to the same state statutes regarding allowable investments as cited early for the County.

A summary of the Authority's cash and investments at year-end are as follows:

Cash - bank deposits	$ 95,304
Investments:	
U.S. treasuries	160,390
U.S. agencies	87,459
Commercial paper	219,612
Municipal Bonds	1,867
Repurchase agreement	3,629
Money market funds	1,542
	$ 569,803

The Authority's cash and investments are subject to several types of risk, which are described 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	Rating Agency
Commercial paper	$ 95,272	A1, P1	S&P, Moody
Commercial paper	42,599	A1+,P1	S&P, Moody
Commercial paper	29,800	A1+,P1	S&P, Moody
	$ 167,671		
Money market funds	$ 1,543	AAA	S&P

The above amounts do not include approximately $25 million of investments in the Municipal Employees' Retirement System (MERS) Retiree Health Funding Vehicle which are held in a separate reserve but invested on a pooled basis by MERS with other governmental units.

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 September 30, 2013, the Airport Authority had $49.3 million 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 September 30, 2013, 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:

Investment 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 to state statute to 270 days maximum

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

	Fair Value	Average Maturities
U.S. treasuries		
Bond reserves	$ 52,872	1.3 years
Bond payment funds	96,816	60 days
Construction Funds	2,068	1.5 years
Other construction and Operating	5,451	1.4 years
Hotel	3,183	2 months
	160,390	

	Fair Value	Average Maturities
Commercial paper		
Bond reserves	$ 8,013	42 days
Capital interest	16,315	2-2days
Construction	120,298	1 days - 27 months
Other construction and operating	66,286	36 days
Hotel	8,700	21 days
	219,612	
U.S. agencies		
Bond reserves	84,458	3.6 years
Construction	3,001	1.4 years
	87,459	
Municipal Bonds		
Bond reserves	1,519	1.9 years
Construction	348	1.6 years
	1,867	
Repurchase agreement		
Bond reserves	3,629	8.2 years
Total investments subject to interest rate risk	$ 472,957	

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.

The Authority's policy on concentration credit risk limits specific instruments (as a percent of the total investment portfolio) as follows:

Investment Type	Limit	Actual % at Year-end
Bankers' acceptance	50%	0.0
Repurchase agreements	25%	0.6
Certificates of deposit (bank)	50%	7.8
Money market funds	50%	4.5
Commercial paper	60%	36.9
U.S. government	100%	41.7

The Authority's policy on concentration credit risk limits single issuers (as a percent of the total investment portfolio) as follows:

Investment Type	Limit
Bankers' acceptances	25%
Repurchase agreements	10%
Certificates of deposit (bank)	33%
Certificates of deposit (S&L)	5%

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

Issuer	Investment Type	Fair Value	Percentage of Portfolio	Rating
Abbey National NA LLC	Commercial Paper	$ 95,272	16.02%	A1, P1
Toyota Credit Puerto Rico	Commercial Paper	42,599	7.16%	A1+, P1
GE Capital Corp	Commercial Paper	29,800	5.01%	A1+, P1

5. RESTRICTED ASSETS

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

	Business-type Activities			
	Downriver	Rouge Valley	Nonmajor Funds	Total
Equity in pooled cash and investments:				
Replacements and improvements	$ 7,029	$ 4,142	$ 2,821	$ 13,992
Construction	550	277	293	1,120
Bond and interest redemption	13,646	-	3,803	17,449
Total equity in pooled cash and investments	21,225	4,419	6,917	32,561
Other cash and investments -				
Bond and interest redemption	3,530	-	-	3,530
Accounts receivable -				
Bond and interest redemption	12,027	-	2,142	14,169
Bond principal due from local units	89,415	150	10,646	100,211
Total	$ 126,197	$ 4,569	$ 19,705	$ 150,471

Restricted assets in governmental activities, totaling $522 million, include amounts that are pledged toward the payment of outstanding notes, will be used for delinquent tax administration and short term borrowings. A summary of restricted assets for governmental activities at year-end are as follows:

	Governmental Activities					
	General Fund	Capital Projects Fund	Building Authority Funds	Stadium Authority Funds	Delinquent Tax Revolving Fund	Total
Equity in pooled cash and investments:						
Construction	$ -	$ 11,722	$ 72,609	$ -	$ -	$ 84,331
Bond and interest redemption	-		733	-	23,916	24,649
Economic development	-	-	-	585	-	585
Operating and maintenance	-		358	-	-	358
Total equity in pooled cash and investments	-	11,722	73,700	585	23,916	109,923
Other cash and investments - Bond and interest redemption	7,455	-	-	-	33,146	40,601
Accounts receivable - Delinquent property taxes	-	-	-	-	371,592	371,592
Total	$ 7,455	$ 11,722	$ 73,700	$ 585	$ 428,654	$ 522,116

In addition to the above, the Airport Authority component unit has restricted assets of $503 million consisting of other cash and investments ($493 million) and accounts receivable ($10 million) for various purposes including debt repayment, passenger facility charges, drug enforcement, and the construction, maintenance and replacement of capital assets including infrastructure.

6. 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, 2013 is $44,421,342 (offset with allowance of same amount). 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.

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. In March 2013, the County signed a Memorandum of Understanding that would allow the County and the Partnership to settle the dispute and allow the Partnership to sell the Wayne County Building. Negotiations are in process regarding this matter. It is anticipated that the County and the Partnership will settle all claims against each other by the middle of 2014.

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, 2013, the current value of the outstanding loans is $829,395 (net of allowance of $540,662). These represent long-term receivables of the Community and Economic Development Fund.

7. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Interfund Transfers

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

Interfund transfers within the primary government for the year ended September 30, 2013 consisted of the following (in thousands):

	Transfers Out				
	General	Roads	Building Authority Construction	Nonmajor Governmental Funds	Delinquent Tax Revolving
Transfers In					
General	$ -	$ 131	$ -	$ -	$ 48,914
Mental health	16,500	-	-	-	-
Health	8,137	-	-	-	-
Juvenile Justice	66,425	-	-	5,236	-
Nonmajor governmental funds	14,404	7,099	10,613	2,352	95
Nonmajor enterprise funds	564	-	-	-	-
Internal service funds	1,727	-	-	-	-
Totals	$ 107,757	$ 7,230	$ 10,613	$ 7,588	$ 49,009

continued below…

	Transfers Out	
	Internal Service	Totals
Transfers In		
General	$ -	$ 49,045
Mental health	-	16,500
Health	-	8,137
Juvenile Justice	-	71,661
Nonmajor governmental funds	3,677	38,240
Nonmajor enterprise funds	-	564
Internal service funds	-	1,727
Totals	$ 3,677	$ 185,874

Interfund Receivables and Payables

Interfund balances result from the time lag between the dates 1) interfund goods and services are provided or reimbursable expenditures occur, and 2) payment between funds are made.

Interfund balances for the year ended September 30, 2013 consisted of the following (in thousands):

	Due from Other Funds				
	General	Roads	Mental Health	Nonmajor Governmental Funds	Delinquent Tax Revolving
Due to Other Funds					
General	$ -	$ 30,080	$ 21,496	$ 16,315	$ 8,864
Health	11	-	-	-	-
Juvenile Justice and Abuse/Neglect	-	-	21,385	-	-
Building Authority	68	-	-	-	-
Nonmajor governmental funds	3,230	187	5,502	2,569	-
Delinquent Tax Revolving	9,046	-	-	-	-
Nonmajor enterprise funds	-	-	758	-	-
Totals	$ 12,355	$ 30,267	$ 49,141	$ 18,884	$ 8,864

continued below…

	Due from Other Funds			
	Downriver Sewage System	Rouge Valley Sewage System	Internal Service Funds	Total
Due to Other Funds				
General	$ 4,594	$ 4,400	$ 20,288	$ 106,037
Health	-	-	-	11
Juvenile Justice and Abuse/Neglect	-	-	-	21,385
Building Authority	-	-	-	68
Nonmajor governmental funds	-	-	-	11,488
Delinquent Tax Revolving	-	-	-	9,046
Nonmajor enterprise funds	-	-	-	758
Totals	$ 4,594	$ 4,400	$ 20,288	$ 148,793

The amounts receivable from component units in the primary government financial statements as of September 30, 2013 consisted of the following (in thousands):

	Due to Primary Government		
	Airport Authority	Nonmajor Component Units	Total
Due from Component Units			
General	$ 8	$ -	$ 8
Roads	100	-	100
Nonmajor governmental funds	45	-	45
Downriver sewage disposal system	39	-	39
Internal service funds	7	-	7
Fiduciary Funds	2,712	-	2,712
Totals	$ 2,911	$ -	$ 2,911

Disaggregation of Receivable and Payable Balances

Significant receivable and payable balances from other governmental units at September 30, 2013 are as follows (in thousands):

	Due From Other Governmental Units			
	State of Michigan	U.S. Federal Government	Local Governments	Total
Governmental funds				
General	$ 32,149	$ 2,774	$ 5,395	$ 40,318
Roads	12,588	-	2,979	15,567
Mental Health	9,916	724	-	10,640
Health	167	808	9	984
Juvenile Justice and Abuse/Neglect	26,607	2,547	-	29,154
Nonmajor governmental funds	613	8,754	36	9,403
Internal service funds	-	95	-	95
Total governmental funds	$ 82,040	$ 15,702	$ 8,419	$ 106,161
Enterprise funds				
Downriver Sewage Disposal System	$ -	$ -	$ 5,240	$ 5,240
Rouge Valley Sewage Disposal System	-	-	10,004	10,004
Nonmajor enterprise funds	-	-	2,793	2,793
Total enterprise funds	$ -	$ -	$ 18,037	$ 18,037
Component units				
Airport Authority	$ -	$ -	$ 25,826	$ 25,826
Fiduciary funds				
Agency funds	$ -	$ -	$ 62	$ 62

There are certain receivables from governmental activities, classified as current on the Government-wide Statement of Net Position that were not collected within sixty to ninety days of year-end and are thus not considered available to fund liabilities of the current fiscal year. At September 30, 2013, there are approximately $29.2 million of receivables from Federal, State, and various local municipalities that were not collected within ninety days of year-end. There are also approximately $45.6 million of property tax receivables that were not collected within sixty days of year-end and $27.4 million of contractor and other receivables that were not collected within ninety days of year-end. These amounts are included in deferred revenue in the governmental funds as of September 30, 2013.

	Due To Other Governmental Units			
	State of Michigan	U.S. Federal Government	Local Governments	Total
Governmental funds				
General	$ 3,231	$ -	$ -	$ 3,231
Roads	3,635	-	464	4,099
Mental Health	11,662	-	-	11,662
Health	-	13	-	13
Nonmajor governmental funds	-	10	646	656
Total governmental funds	$ 18,528	$ 23	$ 1,110	$ 19,661

	Due To Other Governmental Units			
	State of Michigan	U.S. Federal Government	Local Governments	Total
Enterprise funds				
Delinquent Tax	$ -	$ -	$ 11,336	$ 11,336
Component units				
Airport Authority	$ -	$ -	$ 1,215	$ 1,215
Fiduciary funds				
Agency funds	$ 779	$ 1,767	$ 270	$ 2,816

8. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2013 was as follows (in thousands):

Primary government

	Beginning Balance, as restated	Additions	Transfers (net)	Disposals	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 552,715	$ -	$ -	$ (14,271)	$ 538,444
Construction in progress	71,446	62,855	(34,094)	(73,816)	26,392
	624,161	62,855	(34,094)	(88,087)	564,835
Capital assets, being depreciated:					
Land improvements	12,946	-	-	-	12,946
Buildings and improvements	384,251	692	1,232	-	386,175
Machinery, equipment and vehicles	182,231	8,127	4,016	(3,491)	190,882
Infrastructure	1,591,962	13,544	8,847	-	1,614,353
	2,171,390	22,363	14,094	(3,491)	2,204,356
Less accumulated depreciation for:					
Land improvements	(11,449)	(297)	-	-	(11,746)
Buildings and improvements	(255,311)	(11,837)	-	-	(267,149)
Machinery, equipment and vehicles	(142,558)	(8,951)	-	3,491	(148,018)
Infrastructure	(1,239,065)	(38,362)	-	-	(1,277,427)
	(1,648,384)	(59,447)	-	3,491	(1,704,340)
Total capital assets being depreciated, net	523,005	(37,083)	14,094	-	500,016
Governmental activities capital assets, net	$ 1,147,166	$ 25,772	$ (20,000)	$ (88,087)	$ 1,064,851

The disposals above include $88 million of impairments due to the termination of the consolidated jail construction project. In addition, the $34 million of transfers include $20 million for asset held for sale related to the impairment, which is not included as part of the capital assets. Refer to note 18, *Special Item,* for additional discussion.

Construction in progress as of September 30, 2013 includes roads construction and building renovations. At year-end, the costs expected to be incurred to complete these projects are estimated at $35 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 governmental activities functions/programs of the primary government as follows (in thousands):

Judicial	$ 982
General government	12,125
Public safety	3,513
Highways, streets and bridges	41,009
Health and welfare	487
Recreation and culture	1,279
Public works	52
	$ 59,447

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

	Beginning Balance	Additions	Transfers (net)	Disposals	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 5,309	$ -	$ -	$ -	$ 5,309
Construction in progress	54,055	6,804	(57,369)	-	3,490
	59,364	6,804	(57,369)	-	8,799
Capital assets, being depreciated:					
Land improvements	1,446	-	-	-	1,446
Buildings and improvements	38,231	38	-	-	38,269
Machinery, equipment and vehicles	1,382	402	11	-	1,795
Infrastructure	483,524	18	57,358	-	540,900
	524,583	458	57,369	-	582,410
Less accumulated depreciation for:					
Land improvements	(469)	(66)	-	-	(535)
Buildings and improvements	(31,609)	(729)	-	-	(32,338)
Machinery, equipment and vehicles	(877)	(125)	-	-	(1,002)
Infrastructure	(218,223)	(16,843)	-	-	(235,066)
	(251,178)	(17,763)	-	-	(268,941)
Total capital assets being depreciated, net	273,405	(17,305)	57,369	-	313,469
Business-type activities capital assets, net	$ 332,769	$ (10,501)	$ -	$ -	$ 322,268

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

Sewage disposal systems (includes non-major activities)	$ 17,760
Parking lots	4
	$ 17,764

Construction in progress involves various sewage disposal system improvements. The costs expected to be incurred to complete these projects are estimated at $19 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, 2013 was as follows (in thousands):

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Airport Authority				
Capital assets, not being depreciated:				
Land	$ 243,623	$ -	$ -	$ 243,623
Construction in progress	65,530	123,114	(146,669)	41,975
	309,153	123,114	(146,669)	285,598
Capital assets, being depreciated:				
Buildings and improvements	2,083,041	10,409	(618)	2,092,832
Machinery, equipment and vehicles	73,792	7,234	(1,145)	79,881
Infrastructure	1,340,387	136,092	(138,426)	1,338,053
	3,497,220	153,735	(140,189)	3,510,766
Less accumulated depreciation for:				
Buildings and improvements	(865,421)	(81,941)	618	(946,744)
Machinery, equipment and vehicles	(49,503)	(4,711)	1,145	(53,069)
Infrastructure	(786,914)	(53,875)	132,786	(708,003)
	(1,701,838)	(140,527)	134,549	(1,707,816)
Total capital assets being depreciated, net	1,795,382	13,208	(5,640)	1,802,950
Airport Authority capital assets, net	$ 2,104,535	$ 136,322	$ (152,309)	$ 2,088,548

The estimated costs to complete Metro Airport's current capital improvement program totaled $460.9 million at September 30, 2013, 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 $70.3 million at September 30, 2013.

The estimated costs to complete Willow Run Airport's current capital improvement program totaled $112.5 million at September 30, 2013, 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 $7.8 million at September 30, 2013.

	Beginning Balance	Additions	Transfers (net)	Disposals	Ending Balance
Nonmajor Component Units					
Capital assets, not being depreciated:					
Construction in progress	$ 11,174	$ 2,345	(12,748)	$ (118)	$ 653
Capital assets, being depreciated:					
Buildings and improvements	21,690	-	2,725	-	24,415
Infrastructure	64,585	-	10,023	-	74,608
Machinery, equipment and vehicles	1,207	-		-	1,207
	87,482	-	12,748	-	100,230
Less accumulated depreciation for:					
Buildings and improvements	(18,175)	(247)	-	-	(18,422)
Infrastructure	(43,984)	(2,601)	-	-	(46,585)
Machinery, equipment and vehicles	(426)	(58)	-	-	(484)
	(62,585)	(2,906)	-	-	(65,491)
Total capital assets being depreciated, net	24,897	(2,906)	-	-	34,739
Nonmajor Component Units capital assets, net	$ 36,071	$ (561)	$ -	$ (118)	$ 35,392

Fiduciary Funds

Capital assets activity for the year ended September 30, 2013 was as follows (in thousands):

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, being depreciated -				
Machinery, equipment and vehicles	$ 431	$ -	$ -	$ 431
Less accumulated depreciation for -				
Machinery, equipment and vehicles	(422)	(4)	-	(426)
Fiduciary funds capital assets, net	$ 9	$ (4)	$ -	$ 5

9. 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 April 4, 2013, tax anticipation notes of $90 million were sold at 1.34 percent with a maturity date of October 31, 2013. The County has pledged its Unpaid 2013 Operating Taxes and its limited tax full faith and credit to the payment of the Notes. The Unpaid 2013 Operating Taxes include the 2013 Unpaid Operating Taxes remaining to be collected as of the date of the Note Resolution. The tax anticipation notes were redeemed on October 21, 2013.

Interest expense is reported as a general government expense in the government-wide Statement of Activities. Interest expense related to the 2013 tax anticipation notes amounted to $0.6 million, for the year ended September 30, 2013. Total principal and interest remaining to be paid on the notes is $65.5 million.

Short-term debt activity for the year ended September 30, 2013, was as follows (amounts in thousands):

	Beginning Balance	Issued	Redeemed	Ending Balance
2012 tax anticipation notes	$ 100,000	$ -	$ (100,000)	$ -
2013 tax anticipation notes	-	90,000	(25,000)	65,000

10. LONG-TERM DEBT AND OTHER OBLIGATIONS

The County's long-term debt at year-end is summarized below (amounts are rounded to thousands). State statutes limit a government's debt to 10 percent of the State Equalized Value of property located in that jurisdiction; this equated to approximately $4.2 billion for the County at September 30, 2013.

Capital leases. In July 2011, the County entered into a five-year lease agreement with First Capital Equipment Leasing Corporation for the lease of dump trucks 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 $2.1 million as of the inception date. The lease requires minimum annual payments of $393,617.

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.

Notes Payable : In March 2010, the County and Wayne County Brownfield Authority entered into a $1 million EPA Revolving Loan Fund Agreement, for the purpose of environmental remediation of the Central City Park. The loan is due serially from May 2012 through May 2016 at an interest rate of 1.0 percent.

The future minimum lease obligations and the net present value for the leases and notes outstanding as of September 30, 2013, are as follows (in thousands):

September 30,	Principal	Interest
2014	$ 1,275	$ 210
2015	1,325	109
2016	1,329	54
	$ 3,929	$ 373

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, 2013 amounted to $8,350,169. Future minimum lease payments for these leases are as follows (amounts in thousands):

September 30,	Governmental Activities	Business-type Activities
2014	$ 6,449	$ 304
2015	4,747	316
2016	3,616	328
2017	3,613	342
2018	3,703	355
2019-2023	17,707	2,002
2024-2028	19,501	2,436
2029-2033	22,607	2,964
2034-2038	26,208	2,078
	$ 108,152	$ 11,127

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

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

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
1996 building authority	2016	4.0 - 6.5%	$ 45,000	$ 10,505
1999 transportation fund	2014	4.0 - 5.3%	28,685	2,775
2003 capital improvement	2024	2.0 - 4.75%	13,740	8,770
2007 building authority refunding	2019	4.25 - 5.75%	50,380	18,190
2008 capital improvement	2038	4.375 - 5.0%	32,875	32,875
2008 capital improvement	2025	5.25 - 5.5%	18,110	14,230
2008 water and sewer	2038	4.5 - 5.7%	13,060	11,960
2009 building improvement	2040	6.75%	24,885	23,905
2009 equipment	2019	4.55 - 7.0%	8,105	4,510
2009 equipment	2025	3.75 - 5.375%	24,715	14,465
2010 installment purchase	2016	2.25 - 3.125%	7,670	655
2010 building authority (jail)	2041	6.22 - 10.0%	200,000	200,000
2011 installment purchase	2015	2.39%	9,026	3,215
			$ 476,251	$ 346,055

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.

In December 2010, the Building Authority issued $200 million Series 2010 bonds to finance construction of a new Wayne County consolidated jail complex. The Authority has designated the Bonds as "recovery zone economic development bonds" under section 1400U-2 of the Code and to elect under Code Section 54AA(g) to receive a direct pay interest credit from the United States Treasury equal to 45 percent of the state interest paid on the bonds as provided in Code Section 6431. The bonds are due serially through 2040, at interest rates ranging from 6.22 to 10.0 percent, with the first interest principal payment to be paid in December 2014. The County has pledged its full faith and credit for these bonds, subject to certain limitations.

Michigan Transportation Fund Bonds, Series 1999, in the aggregate amount $31.3 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 $250,000. Refer to Note 7 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.

In September 2011, the County entered into a $9 million Installment Purchase Contract through the Michigan Finance Authority (MFA) Local Government Loan Program, for the purpose of acquiring certain personal property, equipment and software for various County departments. Payments on the principal are due serially through September 2015 at an interest rate of 2.39 percent. In February 2012, the County terminated an Installment Purchase agreement with the Sanborn Map Company, Inc. and paid off entire balance of $1,110,444.

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Business-type activities				
1994 sewage disposal	2015	2.00%	$ 12,557	$ 703
1995 sewage disposal (#5117-03)	2016	2.25%	14,120	1,715
1995 sewage disposal (#5117-05)	2015	2.25%	1,100	70
1995 sewage disposal (#5117-15)	2019	2.25%	49,525	14,540
1995 sewage disposal (#5117-18)	2018	2.25%	14,731	3,490
1995 sewage disposal (#5117-19)	2018	2.25%	10,822	2,537
1995 sewage disposal (#5117-21)	2017	2.25%	2,932	490
1995 sewage disposal (#5117-23)	2018	2.25%	2,083	500
1995 sewage disposal (#5117-24)	2021	2.25%	58,035	23,340
1995 sewage disposal (#5117-26)	2018	2.25%	5,980	1,420
1995 sewage disposal (#5117-27)	2018	2.25%	5,291	1,172
1995 sewage disposal (#5117-28)	2018	2.25%	1,907	559
1995 sewage disposal (#5117-30)	2018	2.25%	5,773	1,675
1995 sewage disposal (#5117-31)	2019	2.25%	3,840	1,130
1997 sewage disposal (#5117-29)	2018	2.25%	2,510	735
1998 sewage disposal (#5117-25)	2021	2.25%	16,865	6,785
1999 sewage disposal	2017	3.05 - 4.85%	11,100	3,085
1999 sewage disposal	2016	3.05 - 4.80%	2,730	555
1999 sewage disposal	2016	3.05 - 4.80%	6,390	1,250
1999 sewage disposal (#5117-01)	2020	2.50%	105	40
1999 sewage disposal (#5117-20)	2021	2.50%	12,030	4,910
1999 sewage disposal (#5117-32)	2020	2.25%	11,732	4,052
1999 sewage disposal	2014	4.5 - 5.125%	6,495	-
1999 sewage disposal	2019	4.5 - 5.125%	15,005	5,370
2000 sewage disposal (#5117-34)	2021	2.50%	5,085	2,340
2005 sewage disposal (#5217-01)	2026	1.63%	4,680	3,210
2007 sewage disposal	2018	4.25 - 5.75%	9,935	5,550
2007 sewage disposal	2028	4.25 - 5.75%	15,790	13,160
1999 sewage disposal (#5106-01)	2016	2.00%	2,590	455
1999 sewage disposal (#5104-01)	2016	2.25%	2,650	475
1995 sewage disposal (#5123-01)	2019	2.25%	$ 5,857	$ 1,717
2009 sewage disposal (#5140-01)	2019	2.25%	425	150
2011A Dearborn Heights CSO Basin	2028	2.50%	275	265
2011A Rouge River CSO Basin	2032	2.50%	760	730
			$ 321,705	$ 108,175

In 1994, the County authorized issuance of bonds to the MMBA Revolving Loan Fund for up to $13.0 million at an interest rate of 2 percent which is due serially through 2014 for the Downriver Sewage Disposal System. The bonds are payable primarily from taxes which will be assessed by the Downriver Sewage System communities for their portion of the improvements. The County has pledged its full faith and credit for the additional security for the Series 1994 bonds. Through September 30, 2013, the County received $12.6 million from the revolving loan fund for the projects supported by these bonds.

In 1995, the County authorized issuance of limited tax general obligation bonds, to the MMBA loan revolving Fund for up to 14.1 million (project series 5117-03) at interest rate 2 percent which is due serially through 2016. The project involves improvements to the sludge processing facilities at the Wyandotte Wastewater Treatment Plant. Through September 30, 2013, the County received $ 14.1 million from the revolving loan fund and the outstanding amount on the bonds were 1.7 million.

In 1995 the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $84.0 million (project series 5117-23-24, 26-28 and 30-31) for the Downriver Sewage Disposal System. Through September 30, 2013, the County received $82.9 million from the revolving loan fund and the outstanding amount on the bonds are 29.8 million.

In December 1994, the County authorized issuance of limited tax general obligation bonds, MMBA revolving loan fund for up to 1.1 million (project series 5117-05) at interest rate 2.25 percent which is due serially through 2014. The project involves modifications to the Ecorse Creek Pollution Abatement Drain No.1 Retention Basin and Pumping Facility. The County has pledged its limited tax full faith and credit additional security for the Bonds. Through September 30, 2013, the County received $1.1 million from the revolving loan fund and the outstanding amount on the bonds are $70 thousand.

In September 1996, the County authorized issuance of limited tax general obligation bonds, MMBA revolving loan fund for up to 49.5 million (project series 5117-15) at interest rate 2.25 percent which is due serially through 2019. The project involves construction of a connection to the existing outfall facility of the Southgate Wyandotte Drain Drainage District . The County has pledged its limited tax full faith and credit for the Bonds. Through September 30, 2013, the County received $49.5 million from the revolving loan fund and the outstanding amount on the bonds are $14.5 million.

In September 1996 the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $29.25 million (project series 5117-18,19 and 21) for the Down River Sewage system at interest rate of 2.25 percent which is due serially through 2018. The county has secondarily pledged its full faith and credit for repayment. The purpose issuance was to finance the following three projects: Wayne County Downriver regional tunnel sewer system, construction of the Eureka Road Relief Sewer and construction of a new electrical substation at the Wyandotte Wastewater Treatment Plant. Through September 30, 2013, the County received $28.4 million from the revolving loan fund and the outstanding amount on the bonds are $6.5 million.

In 1997 the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $2.5 million (project series 5117-29) for the Downriver Sewage Disposal System. Through September 30, 2013, the County has received $2.5 million from the revolving loan fund and the outstanding amount on the bonds are $735,000.

In 1998 the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $16.8 million (project series 5117-25) for the Downriver Sewage Disposal System. Through September 30, 2013, the County received has $16.8 million from the revolving loan fund and the outstanding amount on the bonds are $6.7 million.

In April 1999, the County authorized issuance of limited tax general obligation refunding bonds to the MMBA revolving loan fund for up to $ 11.1million for the Rouge Valley Waste Water Control System at interest rate of 3.05 - 4.85 percent which is due serially through 2017. The purpose of the bonds were for refunding outstanding principal amount of $9.7 million of the Rouge Valley Waste Water Control System Bonds, 1994 Series D, issued on December 21, 1994. The City of Dearborn has pledged its full faith and credit pursuant to Act 185. This bond is payable primarily from the proceeds of contractual payments received from the City of Dearborn Heights. At September 30, 2013, the outstanding amount on the bonds are $3 million.

In April 1999, the County authorized issuance of limited tax general obligation refunding bonds to the MMBA revolving loan fund for up to $2.7 million for the Rouge Valley Waste Water Control System at interest rate of 3.05 - 4.85 percent which is due serially through 2017. The purpose of the bonds were for refunding outstanding principal amount of $2.45 million of the Rouge Valley Waste Water Control System Bonds, 1994 Series B, issued on October 13, 1994. The City of Inkster has pledged its full faith and credit pursuant to Act 185. This bond is payable primarily from the proceeds of contractual payments received from the City of Inkster. At September 30, 2013, the outstanding amount on the bonds are $555,000.

In April 1999, the County authorized issuance of limited tax general obligation refunding bonds to the MMBA revolving loan fund for up to $6.39 million for the Rouge Valley Waste Water Control System at interest rate of 3.05 - 4.85 percent which is due serially through 2017. The purpose of the bonds were for refunding outstanding principal amount of $5.6 million of the Rouge Valley Waste Water Control System Bonds, 1994 Series C, issued on December 21, 1994. The City of Inkster has pledged its full faith and credit pursuant to Act 185. This bond is payable primarily from the proceeds of contractual payments received from the City of Inkster. At September 30, 2013, the outstanding amount on the bonds are $1.25 million.

In 1999, the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $23.9 million (project series 5117-01,20 and 32) for the Downriver Sewage Disposal System. Through September 30, 2013, the County has received $23.9 million from the revolving loan fund and the outstanding amount on the bonds are $9 million.

In 1999, the County authorized the issuance of the 1999 Series A and B bonds to the MMBA revolving loan fund. The Series 1999 A Bonds were issued for $6.5 million to defease the higher interest rate on the 1994 A series bonds. The Series 1999 B were issued for $15 million as partial completion bonds to finance approximately $11 million deficit- funded construction costs and $4 million in additional construction costs for the Downriver sewer system. The bonds are payable primarily from taxes which will be assessed by the Downriver Sewage System communities for their portion of the improvements. The County has pledged its full faith and credit for the additional security. Through September 30, 2013, the outstanding amount on the bonds are $5.3 million.

In 2000, the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $5.1 million (project series 5117-34) for the Downriver Sewage Disposal System at interest rate of 2.5 percent which is due serially through 2021. Through September 30, 2013, the County has received $5.1 million from the revolving loan fund and the outstanding amount on the bonds are $2.3 million.

In 2005, the County authorized the issuance of limited tax general obligation bonds to the MMBA revolving loan fund for up to $4.7 million (project series 5217-01) for the Down River Sewage system at interest rate of 2.25, 1.63 which is due serially through 2026. The County has secondarily pledged its full faith and credit for repayment. The project involves renovation of the Downriver wastewater treatment facility's primary settling tanks and automation of the waste activated sludge control system. Through September 30, 2013, the County received $4.7 million from the revolving loan fund and the outstanding amount on the bonds are $3.2 million.

In August 2007, the County authorized issuance of Series 2007 B limited tax general obligation refunding bonds to the MMBA revolving loan fund for 9.9 at interest rate of 4.25 - 5.75 percent which is due serially through 2018. The purpose of the bonds were to advance refund $10.1million of the outstanding LGLP series 1995B bonds. This bond is payable primarily from the proceeds of contractual payments received from the City of River Rouge. The County has pledged its full faith and credit for the additional security. At September 30, 2013, the outstanding amount on the bonds are $5.5 million.

In 1995, the County authorized the issuance of limited tax general obligation Series 1995 A bonds to the MMBA revolving loan fund for up to $2.59 million (project series 5104-01) for the CSO Basin at interest rate of 2 percent which is due serially through 2019. The county has pledged its limited full faith and credit for repayment. Through September 30, 2013, the County has received $2.59 million from the revolving loan fund and the outstanding amount on the bonds are $455,000.

In March 1995, the County authorized the issuance of limited tax general obligation Series 1995 A bonds to the MMBA revolving loan fund for up to $2.65 million (project series 5104-01) for the CSO Basin at interest rate of 2.25 percent which is due serially through 2016. This bond is payable primarily from the proceeds of contractual payments received from the City of Dearborn Heights. The County has pledged its limited full faith and credit for repayment. The project involves the construction of a 2.7 million gallon combined sewage retention/treatment basin with a pumping station at the Warrendale site and approximately 2,500 linear feet reinforced concrete collector sewer from the service areas to the basin. Through September 30, 2013, the County has received $2.65 million from the revolving loan fund and the outstanding amount on the bonds are $475,000.

In September 1995, the County authorized the issuance of limited tax general obligation Series 1995 A bonds to the MMBA revolving loan fund for up to $5.86 million (project series 5123-01) for the City of River Rouge at interest rate of 2.25 percent which is due serially through 2019. This bond is payable primarily from the proceeds of contractual payments received from the City of River Rouge. The City of River Rouge has pledged its full faith and credit for repayment and the County has pledged its limited full faith and credit for repayment. The project involves the construction of a 5.2 million gallon retention basin and pumping station, 66, 96 and 108-inch influent sewers, 72 and 96 inch outfall sewers, demolition of existing facilities, site work, including all associated facilities and appurtenances, and all related work. Through September 30, 2013, the County has received $5.86 million from the revolving loan fund and the outstanding amount on the bonds are $1.7 million.

In 2009 the County authorized the issuance of bonds to the MMBA revolving loan fund for up to $425 thousand (project series 5140-01) for the Rouge Valley Sewage Disposal System. Through September 30, 2013, the County received $425,000 from the revolving loan fund and the outstanding amount on the bonds are 150 thousand million.

In September 2011, the County authorized the issuance of Series 2011 A bonds to the MMBA revolving loan fund for up to $325 thousand for the City of Dearborn Heights at interest rate of 2.5 percent which is due serially through 2028. The purpose of the bonds were to finance the cost of the segment one of structural, sampling, and disinfection improvements to the Dearborn Heights combined Sewage Overflow Retention Treatment Basin. This bond is payable primarily from the proceeds of contractual payments to be paid by the City of Dearborn Heights to the County. The County has pledged its full faith and credit for the repayment of the bonds. Through September 30, 2013, the County received $275,000 from the revolving loan fund and the outstanding amount on the bonds are $ 265,000.

In September 2011, the County authorized the issuance of Series 2011 A bonds to the MMBA revolving loan fund for up to $760,000 for the City of River Rouge at interest rate of 2.5 percent which is due serially through 2032. The purpose of the bonds were to finance the cost of the segment one of structural, sampling, and disinfection improvements to the River Rouge combined Sewage Overflow Retention Treatment Basin. This bond is payable primarily from the proceeds of contractual payments to be paid by the City of River Rouge to the County. The County has pledged its full faith and credit for the repayment of the bonds. Through September 30, 2013, the County received $760,000 from the revolving loan fund and the outstanding amount on the bonds are $730,000.

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Component units				
Drainage districts				
2008 drain (Chapter 8)	2023	5.45%	$ 1,455	$ 970
2009A drain (#5117-01)	2020	2.5 - 10.0%	426	161
2009A drain (#5349-01)	2030	2.50%	3,717	3,270
2012 drain (Henry)	2022	3.65%	214	193
2013 drain (Chapter 8; Adams)	2023	7%	340	340
2013 drain (Chapter 8; Throop)	2023	7%	1,150	1,150
2011 drain (Chapter 20; Southgate)	2032	2.50%	1,234	1,184
Airport authority				
Metro				
Installment purchase contract	2023	4.33%	3,886	3,136
Installment purchase contract	2015	3.70%	333	93
Installment purchase contract	2014	3.54%	423	78
Installment purchase contract	2018	4.05%	392	199
Installment purchase contract	2013	5.31%	364	20
Installment purchase contract	2017	1.77%	285	230
Installment purchase contract	2017	1.77%	830	670
Installment purchase contract	2017	1.77%	218	176
Installment purchase contract	2017	1.64%	833	672
Willow Run				
Notes payable – Washtenaw County	2019	0%	292	122
Hotel				
Series 2001A	2030	5.0% to 5.5%	99,630	99,630
Series 2001B	2015	6.0% to 6.6%	11,290	5,830
Working capital loan	2017	8.00%	1,500	1,500
			$ 128,812	$ 119,624

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 $240,000 to be repaid with annual payments scheduled through 2013. The Mizner Drain Drainage district borrowed $1.46 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 June 2012, Henry Drainage District issued a Ten Years Note “Henry Drain Notes, Series 2012” at the interest rate of 3.65 percent for $214,000 to finance the cost of improvements of the Drainage District. Repayment of the debt is made from the special assessment against all parcel holders within the Henry Drainage District and payable in annual installments until maturity in June 2022.

In September 2009, the Michigan Municipal Bond Authority (MMBA) approved and authorized $6.2 million in Ecorse Creek Pollution Abatement Drain (ECPAD) No. 1 Drain Bonds Series 2009A. Up to forty percent of the loaned amount, $2,478,000 has been forgiven under the American Recovery and Reinvestment Act of 2009 (ARRA). As of September 30, 2013 the County received $3.7 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.

In September 2011, Chapter 20 Drainage Districts issued $1.28 million bonds to finance the project involving maintenance and improvement of the Southgate-Wyandotte Relief Drain for approved petition projects through the MFA, Local Government Loan Program Revenue Bonds Series 2011. The County has secondarily pledged its full faith and credit for repayment, subject to certain limitation. Repayment of the debt is made from special assessment against all parcel holders within the Southgate – Wyandotte Drain Drainage District, the City of Southgate, City of Wyandotte, Charter County of Wayne and Michigan Department of Transportation.

In September 2013, Chapter 8 Drainage Districts issued" "Adams Drain Bonds, Series 2013" for $340,000 bonds. The purpose of the bonds is to defray the cost of construction improvement to the Adams Drain. Repayment of the debt is made from special assessment against all parcel holders within the Adams Drain Drainage District, the Huron Township, Charter County of Wayne and Land Owners of the Drainage District. The full faith and credit of the Drainage District have been pledged and as an additional Security County has pledged its limited tax full faith and credit.

In September 2013, Chapter 8 Drainage Districts issued "Throop Drain Bonds, Series 20013" for $1,150,000. The purpose of the bonds is to defray the cost of construction improvement to the Troop Drain. Repayment of the debt is made from special assessment against all parcel holders within the Troop Drain Drainage District, the Van Buren Township, Sumpter Township, Charter County of Wayne, Norfolk Southern Railway and Land Owners of the Drainage District. The full faith and credit of the Drainage District have been pledged and as additional Security County has pledged its limited tax full faith and credit.

Further information regarding Airport Authority debt is presented in its separately issued report.

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

	Governmental Activities		Business-type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 17,752	$ 26,699	$ 18,566	$ 3,151	$ 2,975	$ 5,957
2015	19,002	25,892	18,277	2,600	3,231	5,827
2016	16,725	24,934	16,919	2,056	3,529	5,646
2017	11,830	24,048	15,759	1,578	3,310	5,474
2018	11,260	23,376	13,818	1,137	4,673	5,205
2019-2023	44,390	106,775	18,030	2,590	28,325	22,226
2024-2028	46,765	89,939	6,590	796	40,235	13,620
2029-2033	59,160	68,640	216	12	33,346	2,555
2034-2038	77,290	40,323	-	-	-	-
2039-2041	41,881	8,063	-	-	-	-
	$ 346,055	$ 438,689	$ 108,175	$ 13,920	$ 119,624	$ 66,510

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

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
2012 building authority	2041	3-5.25%	$ 14,960	$ 14,805
2012 stadium authority refunding	2026	3.0-5.0%	58,160	58,160
			$ 73,120	$ 72,965

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Business-type activities				
1993 sewage disposal	2015	2.00%	$ 6,450	$ 385
1999 sewage disposal	2015	3.05 - 4.75%	1,685	190
2007 sewage disposal	2028	4.0 - 5.4%	4,300	3,570
2008 sewage disposal	2030	2.50%	4,329	3,619
2008 sewage disposal	2031	2.50%	10,612	9,322
2008 sewage disposal	2030	2.50%	12,115	10,655
2008 sewage disposal	2030	2.50%	4,330	3,620
2009 sewage disposal (#5350-01)	2031	2.50%	11,067	10,498
2011 sewage disposal	2024	2.50%	12,769	12,769
2013 sewage disposal	2016	2.00%	139	139
2013 sewage disposal	2018	2.00%	1,150	1,150
			$ 68,946	$ 55,917

In October 2011, the Building Authority issued $14.9 million series 2011 F revenue bonds through the Michigan Finance Authority (MFA) Local government loan program. The bonds were issued for the purpose of financing the purchase by the Authority of Municipal Obligations issued by certain political subdivisions of the State of Michigan. The series bonds are separately secured from the bonds of other types and are payable solely from the rent revenues on the Municipal Obligations. The bonds are due serially through 2042. The principal and interest paid on the bonds for the current year and total net operating revenues were approximately $876,675 and S28,000 respectively.

In September 2012, the Stadium Authority issued the series 2012 refunding bonds in the amount of $58.16 million with a premium of $5.2 million. The bonds were issued solely for the purpose of (i) advance refunding $67.7 million of the outstanding Building Authority (Stadium) Bonds, Series 1997 dated March 1, 1997 (the "Prior Bonds") maturing in the years 2013 through 2027 (ii) paying the costs of issuing the bonds. The proceeds of the 2012 refunding bonds were placed into a escrow fund held by the Bank of New York to provide for all future principal and interest on the prior bonds when due at maturity or call for redemption as required by the escrow agent. The bonds are limited obligations of the Authority and are payable solely from the cash rentals payable by the County. The cash rentals are payable from motor vehicle rental and hotel tax revenue (the "tourist taxes") levied by the County pursuant to Act No 180, Public Acts of Michigan, 1991, and has pledged its limited tax full faith and credit for prompt payment of the cash rentals. The bonds are serially payable through 2026. The principal and interest paid on the bonds for the current year and the total net operating revenues were approximately $1.5 million and S7.5 respectively.

The County has pledged future Downriver Sewage Disposal System revenues, net of specified operating expenses, to repay the outstanding balance of $3.6 million of Downriver Sewage Disposal System 2007D revenue bonds and $40.1 million of the State Revolving Loan Fund Bonds for SRF Projects 5217 - 02through – 05, and Project 5217-15 (collectively the "5217 bonds"), payable through 2035. Annual principal and interest payments on the revenue bonds are expected to require less than 100 percent of net revenues. Principal and interest paid on the bonds for the current year and total customer net revenues were approximately $3.0 million and $ 3.8 million, respectively.

In September 2008, the County authorized issuance of Downriver Sewage Disposal System Revenue Bonds Series 2008 A,B C, AND D to the MMBA for up to $32.09 million at interest rate 2.50 percent which is due serially through 2030. The purpose of the bonds was for improvements to the Downriver Wastewater Treatment Facility in Wyandotte. The principal and interest for these bonds shall be primarily payable from the charges for sewage disposal services assessed against the communities. The revenue bonds are secondarily secured by the limited tax full faith and credit pledge of the County.

In December 2009, the MMBA approved the County's loan application for up to $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, 2013 the County received $ 19.0 million of MMBA bond funds for this project, $7.62 million of which were ARRA funds. The County recognized $11.4 million of debt for the Rouge Valley Disposal System. These loans are limited tax general obligations of the County of Wayne, but are payable through 2031 from sewage revenues to be received from the communities served by the Rouge Valley Sewage Disposal System. Annual principal and interest payments on the revenue bonds are expected to require less than 100 percent of net revenues. Principal and interest paid on the bonds for the current year and total customer net revenues were approximately $0.7 million and $ 5.2 million, respectively.

In September 2011, the County authorized issuance of Downriver Sewage Disposal System revenue bonds Series 2011 A to the MMBA up to $ 14.1 million at interest rate of 2.50 percent which is due serially through 2033. The principal and interest for these bonds shall be primarily payable from the charges for sewage disposal services assessed against the communities pursuant to Downriver Sewage Disposal System Contract dated as of March 01, 1962 as amended. The revenue bonds were secondarily secured by the limited tax full faith and credit pledge of the County. The project involves the improvements of Wastewater Treatment Plant located in Wyandotte, including influent pump station modification, primary settling tank upgrades and additions, aeration basin rehabilitation and associated improvements and electrical substation improvements.

In September 2013, the Michigan Finance Authority approved the County's loan application for up to $13.4 million for projects to upgrade and improve the Northeast Sewage Disposal System. As of September 30, 2013 the County received $1.2 million of MFA bond funds for this project. Subsequent to September 30, 2013 the County has received $ 6,000 in additional funds. The County has pledged future Northeast Sewage Disposal System revenues, net of specified operating expenses, to repay the outstanding balance of $1.1 million of Northeast Sewage Disposal revenue bonds, payable through 2035. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. Principal and interest paid on the bonds for the current year and total customer net revenues were $588,209 and $1.7 million, respectively.

In September, 2013 the Michigan Finance Authority (MFA) approved the County's loan application for up to $11.96 million for projects to improve the Downriver Sewage Disposal System's Wastewater Treatment Facility. As of September 30, 2013 the County received $139 thousand of MFA bond funds for this project. Subsequent to September 30, 2013 the County has received $11,000 in additional funds.

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Component units				
Drainage districts				
2010 drain (Chapter 8)	2030	2.25 - 5.0%	$ 2,480	$ 2,125
2010 drain (Chapter 8)	2030	2.25 - 5.0%	585	510
2010 drain (Chapter 8)	2020	2.25 - 4.0%	240	170
2011 drain (Chapter 8; Lateral 94)	2022	4.5%	830	750
Airport authority				
Series 2005	2034	3.5% to 5.25%	507,135	465,745
Series 2007A Jr. Lien	2037	4.85% to 5.0%	180,390	173,595
Series 2007B	2028	4.0% to 5.382%	119,390	114,585
Series 2008A	2032	4.0% to5.75%	142,285	119,735
Series 2010A	2018	2.0% to 5%	222,490	173,450
Series 2010B	2013	4.0% to 5.0%	8,795	4,800
Series 2010C	2022	1.5% to 5.5%	188,415	156,155
Series 2010D	2021	1.5% to 5.5%	28,045	24,050

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Series 2010E1	2028	0.13% variable	$ 75,360	$ 75,275
Series 2010E2	2028	0.13% variable	75,000	74,895
Series 2010F	2033	0.12% variable	124,640	124,640
Series 2010G	2028	1.08% variable	116,000	115,760
Series 2011A	2022	4.0% to 5%	152,465	152,465
Series 2011B	2020	3.0% to 5%	16,965	16,965
Series 2012A	2042	3.0% to 5.0%	177,565	177,565
Series 2012B	2037	5.00%	25,090	25,090
Series 2012C	2020	3.0% to 4.0%	3,885	3,885
Series 2012D	2028	3.0% to 5.0%	71,525	71,525
			$ 2,239,575	$ 2,073,735

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.

During 2012, two Chapter 8 Drainage Districts issued promissory notes to borrow funds to construct major improvements to the specified Drains. The Lateral 94 Drain Drainage District issued series 2011, Lateral 94 Drain Bonds in the amount of $830,000 to be repaid with annual payments scheduled through 2022. The Henry Drain Drainage District borrowed $214,000 by issuing a Note Payable due in annual installments until maturity in June 2022. Repayment of this debt will be made from social assessment against the properties benefiting from these improvements and is guaranteed by the full faith credit of the individual Drainage District.

Further information regarding Airport Authority debt is presented in its separately issued report.

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

	Governmental Activities		Business-type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 3,410	$ 3,541	$ 3,095	$ 1,481	$ 83,100	$ 85,226
2015	3,680	3,399	2,580	1,399	85,770	81,255
2016	4,075	3,208	3,339	1,317	89,430	76,884
2017	4,405	2,999	3,290	1,221	91,940	72,323
2018	4,675	2,774	2,835	1,135	87,935	67,794
2019-2023	23,545	10,375	15,170	4,517	480,940	268,934
2024-2028	19,290	4,626	17,315	2,378	540,870	172,127
2029-2033	2,690	2,352	8,293	330	376,610	91,201
2034-2038	4,310	1,465	-	-	183,685	30,207
2039-2043	2,885	291	-	-	53,455	6,943
	$ 72,965	$ 35,030	$ 55,917	$ 13,778	$ 2,073,735	$ 952,894

Delinquent tax notes. 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 Series 2011 delinquent tax notes was made in September 2013. The 2011 delinquent tax collections are pledged as collateral for the repayment of the outstanding Series 2012 delinquent tax notes of $255 million issued in June 2012. The 2012 delinquent tax collections are pledged as collateral for the repayment of the outstanding Series 2013 delinquent tax notes of $220 million issued in June 2013. All of the delinquent tax collections pledged for each issuance are required to be used toward repayment of the notes. Interest paid in FYE13 on Series 2011, 2012, and 2013 notes was $2.8, $5.7, and $1.7 million, respectively.

	Year of Maturity	Interest Rates	Original Amount	Amount Outstanding
Governmental activities				
2012 delinquent tax notes	2014	3.740%	$ 30,000	$ 6,287
2012 delinquent tax notes	2014	2.00 - 3.25%	135,000	37,800
2012 delinquent tax notes	2014	3.49 - 4.24%	40,000	8,417
2012 delinquent tax notes	2014	3.99%	30,000	6,335
2012 delinquent tax notes	2014	3.74%	20,000	4,167
2013 delinquent tax notes	2015	3.69%	25,000	20,746
2013 delinquent tax notes	2016	2.0 - 2.5%	35,000	35,000
2013 delinquent tax notes	2016	2.83%	60,000	49,676
2013 delinquent tax notes	2016	3.19%	60,000	49,684
2013 delinquent tax notes	2016	3.69%	60,000	16,575
2014 delinquent tax notes	2016	3.69%	60,000	20,000
			$ 555,000	$ 254,687

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

	Governmental Activities	
	Principal	Interest
2014	$ 87,756	$ 6,663
2015	16,500	4,990
2016	150,431	888
	$ 254,687	$ 12,541

Changes in long-term debt activity for the year ended September 30, 2013 were as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental activities					
General obligation bonds	$ 369,297	$ -	$ (23,242)	$ 346,055	$ 17,752
Revenue bonds	73,090	-	(125)	72,965	3,410
Delinquent tax notes	315,802	220,000	(281,115)	254,687	87,756
Capital leases and notes payable	5,156	-	(1,227)	3,929	1,275
Claims and judgments	11,500	7,137	(6,191)	12,446	3,175
Compensated absences	29,796	26,278	(29,796)	26,278	20,646
Deferred amounts:					
For issuance premiums	7,494	-	(554)	6,941	551
For issuance discounts	(296)	44	-	(252)	(24)
For loss on refunding	(6,504)	1,538		(4,966)	(632)
	$ 805,335	$ 254,997	$ (342,250)	$ 718,083	$ 133,910
Business-type activities					
General obligation bonds	$ 126,907	$ 55	$ (18,788)	$ 108,174	$ 19,036
Revenue bonds	50,698	7,704	(2,485)	55,917	2,625
Claims and judgments	50		(50)	-	-
Compensated absences	310	338	(310)	338	223
Deferred amounts -					
For issuance premiums	880	-	(58)	822	59
For loss on refunding	(698)	220		(478)	(185)
	$ 178,147	$ 8,317	$ (21,691)	$ 164,773	$ 21,758
Component Units					
Airport Authority					
Revenue bonds	$ 2,149,380	$ -	$ (79,200)	$ 2,070,180	$ 82,840
Purchase contracts	6,120	-	(846)	5,274	819
General obligation bonds	111,362	-	(4,402)	106,960	1,645
Notes payable	542	-	(420)	122	19
Other accrued liabilities	14,250	2,100	(4,779)	11,571	2,613
Deferred amounts:					
For issuance premiums	67,169	-	(6,846)	60,323	-
For issuance discounts	(1,584)	125	-	(1,459)	-
For loss on refunding	(40,957)	3,755	-	(37,202)	-
	$ 2,306,282	$ 5,980	$ (96,493)	$ 2,215,769	$ 87,936
Nonmajor component units					
Drain bonds and notes	$ 4,940	$ 2,724	$ (396)	$ 7,268	$ 492
Drain revenue bonds	3,815	-	(260)	3,555	260
Compensated absences	162	63	(162)	63	63
	$ 8,917	$ 2,787	$ (818)	$ 10,886	$ 815

Claims and judgments represent actions that 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. Judgments (through litigation and assessments) are liquidated in the respective funds.

Payments on the general obligation bonds that pertain to the County's governmental activities are made by the debt service funds, except for the delinquent tax notes, which are repaid directly from the Delinquent Tax Revolving Fund, an enterprise fund. The liability for compensated absences, net pension obligation and net other postemployment benefit obligation for governmental activities are liquidated in the respective funds when paid. Changes in other postemployment benefit obligations and net pension obligation are disclosed in notes 15 and 16, respectively.

11. 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, 2013 follows:

	Workers' Compensation	Hospitalization Insurance	Long-term Disability	Other Claims	Total
Estimated liability, September 30, 2011	$ 8,132	$ 4,092	$ 331	$ 345	$ 12,900
Estimated claims incurred	(387)	78,330	581	121	78,645
Change in estimate for prior period claims	1,373	2,122	-	(95)	3,400
Claim payments	(1,842)	(81,573)	(581)	(121)	(84,117)
Estimated liability, September 30, 2012	7,276	2,971	331	250	10,828
Estimated claims incurred	(1,362)	72,793	815	311	72,557
Change in estimate for prior period claims	1,059	1,881	-	(250)	2,690
Claim payments	(1,096)	(75,744)	(815)	(311)	(77,966)
Estimated liability, September 30, 2013	$ 5,877	$ 1,901	$ 331	$ -	$ 8,109

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, 2013, 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 1.0 percent was used to determine the present value of unpaid workers' compensation claims.

12. 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 Taxable Value (TV), based on property values determined by local assessors in the several townships and cities as of the preceding December 31. Real and personal property in Wayne County for the July 1, 2012 and December 1, 2012 combined levies was equalized at $43.6 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 2012 ad valorem and statutory levies were equal to the millage rate times the 2012 taxable value of $41,423,624,743. The July 2013 general operating levy was the millage rate times the 2013 taxable value of $40,939,078,345.

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 least one-tenth of a mill set aside to acquire, build, and operate a juvenile offender work/training institution. In 1998, the Wayne County electorate voted to continue the one mill for the years 1998 through 2001. In 2002, the Wayne County electorate again voted to continue this one additional mill (as reduced by the Headlee requirements of the Michigan Constitution) for the years 2012 through 2021.

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

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

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, 2011 and July 1, 2012 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
	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 $520.3 million at September 30, 2013, 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.

In June 2012, in connection with the purchase of 2011 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 (amount in thousands):

Note Payable	Issue Date	Amount	Maturity Date	Interest Rate
Series 2012A	6/8/2012	$ 30,000	9/15/2014	3.73975%
Series 2012B	6/7/2012	45,900	3/15/2013	2.00000%
		51,300	9/15/2013	2.25000%
		21,600	3/15/2014	2.80000%
		16,200	9/15/2014	2.60000%
Series 2012C	6/11/2012	20,000	9/15/2014	3.49075%
Series 2012D	6/12/2012	20,000	9/16/2014	4.24075%
Series 2012C-3	6/13/2012	30,000	9/15/2014	3.99075%
Series 2010E	6/15/2012	20,000	9/16/2014	3.74075%

In June 2013, in connection with the purchase of 2012 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 (amount in thousands):

Note Payable	Issue Date	Amount	Maturity Date	Interest Rate
Series 2013A	6/11/2013	$ 25,000	12/1/2015	3.69290%
Series 2013B	6/17/2013	15,750	6/1/2014	2.00000%
		3,150	12/1/2014	2.25000%
		7,350	6/1/2015	2.37500%
		8,750	1/1/2015	2.50000%
Series 2013C	6/12/2013	60,000	12/1/2015	2.83250%
Series 2013D	6/19/2013	60,000	12/1/2015	3.19160%
Series 2013E	6/21/2013	20,000	12/1/2015	3.69160%
Series 2014F	6/14/2014	9,000	6/1/2014	0.35000%
		1,800	12/1/2014	0.75000%
		4,200	6/1/2015	2.00000%
		5,000	12/1/2015	2.00000%

* Variable interest rate based on LIBOR rate.

Amounts remaining from the 2010 and prior Delinquent Tax Funds at September 30, 2013 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 2013, a $49.0 million transfer was made to the General Fund.

Real property taxes not collected within two 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, 2013, approximately $16.8 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, 2013, two years of the County's delinquent real property taxes receivable are recorded in the Delinquent Tax Revolving Fund.

13. MAJOR CUSTOMER - AIRPORT AUTHORITY COMPONENT UNIT

Delta Airlines, Inc. (Delta) accounts for approximately 29 percent of total Authority operating revenues for the year ended September 30, 2013, including 48 percent of landing and related fees, 67 percent of airline rental and related fees, and 89 percent of facility use fees. Approximately 48 percent of total 2013 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 $690,000 in net receivables from Delta at September 30, 2013.

The airlines serving the Airport have been impacted by global events to varying degrees. Delta Airlines filed for bankruptcy reorganization in 2005 (it has since emerged), and American Airlines filed for bankruptcy reorganization in November 2011. 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.

14. COMMITMENTS AND CONTINGENCIES

Claims, litigation, and assessments asserted against the County, which are probable of loss and estimable in amount, are reflected in the government-wide and proprietary fund financial statements at September 30, 2013. 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.

Litigation Matters

Wayne County

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.

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. The Plaintiffs' claimed that the Retirement Ordinance amendments violated Art 9: Sec 24 of the 1963 Michigan Constitution because it unlawfully diminished or impaired accrued financial benefits, and that the amendments violated the Public Employee Retirement System Investment Act ("PERSIA") MCL 38.1132 et. seq, in being contrary to the "Exclusive Benefit" rule and the "Prohibited Transaction" rule. Plaintiffs sought specifically to invalidate the transfer of approximately $32 million from the "Inflation Equity Fund" ("IEF" the fund from which 13th checks were paid) to the County's defined benefit plans and the credit of that $32 million to the County's FY 2010-2011 defined benefit plan contribution. Plaintiffs also sought to invalidate limitations on the size of the IEF and annual distribution amounts.

The trial court, in an opinion and order dated September 29, 2011, granted summary disposition in favor of the County and dismissed all of the Plaintiffs' claims. Plaintiff appealed, and on May 9, 2013, in a published decision, affirmed in part and reversed in part the trial court's order. The Court of Appeals affirmed the trial court's determination that the 13th check was not an accrued financial benefit and the ordinance did not violate Art 9, Sec 24 of the Michigan Constitution. The court also upheld the ordinance annual distribution limits and, prospectively, the total IEF fund limitation. The Court reversed trial court's determination with respect to the transfer from the IEF to the defined benefit plan and the County's credit to its FY 2010-2011 defined benefit plan contribution, finding that both the transfer and credit violated the Exclusive Benefit Rule and Prohibited Transaction rule.

The County then sought leave to appeal to the Michigan Supreme Court on June 20, 2013. On November 27, 2013, the Supreme Court issued an order for supplemental briefing and oral argument on the County's application is scheduled for the first week of March 2014. If leave to appeal is denied or the Court of Appeals' decision is affirmed, the County will be obligated to make an additional $32 million contribution to the Retirement System for FY 2010-2011, of which about $16 million would be owed by the County's General Fund.

Component Units – Airport Authority
The Airport 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

Wayne County - Governmental Activities
Environmental accruals are recorded when it is both probable that a liability has been incurred and the amount of the liability is reasonably estimable, based on current law and existing technologies. The County is a party to disputes and negotiations regarding potentially hazardous sites within Wayne County. A liability for such matters has not been recognized at September 30, 2013, as the County expects its obligation, if any, to be immaterial.

Component Units - Airport Authority
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, 2013, the Airport Authority had accrued obligations of $6.2 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. Thirty four percent of the recorded environmental liability is related to a consent decree and judgment issued during 1994 that identifies the Airport Authority 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 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 plant 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. The Airport Authority has paid $6.7 million to the City of Romulus for prior year debt service as of September 30, 2013 and an additional $400 thousand 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 will need to 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.

Preliminary assessments of the nature and extent of the material were performed by WCAA Environmental and have provided information to help develop an estimate of remediation costs expected over time. As of September 30, 2013, the Authority recorded asbestos-related liabilities of $3 million and $881 thousand at Detroit Metro and Willow Run Airports, respectively.

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.”

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 right, 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 and assuming GM is fully dissolved, to the extent there exists environmental remediation costs, these costs will be the responsibility of the Authority.

The Purchaser operated the facility through the expiration of the Lease agreement on February 28, 2011. On March 5, 2011, Motors Liquidation Company took over operation of the facility from the Purchaser. Motors Liquidation Company then operated the facility until March 31, 2011, at which time it transferred all of its assets to Racer Trust, which continues to occupy and operate the water treatment facility. The Authority and Racer Trust are in negotiations to establish a new agreement governing the occupancy of the facility.

Additional small environmental matters were identified for Willow Run during 2010, including site closure of several Willow Run fuel farms. The Authority recorded liabilities totaling $54 thousand for these items as of September 30, 2013.

15. 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, 2012, the date of the most recent actuarial valuation, combined membership in the Plan consisted of 5,546 retirees and beneficiaries receiving benefits, 128 inactive (separated) employees entitled to benefits but not yet receiving them, and 2,370 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 position and changes in net position relating to Plan Options 1, 2, and 3, as well as the defined benefit components in Plan Options 5 and 6. The defined contribution portion of Plan Options 5 and 6 are included in the financial statements of the 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 period not to exceed 30 years.

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, 2013.

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, 2013, the County's annual pension cost was $67.4 million of which $77.6 million was contributed. The annual required contribution was determined using an actuarial valuation of the Plan dated September 30, 2010, (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 7.75 percent compounded annually, inflation of 3.5 percent, and projected salary increases of 3.5 to 9.05 percent compounded annually. The following table shows (in thousands) the County's annual pension cost, the amount contributed to the plan, and changes in the County's net pension obligation.

Annual required contribution	$ 66,195
Interest on net pension obligation	2,372
Adjustment to annual required contribution	(1,177)
Net pension cost (expense)	67,390
Contributions made	(77,604)
Increase in net pension obligation	(10,214)
Net pension obligation, beginning of year	30,608
Net pension obligation, end of year	$ 20,394

Changes in the net pension obligation for the year ended September 30, 2013 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Primary Government				
Governmental activities	$ 30,560	$ -	$ (10,211)	$ 20,349
Component Units				
Nonmajor component unit	48	-	(3)	45
	$ 30,608	$ -	$ (10,214)	$ 20,394

The Mental Health Agency and the Wayne County Airport Authority contributed $8,715,000 and $2,693,447 at September 30, 2013, with payments received by the Retirement System subsequent to year end. None of the amounts other than these are due within one year.

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, 2013:

Three-Year Trend Information
(Dollar amounts in thousands)

Fiscal Year Ended September 30,	Annual Pension Cost	Annual Pension Cost Contributed	Transfers from the Inflation Equity Reserve	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
2011	$ 39,666	$ 13,428	$ 26,238	100%	$ 26,238
2012	52,046	47,676	6,352	100%	30,608
2013	67,390	77,604	-	102%	20,394

As of September 30, 2013 the Plan's legally required reserves have been fully funded as follows (dollar amounts in thousands) except as noted below:

Reserve for employee contributions	$ 135,294
Reserve for employer contributions (deficit)	(484,118)
Reserve for pension payments	1,127,691
Unallocated net position	3,257
Total reserve balances	$ 782,124

The Plan's funded status as of September 30, 2012, the most recent actuarial valuation date is as follows (in millions):

Actuarial value of assets	$ 746.4
Actuarial accrued liability - entry age	1,624.6
Unfunded actuarial accrued liability	$ 878.2
Funded ratio	45.9%
Annual covered payroll	$ 269.0
Unfunded actuarial accrued liability as a percentage of covered payroll	326.5%

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:

Valuation date	September 30, 2012
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Remaining amortization period	27 years closed
Assets valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.75 percent (includes inflation at 3.5 percent)
Projected salary increases	3.5-9.05 percent (includes inflation at 3.5 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, 2013, 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, 2013.

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, 2013, there were no required contributions or actual contributions made by the County. The annual pension cost of $34,160 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, 2012. 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 three active participants in the Plan for 2013 (all of whom were vested), and five retirees and beneficiaries receiving benefits.

Three-Year Trend Information
(Dollar amount in thousands)

Fiscal Year Ended September 30,	Annual Pension Cost	Annual Pension Cost Contributed	Percentage of Annual Pension Cost Contributed
2011	$ -	$ 28,905	-
2012	-	36,820	-
2013	-	34,160	-

Reserves - Circuit Court
(in thousands)

As of September 30, 2013, the Plan's reserve balances are as follows:

Reserve for employee contributions	$ 1,081
Reserve for employer contributions (deficit)	2,606
Reserve for pension payments	875
Reserve for Inflation equity	78
Unallocated net position	748
Total reserve balances	$ 5,388

The Plan's funded status as of September 30, 2012, the most recent actuarial valuation date, is as follows (in thousands):

Actuarial value of assets	$	4,734
Actuarial accrued liability - entry age		2,390
Unfunded actuarial accrued liability	$	(2,344)
Funded ratio		198.1%
Annual covered payroll	$	320
Overfunded actuarial accrued liability as a percentage of covered payroll		732.5%

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 September 30, 2012, the latest valuation, is as follows:

Actuarial cost method	Entry age actuarial cost method
Amortization method	Level percent of payroll
Remaining amortization period	Fully funded
Assets valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.0 percent
Projected salary increases	0.0 percent (and 0.0 percent for inflation)
Cost of living adjustments	Inflation Equity Reserve Distribution

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, 2013, there were 2,160 active employees in the Plan, and 1,112 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, 2013, there were 1,490 active employees in the Plan, four retirees currently receiving benefits, and 414 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, 2013, there were 642 active employees in the Plan and 117 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 2013, were $15.6 million and $5.4 million, respectively.

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

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, 2013, 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, 2013.

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.

16. OTHER POSTEMPLOYMENT 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. The Plan has 3,749 employees in active service and 5,017 retired employees and beneficiaries currently receiving benefits as of September 30, 2012 with the results actuarially rolled back to October 1, 2011 on a "no gain/loss" basis. 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 633 members (including 485 Airport Authority employees in active service and 148 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 and periodic pre-funding payments as determined by the County. The County, including the Airport Authority, paid a total of approximately $44.8 million for health care and retirees' life insurance benefits for the fiscal year ended September 30, 2013, and an additional $9.1 million for prefunding of certain component units and proprietary and fiduciary funds. 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. In September 2012 the Authority transferred these funds into a Municipal Employees Retirement System (MERS) Retiree Health Funding Vehicle, which is held in a separate reserve, but invested on a pooled basis by MERS with other governmental units. The balance as of September 30, 2013 in this restricted plan is $24,987,702. 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. The schedule of employer contributions for the Airport Authority as of October 1, 2012, which is the date of the most recent actuarial valuation, is presented following the notes to the basic financial statements.

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.

	Wayne County Pre and Post-2002 Retirees *	Airport Authority Post-2002
Annual required contribution	$ 89,439	$ 7,348
Interest on net OPEB obligation (asset)	7,240	(260)
Adjustment to annual required contribution	(7,193)	208
Net OPEB cost (expense)	89,486	7,296
Contributions made		
Payments of current premiums	(44,802)	(3,569)
Advance funding	(9,106)	(3,800)
Increase (decrease) in net OPEB obligation (asset)	35,578	(73)
Net OPEB obligation (asset), beginning of year	180,993	(3,245)
Net OPEB obligation (asset), end of year	$ 216,571	$ (3,318)

Changes in the OPEB obligation for the year ended September 30, 2013 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Primary Government				
Governmental activities	$ 177,376	$ 43,865	$ (7,365)	$ 213,876
Business-type activities				
Downriver Sewage Disposal System	1,876	478	-	2,354
Nonmajor business-type activities	155	-	(155)	-
Component Units				
Nonmajor component units	730	83	(730)	83
Fiduciary Funds	856	258	(856)	258
	$ 180,993	$ 44,684	$ (9,106)	$ 216,571

None of the amounts are due within one year.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and prior years were as follows:

Three-Year Trend Information
(Dollar amount in thousands)

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011[1]	$ 90,504	32.4%	$ 139,501
2012[2]	86,712	52.1%	180,993
2013	89,486	60.2%	216,571

(1) Excludes Airport Authority pre-2002 retirees
(2) Includes pre-2002 Airport Authority retirees

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 2013 and prior years were as follows:

Three-Year Trend Information
(Dollar amount in thousands)

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
2011	$ 5,482	97.2%	$ (1,768)
2011	5,515	126.8%	(3,245)
2013	7,296	101.0%	(3,318)

Annual required contributions made in fiscal year 2013 include $260 thousand in interest earned on the prior year OPEB asset and $141 thousand and $154 thousand, respectively, for interest earned in 2012 and 2011.

Funding Status and Funding Progress

The funded status as of October 1, 2011 for the Wayne County plan, the date of the most recent actuarial valuation, was as follows (in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
10/1/2009	-	$ 1,513,956	$ 1,513,956	0.0%	N/A	N/A
10/1/2011	-	1,531,491	1,531,491	0.0%	N/A	N/A
10/1/2012	-	1,568,535	1,568,535	0.0%	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.

The funded status as of October 1, 2012 for the Wayne County Airport Authority Act 149 Health Care Fund, the date of the most recent actuarial valuation, was as follows (in millions):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
10/1/2009	$ 6.6	$ 65.7	$ 59.1	10.1%	N/A	N/A
10/1/2010	10.1	68.2	58.1	14.8%	N/A	N/A
10/1/2012	18.9	97.7	78.8	19.3%	342	23.04%

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, 2011 actuarial valuations for the Wayne County plan, the actuarial cost method used was the projected unit credit method with linear proration to decrement. The actuarial assumptions included a 4 percent investment rate of return, which is the rate of the expected long-term investment returns on the plans and a projected 3 percent salary increase. The plan used an annual healthcare cost trend rate of 9 percent initially, reduced to an ultimate rate of 5 percent after eight years, and a general inflation rate of 3 percent. The UAAL for the plan is being amortized on an open basis using the straight-line method (level percent of pay amortized annually) over thirty years.

In the October 1, 2012 actuarial valuation for the Airport Authority's post-2002 plan, the actuarial cost method used was the projected unit credit method. The actuarial assumptions included an 8 percent investment rate of return, which is the rate of the expected long-term investment returns on the plan assets and a projected 3.5 percent salary increase. The plan used an annual healthcare cost trend rate of 7.8 percent initially, reduced to an ultimate rate of 5 percent after ten years. The UAAL for the plan is being amortized on an open basis using the straight-line method (level percent of pay amortized annually) over thirty years.

17. RESTATEMENT OF BEGINNING OF YEAR NET POSITION AND FUND BALANCE

Accounting and Reporting Change

During the year, the County adopted GASB 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 by modifying certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government or a blended component unit.

In order to conform the reporting of component units under the new GASB 61 requirements, the activities of the Detroit-Wayne County Stadium Authority and the Economic Development Corporation of Wayne County are reported by the County as blended component units and included as government activities in the government-wide statements effective October 1, 2012. The activities of both component units were previously reported in separate discretely presented component units.

As of October 1, 2012, the County records the activities for the Third Circuit Court and the Probate Court in the General and the Other Capital Projects funds; the activities of both Courts were previously reported in two separate discretely presented component units. The change in reporting for these activities accurately reflects the activities as governmental activities of the County, since the primary funding source for both Courts is the General Fund.

Prior Period Adjustment

In fiscal year 2012, the County reported capital assets acquired through the Wayne County Building Authority in its governmental activities. It was later determined that the ownership of the capital assets did not belong to the County and should not be included in the governmental activities. As a result of correcting this error, the net position for governmental activities as of September 30, 2012 decreased by $13.5 million, net of related depreciation.

Impact of Restatement

As a result of the accounting and reporting change and prior period adjustment described above, fund balance/net position at September 30, 2012 was restated as follows:

	Fund Financial Statements		Government-wide Statements	
	General	NMGF	Governmental Activities	Component Units
Beginning fund balance / net position at September 30, 2012, as originally reported	$ (135,033)	$ 66,055	$ 928,842	$ 485,587
Restatements attributed to adoption of GASB 61:				
Stadium Authority (special revenue and debt service)	-	3,379	1,926	(1,926)
Economic Development Authority	-	189	188	(188)
Circuit Court	(1,660)	(1,247)	3,324	(3,324)
Probate Court	1,455	73	(960)	960
Restatement attributed to prior period adjustment	-	-	(13,563)	-
Beginning fund balance / net position at September 30, 2012, as restated	$ (135,238)	$ 68,449	$ 919,757	$ 481,109

The impact on the current year change in fund balance/net position attributable to the accounting and reporting change and prior period adjustment described above, is as follows:

	Fund Financial Statements		Government-wide Statements	
	General	NMGF	Governmental Activities	Component Units
Fiscal 2013 change in fund balance / net position without the accounting and reporting changes	$ (13,389)	$ (15,694)	$ (123,065)	$ (22,343)
Current year change attributed to adoption of GASB 61:				
Stadium Authority (special revenue and debt service)	-	6,047	4,756	(4,756)
Economic Development Authority	-	6	6	(6)
Circuit Court	4,516	1,248	1,737	(1,737)
Probate Court	(1,455)	(3)	(2,342)	2,342
Current year change in fund balance / net position for the year ended September 30, 2013, as reported	$ (10,328)	$ (8,396)	$ (118,908)	$ (26,500)

18. SPECIAL ITEM - IMPAIRMENT OF ASSET

In December 2010, the Wayne County Building Authority authorized construction of a consolidated jail facility (Jail). In June 2013, construction of the Jail was suspended. In August 2013, construction on the jail was terminated. Wayne County entered into a Memorandum of Agreement to potentially sell the site of the Jail for $20,000.000. The carrying value of the land and construction in progress amounted to $108,086,758 as of September 30, 2013, prior to calculation of impairment. An impairment of $88,086,758 is recorded as a Special Item on the Statement of Activities, with an offsetting reduction to the assets in the Statement of Net Position. The value of the impaired asset of $20,000,000 is reported as an Asset converted from capital asset held for Sale as of September 30, 2013.

19. SUBSEQUENT EVENTS

A Memorandum of Agreement was signed on December 5, 2013 between Wayne County, the Wayne County Building Authority and Rock Ventures, LLC for the proposed development and disposition of the Justice Properties, including the partially constructed jail parcel, Frank Murphy Hall of Justice, the Juvenile Detention Facility and the two downtown jails for $50 million; $20 million for the jail parcel and $30 million in the aggregate for the balance of the Justice Property. The provisions of the Memorandum of Agreement is non-binding and allows for the parties to have a period of 180 days to assess the viability and desirability of proceeding with the transactions contemplated by the MOU. The execution of the purchase agreement is contingent on the County obtaining an acceptable development and use agreement regarding the development of the State of Michigan's vacant correctional facility located on Mound Road in Detroit, Michigan.

On December 14, 2012, the Michigan Legislature approved and the Governor signed Public Acts 375 and 376 of 2012, a Mental Health Authority bill. Effective October 1, 2013, the new law transferred management and control of the Detroit Wayne County Mental Health Agency (Mental Health Fund) to the new Authority. The new Authority comprises of twelve board members; six Wayne county and six City of Detroit residents. The County Executive and the Mayor of the City of Detroit recommend six members. The appointments of the twelve board members are subject to confirmation by the County Commission. As of September 30, 2013, the County reports the Mental Health fund as a major special revenue fund and it represents approximately 35% of the County's total revenue. In fiscal year 2014, the Authority is no longer part of the County appropriations. The County is in the process of evaluating the impact the change will have to the financial reporting entity.

On November 15, 2013, the County issued $44,000,000 of General Obligation Limited Tax Notes Series 2013 G. One hundred percent of the proceeds plus $516,000 of Delinquent Tax Revolving Fund reserves were used to refund $44,516,000 of General Obligation Limited Tax Notes Series 2013 D. The purpose of this refunding was to eliminate unfavorable debt covenants associated with the 2013 D note series. The Series G Notes are payable on each June 1 and December 1 with final maturity on December 1, 2015 at rates ranging from 2.75% to 3.75%. The notes are callable beginning December 1, 2014.

In September 2013 the Michigan Finance Authority approved the County's loan application for up to 13.4 million for projects to upgrade and improve the Northeast Sewage Disposal System. As of September 30, 2013 the County received $1.2 million of MFA bond funds for this project.

Component Units

The Executive Director of the Wayne County Regional Jobs & Economic Growth Foundation (the "Foundation") and the Chief Development Officer for Wayne County made the decision to dissolve the Foundation. The Foundation's programs will be handled by either the Greater Wayne County Economic Development Corporation (GWEDC), a component unit of Wayne County, or another entity separate from Wayne County. As of September 30, 2013, the assignment of assets and liabilities had not occurred and were still held by the Foundation.

On November 1, 2013, the Wayne County Airport Authority issued $390.5 million in Wayne County Airport Authority Revenue Refunding Bonds at the following amounts: Series 2013A - $200 million, Series 2013B - $74.9 million and Series 2013C – $115.6 million. The Series 2013A Variable Rate Refunding Bonds were issued to refund the Series 2010E-1 and Series 2010F Bonds. The Series 2013B Variable Rate Refunding Bonds were issued to refund the Series 2010E-2 Bonds. The Series 2013C Variable Rate Refunding Bonds were issued to refund the Series 2010G Bonds.

Subsequent to year end, the HealthChoice Board of Trustees decided to end its special healthcare programs provided to indigent individuals, young adults and temporary employees effective March 31, 2014 because there will be no subsidy to fund the programs. In addition, the HealthChoice Small Business Program will transition from a 3-share program, which provided for a subsidy to cover the costs of healthcare for low to moderate income individuals, to a 2-share program on April 1, 2014. The cost of the program will be shared between the employer and employee. This raises substantial doubt about the ability of HealthChoice to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

20. UPCOMING REPORTING CHANGES

Statement No. 65, Items Previously Reported as Assets and Liabilities

In March 2012, the GASB issued GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which is required to be implemented for financial statements for periods beginning after December 15, 2012. Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows and inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources. Statement No. 65 will be implemented for the County beginning October 1, 2013.

Statement No. 67, Financial Reporting for Pension Plans

In June 2012, GASB Statement No. 67, Financial Reporting for Pension Plans, was issued by the Governmental Accounting Standards Board. This new standard, which replaces the requirements of GASB Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans and No. 50, Pension Disclosures, establishes standards for financial reporting that outline the basic framework for separately-issued pension plan financial reports and specifies the required approach to measuring the liability of employer(s) and certain nonemployer contributing entities, about which information is required to be disclosed. GASB Statement No. 67 is required to be adopted for years beginning after June 15, 2013. This standard will be adopted by the County for the year ended September 30, 2014.

Statement No. 68, Accounting and Financial Reporting for Pensions

In June 2012, the GASB issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary and discretely presented component units statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The Statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). The County is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this Statement are effective for financial statements for the year ended September 30, 2015.

Statement No. 69, Government Combinations and Disposals of Government Operations

In January 2013, the GASB issued GASB statement No. 69, Government Combinations and Disposals of Government Operations which provides detailed requirements for the accounting and disclosure of various types of government combinations, such as mergers, acquisitions, and transfers of operations. The guidance available previously was limited to nongovernmental entities, and therefore did not provide practical examples for situations common in government-specific combinations and disposals. The accounting and disclosure requirements for these events vary based on whether a significant payment is made, the continuation or termination of services, and the legal structure of the new or continuing entity. GASB Statement No. 69 is required to be adopted for years beginning after December 15, 2014. For the County, this standard will be adopted for the year ended September 30, 2015.

Statement No. 70, Non-exchange Financial Guarantees

In April 2013, the GASB issued GASB statement no. 70, Non-exchange Financial Guarantees. This standard addresses the accounting and disclosure of situations in which one government offers a financial guarantee on behalf of another government, not-for-profit organization, private entity, or individual without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). A government that extends a nonexchange financial guarantee will be required to recognize a liability when qualitative factors and/or historical data indicate that it is “more likely than not” that the government will be required to make a payment on the guarantee. It further requires governments to disclose any outstanding financial guarantees in the notes to the financial statements. GASB Statement No. 70 is required to be adopted for years beginning after June 15, 2014. For the County, this standard will be adopted for the year ended September 30, 2015.

21. FUND BALANCES

Following is a summary of the composition of fund balances as of September 30, 2013:

	General	Roads	Mental Health	Health	JJAN	BACCP	NGF	Total
Nonspendable	$ 1,734	$ 8,915	$ 25,821	$ 79	$ 651	$ -	$ 2,034	$ 39,234
Restricted for:								
Inpatient hospitalization	9,183	-	-	-	-	-	-	9,183
Risk financing	-	-	35,112	-	-	-	-	35,112
Debt service	-	-	-	-	-	5,306	17,495	22,801
Capital projects	-	3,722	-	-	-	63,283	13,038	80,043
General government	-	-	-	-	-	-	4,176	4,176
Highways and streets	-	8,677	-	-	-	-	-	8,677
CED	-	-	-	-	-	-	2,968	2,968
Public safety	-	-	-	-	-	-	663	663
Health and welfare	-	-	-	-	-	-	6,995	6,995
Assigned for:								
Budget stabilization	3,000	-	-	-	-	-	-	3,000
Highways and streets	-	21,813	-	-	-	-	-	21,813
Mental health services	-	-	7,796	-	-	-	-	7,796
Parks and recreation	-	-	-	-	-	-	15,126	15,126
CED	-	-	-	-	-	-	133	133
Public safety	-	-	-	-	-	-	3,388	3,388
Debt service							2,844	2,844
Unassigned (deficit)	(159,483)	-	-	(1,732)	(7,347)	-	(8,807)	(177,369)
Total fund balances	$ (145,566)	$ 43,127	$ 68,729	$ (1,653)	$ (6,696)	$ 68,589	$ 60,053	$ 86,583

CED - Community and economic development
JJAN - Juvenile Justice and Abuse/Neglect
BACCP - Building Authority Construction Capital Projects
NGF - Nonmajor governmental funds

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

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, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	$ 280,437	$ 280,437	$ 271,492	$ (8,945)
Sales	43,668	43,668	43,120	(548)
Licenses and permits	661	661	662	1
Federal grants	23,576	28,130	24,315	(3,815)
State grants and contracts	54,121	54,405	48,694	(5,711)
Local grants and contracts	100,800	99,648	98,240	(1,408)
Charges for services	127,093	127,496	121,568	(5,928)
Interest and rents	2,976	2,990	2,225	(765)
Other	9,704	16,010	16,590	580
Total revenues	643,036	653,445	626,906	(26,539)
Expenditures				
Current operations:				
Legislative	9,621	9,621	8,768	(853)
Judicial	236,947	236,994	228,391	(8,603)
General government	126,533	134,353	136,900	2,547
Public safety	123,966	126,663	155,257	28,594
Public works	503	503	379	(124)
Health and welfare	47,056	47,117	41,633	(5,484)
Recreational and cultural	4,152	4,169	3,411	(758)
Capital outlay	37	343	2,053	1,710
Debt service	2,400	2,101	1,731	(370)
Total expenditures	551,215	561,864	578,523	16,659
Revenues over (under) expenditures	91,821	91,581	48,383	(43,198)
Other financing sources (uses)				
Transfers in	39,245	69,559	49,045	(20,514)
Transfers out	(129,310)	(129,321)	(107,756)	21,565
Total other financing sources (uses)	(90,065)	(59,762)	(58,711)	1,051
Net change in fund balance	1,756	31,819	(10,328)	(42,147)
Fund balance (deficit) at October 1, 2012, as restated	(135,238)	(135,238)	(135,238)	-
Fund balance (deficit) at September 30, 2013	$ (133,482)	$ (103,419)	$ (145,566)	$ (42,147)

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules

Major Governmental Funds
General Fund (excluding Circuit Court and Probate Court portions)
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	$ 280,437	$ 280,437	$ 271,492	$ (8,945)
Sales	43,668	43,668	43,120	(548)
Licenses and permits	661	661	662	1
Federal grants	4,824	9,903	6,281	(3,622)
State grants and contracts	47,305	47,345	41,970	(5,375)
Local grants and contracts	2,093	2,135	1,603	(532)
Charges for services	119,901	120,502	114,759	(5,743)
Interest and rents	3,016	3,030	2,226	(804)
Other	9,437	14,274	16,100	1,826
Total revenues	511,342	521,955	498,213	(23,742)
Expenditures				
Current operations:				
Legislative	9,621	9,621	8,768	(853)
Judicial	106,506	106,506	104,047	(2,459)
General government	126,533	134,353	136,900	2,547
Public safety	123,966	126,663	155,257	28,594
Public works	503	503	379	(124)
Health and welfare	47,056	47,117	41,633	(5,484)
Recreational and cultural	4,152	4,169	3,411	(758)
Capital outlay	37	343	1,936	1,593
Debt service	2,400	2,101	1,731	(370)
Total expenditures	420,774	431,376	454,062	22,686
Revenues over (under) expenditures	90,568	90,579	44,151	(46,428)
Other financing sources (uses)				
Transfers in	27,582	57,896	37,441	(20,455)
Transfers out	(116,534)	(116,545)	(94,980)	21,565
Total other financing sources (uses)	(88,952)	(58,649)	(57,539)	1,110
Net change in fund balance	1,616	31,930	(13,388)	(45,318)
Fund balance (deficit) at October 1, 2012, as restated	(135,032)	(135,032)	(135,032)	-
Fund balance (deficit) at September 30, 2013	$ (133,416)	$ (103,102)	$ (148,420)	$ (45,318)

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules

Major Governmental Funds
General Fund (Fiscal Stabilization Reserve Portion)
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	$ -	$ -	$ -	$ -
Sales	-	-	-	-
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:				
Legislative	-	-	-	-
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	11,523	11,523	11,523	-
Transfers out	(11,523)	(11,523)	(11,523)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance (deficit) at October 1, 2012, as restated	-	-	-	-
Fund balance (deficit) at September 30, 2013	$ -	$ -	$ -	$ -

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules

Major Governmental Funds
General Fund (Circuit Court Portion)
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	18,752	18,227	18,034	(193)
State grants and contracts	5,629	5,875	5,539	(336)
Local grants and contracts	92,392	92,239	91,363	(876)
Charges for services	6,353	6,075	5,894	(181)
Interest and rents	(40)	(40)	(1)	39
Other	40	135	485	350
Total revenues	123,126	122,511	121,314	(1,197)
Expenditures				
Current operations:				
Legislative	-	-	-	-
Judicial	121,873	121,508	115,434	(6,074)
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Capital outlay	-	-	112	112
Debt service	-	-	-	-
Total expenditures	121,873	121,508	115,546	(5,962)
Revenues over (under) expenditures	1,253	1,003	5,768	4,765
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,253)	(1,253)	(1,253)	-
Total other financing sources (uses)	(1,253)	(1,253)	(1,253)	-
Net change in fund balance	-	(250)	4,515	4,765
Fund balance (deficit) at October 1, 2012, as restated	(1,661)	(1,661)	(1,661)	-
Fund balance (deficit) at September 30, 2013	$ (1,661)	$ (1,911)	$ 2,854	$ 4,765

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedules

Major Governmental Funds
General Fund (Probate Court Portion)
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Taxes:				
Property	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	1,187	1,185	1,185	-
Local grants and contracts	6,315	5,274	5,274	-
Charges for services	839	919	915	(4)
Interest and rents	-	-	-	-
Other	227	1,601	5	(1,596)
Total revenues	8,568	8,979	7,379	(1,600)
Expenditures				
Current operations:				
Legislative	-	-	-	-
Judicial	8,568	8,980	8,910	(70)
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Recreational and cultural	-	-	-	-
Capital outlay	-	-	5	5
Debt service	-	-	-	-
Total expenditures	8,568	8,980	8,915	(65)
Revenues over (under) expenditures	-	(1)	(1,536)	(1,535)
Other financing sources (uses)				
Transfers in	140	140	81	(59)
Transfers out	-	-	-	-
Total other financing sources (uses)	140	140	81	(59)
Net change in fund balance	140	139	(1,455)	(1,594)
Fund balance (deficit) at October 1, 2012, as restated	1,455	1,455	1,455	-
Fund balance (deficit) at September 30, 2013	$ 1,595	$ 1,594	$ -	$ (1,594)

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, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Federal grants	$ 24,214	$ 30,548	$ 1,531	$ (29,017)
State grants and contracts	78,124	78,124	79,285	1,161
Local grants and contracts	6,998	7,298	6,464	(834)
Charges for services	5,407	5,543	3,490	(2,053)
Interest and rents	300	300	255	(45)
Other	6	36	24	(12)
Total revenues	115,049	121,849	91,049	(30,800)
Expenditures				
Current operations:				
Personnel	27,574	28,660	22,658	(6,002)
Fringe benefits	11,744	11,953	11,093	(860)
Pension	8,003	8,057	8,598	541
Materials and supplies	10,729	10,646	12,109	1,463
Contractual services	46,599	54,366	10,500	(43,866)
Travel	148	148	86	(62)
Operating	6,181	6,195	5,605	(590)
Rentals	772	772	794	22
Other charges	210	300	452	152
Capital outlay	3,634	5,480	15,595	10,115
Debt service	1,229	1,437	1,437	-
Total expenditures	116,823	128,014	88,927	(39,087)
Revenues over (under) expenditures	(1,774)	(6,165)	2,122	8,287
Other financing sources (uses)				
Transfers out	(7,467)	(7,188)	(7,230)	(42)
Proceeds from sale of capital assets	75	79	1	(78)
Total other financing sources (uses)	(7,392)	(7,109)	(7,229)	(120)
Net change in fund balance	(9,166)	(13,274)	(5,107)	8,167
Fund balance at October 1, 2012	48,234	48,234	48,234	-
Fund balance at September 30, 2013	$ 39,068	$ 34,960	$ 43,127	$ 8,167

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, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Federal grants	$ 10,928	$ 9,929	$ 7,862	$ (2,067)
State grants and contracts	616,714	602,086	621,336	19,250
Local grants and contracts	12	12	-	(12)
Charges for services	-	-	19	19
Interest and rents	509	509	383	(126)
Total revenues	628,163	612,536	629,600	17,064
Expenditures				
Current operations:				
Personnel	9,105	9,798	7,383	(2,415)
Fringe benefits	3,466	3,193	2,711	(482)
Pension	2,162	1,924	10,370	8,446
Materials and supplies	183	183	134	(49)
Contractual services	630,750	614,952	618,078	3,126
Travel	165	165	197	32
Operating	198	188	157	(31)
Rentals	1,059	1,059	1,006	(53)
Other charges	5	5	-	(5)
Capital outlay	5	5	-	(5)
Total expenditures	647,098	631,472	640,036	8,564
Revenues over (under) expenditures	(18,935)	(18,936)	(10,436)	8,500
Other financing sources (uses):				
Transfers in	16,500	16,500	16,500	-
Net change in fund balance	(2,435)	(2,436)	6,064	8,500
Fund balance at October 1, 2012	62,665	62,665	62,665	-
Fund balance at September 30, 2013	$ 60,230	$ 60,229	$ 68,729	$ 8,500

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, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenues				
Federal grants	$ 1,637	$ 1,981	$ 8,017	$ 6,036
State grants and contracts	8,801	9,429	4,265	(5,164)
Local grants and contracts	7,380	7,648	6,746	(902)
Charges for services	19,730	20,609	11,414	(9,195)
Other	136	136	-	(136)
Total revenues	37,684	39,803	30,442	(9,361)
Expenditures				
Current operations:				
Personnel	12,690	12,779	11,346	(1,433)
Fringe benefits	5,611	5,564	4,994	(570)
Pension	3,393	3,332	3,450	118
Materials and supplies	1,418	1,593	2,266	673
Contractual services	20,872	22,750	16,165	(6,585)
Travel	252	285	254	(31)
Operating	900	731	382	(349)
Rentals	413	479	49	(430)
Other charges	22	155	100	(55)
Capital outlay	-	22	45	23
Debt service	-	-	-	-
Total expenditures	45,571	47,690	39,051	(8,639)
Revenues over (under) expenditures	(7,887)	(7,887)	(8,609)	(722)
Other financing sources (uses)				
Transfers in	8,137	8,137	8,137	-
Total other financing sources (uses)	8,137	8,137	8,137	-
Net change in fund balance	250	250	(472)	(722)
Fund balance (deficit) at October 1, 2012	(1,181)	(1,181)	(1,181)	-
Fund balance (deficit) at September 30, 2013	$ (931)	$ (931)	$ (1,653)	$ (722)

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, 2013
(in thousands)

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance Over (Under)
Revenue				
Federal grants	$ 2,291	$ 4,392	$ 4,249	$ (143)
State grants and contracts	84,297	84,928	74,575	(10,353)
Local grants and contracts	18,594	19,857	13,236	(6,621)
Charges for services	6,872	12,111	9,222	(2,889)
Total revenue	112,054	121,288	101,282	(20,006)
Expenditures				
Current operations:				
Personnel	16,330	14,880	14,711	(169)
Fringe benefits	7,701	6,737	6,177	(560)
Pension	4,657	4,223	4,324	101
Materials and supplies	336	303	264	(39)
Contractual services	150,437	164,612	142,929	(21,683)
Travel	77	73	21	(52)
Operating	336	313	257	(56)
Rentals	3,444	3,449	3,432	(17)
Other charges	47	13	12	(1)
Capital outlay	5	3	-	(3)
Total expenditures	183,370	194,606	172,127	(22,479)
Revenues over (under) expenditures	(71,316)	(73,318)	(70,845)	2,473
Other financing sources (uses)				
Transfers in	71,316	73,316	71,661	(1,655)
Net change in fund balance	-	(2)	816	818
Fund balance (deficit) at October 1, 2012	(7,512)	(7,512)	(7,512)	-
Fund balance (deficit) at September 30, 2013	$ (7,512)	$ (7,514)	$ (6,696)	$ 818

See accompanying notes to required supplementary information.

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information

Wayne County Employees' Retirement System Defined Benefit Plan
Schedule of Funding Progress
(amounts in millions)

Actuarial Valuation Date #	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Overfunded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
9/30/2007 #	$ 947.8	$ 1,169.5	$ 221.7	81.0%	$ 325.4	68.1%
9/30/2008 #	985.0	1,338.8	353.8	73.6%	330.0	107.2%
9/30/2009 #	970.9	1,444.3	473.4	67.2%	297.5	159.1%
9/30/2010	900.8	1,502.1	601.3	60.0%	277.4	216.8%
9/30/2011	794.6	1,594.8	800.2	49.8%	272.1	294.1%
9/30/2012	746.4	1,624.6	878.2	45.9%	269.0	326.5%

\# After changes in benefit provisions or revised actuarial assumptions.
Note: The schedule includes Hybrid Plan 6 that was created October 1, 2008.

Wayne County Employees' Retirement System Defined Benefit Plan
Schedule of Employer Contributions
(amounts in thousands)

Fiscal Year Ended September 30,	Annual Required Contributions	Actual Contributions	Percentage Contributed
2008	$ 18,420	$ 18,420	100.0%
2009	32,559	32,559	100.0%
2010	35,401	35,401	100.0%
2011	39,666	39,666 *	100.0%
2012	51,662	51,662 *	100.0%
2013	66,195	77,604	117.2% @

Note: The schedule includes Hybrid Plan 6 that was created October 1, 2008.
@ The Mental Health Agency and the Wayne County Airport Authority contributed an additional $8.7 and $2.7 million, respectively, in employer contributions to the plan to fund retirement incentives and enhancements offered to employees.

* See disclosure at footnote 14.

CHARTER COUNTY OF WAYNE, MICHIGAN

Required Supplementary Information

Wayne County Circuit Court Commissioners Bailiffs' Retirement System
Schedule of Funding Progress
(amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Overfunded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
9/30/2007	$ 5,626	$ 3,614	$ (2,012)	155.7%	$ 700	-
9/30/2008	5,859	3,367	(2,492)	174.0%	651	-
9/30/2009	5,795	3,287	(2,508)	176.3%	547	-
9/30/2010	5,569	2,499	(3,070)	222.8%	312	-
9/30/2011	4,843	2,454	(2,389)	197.4%	319	-
9/30/2012	4,734	2,390	(2,344)	198.1%	320	-

Wayne County Circuit Court Commissioners Bailiffs' Retirement System
Schedule of Employer Contributions

Fiscal Year Ended September 30,	Annual Required Contributions	Actual Contributions	Percentage Contributed
2008	$ -	$ 36,135	-
2009	-	38,339	-
2010	-	37,926	-
2011	-	28,906	-
2012	-	36,820	-
2013	-	34,160	-

CHARTER COUNTY OF WAYNE, MICHIGAN

Note to the Required Supplementary Information

1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

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.

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

	Total Revenue/ Transfers In	Total Expenditures/ Transfers Out	Total
General fund based on adopted budget	$ 535,654	$ (549,042)	$ (13,388)
Third Circuit Court	121,314	(116,799)	4,515
Probate Court	7,460	(8,915)	(1,455)
Fiscal Stabilization Fund	11,523	(11,523)	-
General fund per consolidated fund statements	$ 675,951	$ (686,279)	$ (10,328)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

OTHER SUPPLEMENTARY INFORMATION - COMBINING AND INDIVIDUAL FUND STATEMENTS/SCHEDULES

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS Are Used to Account for the Proceeds of Specific Revenue Sources that are Restricted or Committed to Expenditure for Specified Purposes other than Debt Service or Capital Projects.

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.

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

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

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

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

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

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

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NON-MAJOR GOVERNMENTAL FUNDS
(CONTINUED)

SPECIAL REVENUE FUNDS Are Used to Account for the Proceeds of Specific Revenue Sources that are Restricted or Committed to Expenditure for Specified Purposes other than Debt Service or Capital Projects.

DEBT SERVICE FUNDS Are Used to Account for the Accumulation of Resources and the Payment of General Obligation Bond Principal and Interest from Governmental Resources and for Special Assessment Bond Principal and Interest From Special Assessment Levies when the County is Obligated in Some Manner for the Payment.

CAPITAL PROJECTS FUNDS Are Used to Account for the Acquisition and Construction of Major Capital Facilities Other Than Those Financed by Proprietary Funds and Trust Funds.

SPECIAL REVENUE FUNDS, continued

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

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

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

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

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

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

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

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

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CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2013
(in thousands)

	Special Revenue Funds				
	Parks	Rouge Demonstration Project	Law Enforcement	Community Development Block Grants	Drug Enforcement
Assets					
Equity in pooled cash and investments	$ -	$ 148	$ 4,838	$ 1,699	$ -
Other cash and investments	3	1	-	-	50
Due from other funds	16,079	-	-	-	-
Receivables:					
Accounts	38	8	117	-	17
Due from component units	45	-	-	-	-
Due from other governmental units	-	132	194	2,480	17
Supplies inventory, at cost	-	-	-	-	-
Prepayments and deposits	-	-	-	-	-
Long-term receivables	-	-	-	-	-
Less allowance for uncollectible accounts	-	-	-	-	-
Restricted assets:					
Equity in pooled cash and investments	-	-	-	-	-
Total assets	$ 16,165	$ 289	$ 5,149	$ 4,179	$ 84
Liabilities					
Accounts and contracts payable	$ 507	$ 9	$ 198	$ 1,250	$ 219
Due to other funds	-	-	29	-	1,153
Due to component units	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Accrued wages and benefits	167	44	86	9	3
Other liabilities	365	-	620	535	28
Deferred revenue	-	9	173	1,381	97
Total liabilities	1,039	62	1,106	3,175	1,500
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	227	655	1,004	-
Restricted for debt service	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-
Assigned	15,126	-	3,388	-	-
Unassigned deficit	-	-	-	-	(1,416)
Total fund balances (deficits)	15,126	227	4,043	1,004	(1,416)
Total liabilities and fund balances (deficits)	$ 16,165	$ 289	$ 5,149	$ 4,179	$ 84

Special Revenue Funds							
Nutrition	Veteran's Trust	Community Corrections	Victim Witness	Soldiers' Relief	Youth Services	Community & Economic Development	Building Authority
$ -	$ 207	$ -	$ -	$ 4,089	$ 1,390	$ -	$ 129
-	-	1	-	-	-	359	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	60	-
-	-	-	-	-	-	-	-
86	-	486	265	-	-	652	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	10	-
-	-	-	-	-	-	829	-
-	-	-	-	-	-	(541)	-
-	-	-	-	-	-	-	1,091
$ 86	$ 207	$ 487	$ 265	$ 4,089	$ 1,390	$ 1,369	$ 1,220
$ 232	$ 8	$ 84	$ -	$ 54	$ 88	$ 401	$ 8
2,616	-	325	37	-	-	1,371	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	656	-
45	-	5	59	15	-	44	-
15	-	35	-	43	92	1,353	-
-	-	30	59	-	-	22	-
2,908	8	479	155	112	180	3,847	8
-	-	-	-	-	-	10	-
-	199	8	110	3,977	1,210	288	1,091
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	121
(2,822)	-	-	-	-	-	(2,776)	-
(2,822)	199	8	110	3,977	1,210	(2,478)	1,212
$ 86	$ 207	$ 487	$ 265	$ 4,089	$ 1,390	$ 1,369	$ 1,220

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2013
(in thousands)

	Special Revenue Funds				
	Stadium Authority	Economic Development Corporation	Stadium and Land Development	Environmental Programs	Health and Family Services
Assets					
Equity in pooled cash and investments	$ -	$ 204	$ -	$ 4,993	$ 557
Other cash and investments	-	5,069	-	-	-
Due from other funds	-	-	-	-	-
Receivables:					
Accounts receivable	-	126	856	496	-
Due from component units	-	-	-	-	-
Due from other governmental units	-	-	-	-	2,344
Supplies inventory, at cost	-	9	-	-	-
Prepayments and deposits	-	174	-	-	1,841
Long-term receivables	-	-	-	-	-
Less allowance for uncollectible accounts	-	-	-	-	-
Restricted assets:					
Equity in pooled cash and investments	585	-	-	-	-
Total assets	$ 585	$ 5,582	$ 856	$ 5,489	$ 4,742
Liabilities					
Accounts and contracts payable	$ -	$ 358	$ -	$ 4	$ 2,016
Due to other funds	-	4,912	856	-	-
Due to component units	-	8	-	-	-
Due to other governmental units	-	-	-	-	-
Accrued wages and benefits	-	-	-	37	13
Other liabilities	-	-	-	-	321
Unearned revenue	-	109	-	-	2,344
Total liabilities	-	5,387	856	41	4,694
Fund balances					
Nonspendable	-	183	-	-	1,841
Restricted	585	-	-	5,448	-
Restricted for debt service	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-
Assigned	-	12	-	-	-
Unassigned deficit	-	-	-	-	(1,793)
Total fund balances	585	195	-	5,448	48
resources and fund balances (deficits)	$ 585	$ 5,582	$ 856	$ 5,489	$ 4,742

Debt Service Funds				Capital Projects Funds			
General Debt Service	Roads	Building Authority	Stadium Authority	Wayne County Construction	County Roads Projects	Other Capital Projects	Totals
$ 2,844	$ 16	$ 5,866	$ 7,987	$ -	$ -	$ 213	$ 35,180
-	-	-	-	-	-	-	5,483
-	-	-	856	-	-	1,949	18,884
-	-	31	-	-	-	-	1,749
-	-	-	-	-	-	-	45
-	-	2,747	-	-	-	-	9,403
-	-	-	-	-	-	-	9
-	-	-	-	-	-	-	2,025
-	-	-	-	-	-	-	829
-	-	-	-	-	-	-	(541)
-	-	-	-	427	-	11,295	13,398
$ 2,844	$ 16	$ 8,644	$ 8,843	$ 427	$ -	$ 13,457	$ 86,464
$ -	$ -	$ -	$ -	$ 1	$ -	$ 170	$ 5,607
-	-	-	2	-	-	187	11,488
-	-	-	-	-	-	-	8
-	-	-	-	-	-	-	656
-	-	-	-	-	-	-	527
-	-	6	-	-	-	488	3,901
-	-	-	-	-	-	-	4,224
-	-	6	2	1	-	845	26,411
-	-	-	-	-	-	-	2,034
-	-	-	-	-	-	-	14,802
-	16	8,638	8,841	-	-	-	17,495
-	-	-	-	426	-	12,612	13,038
2,844	-	-	-	-	-	-	21,491
-	-	-	-	-	-	-	(8,807)
2,844	16	8,638	8,841	426	-	12,612	60,053
$ 2,844	$ 16	$ 8,644	$ 8,843	$ 427	$ -	$ 13,457	$ 86,464

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended September 30, 2013
(in thousands)

	Special Revenue Funds				
	Parks	Rouge Demonstration Project	Law Enforcement	Community Development Block Grant	Drug Enforcement
Revenue					
Taxes:					
Property taxes	$ 8,824	$ -	$ -	$ -	$ -
Excise taxes	-	-	-	-	-
Licenses and permits	96	-	-	-	-
Federal grants	-	2,386	1,811	10,690	494
State grants and contracts	605	-	145	-	-
Local grants and contracts	-	1,020	-	-	1,471
Charges for services	1,727	1,523	2,643	85	608
Interest and rents	34	-	-	-	-
Other	290	-	-	-	-
Total revenue	11,576	4,929	4,599	10,775	2,573
Expenditures					
Current operations:					
Personnel	2,751	689	1,492	435	839
Fringe benefits	1,291	369	638	151	18
Pension	875	278	485	45	36
Materials and supplies	476	65	35	3	21
Contractual services	6,150	3,329	5,271	4,157	496
Travel	6	23	38	4	-
Operating	484	28	462	258	60
Rentals	1,062	65	1	59	72
Other charges	11	-	223	5,895	35
Capital outlay	4,205	-	59	-	-
Debt service	-	-	-	-	-
Total expenditures	17,311	4,846	8,704	11,007	1,577
Revenues over (under) expenditures	(5,735)	83	(4,105)	(232)	996
Other financing sources (uses)					
Transfers in	2,722	-	113	173	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	2,722	-	113	173	-
Net change in fund balances	(3,013)	83	(3,992)	(59)	996
Fund balances (deficits) at October 1, 2012, as restated, (Note 17)	18,139	144	8,035	1,063	(2,412)
Fund balances (deficits) at September 30, 2013	$ 15,126	$ 227	$ 4,043	$ 1,004	$ (1,416)

Special Revenue Funds							
Nutrition	Veteran's Trust	Community Corrections	Victim Witness	Soldiers' Relief	Youth Services	Community & Economic Development	Building Authority
$ -	$ -	$ -	$ -	$ 1,349	$ 3,392	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,514	-	10	777	-	-	4,528	-
791	357	2,347	750	-	-	-	-
-	-	-	-	-	-	-	-
452	-	120	-	-	-	77	-
-	-	-	-	2	-	-	1,323
9	-	-	-	-	-	-	15
3,766	357	2,477	1,527	1,351	3,392	4,605	1,338
850	-	164	1,069	242	-	879	-
252	-	90	522	117	-	405	-
144	-	40	263	59	-	135	-
484	-	3	3	4	-	19	-
3,338	263	2,169	257	1,219	547	2,178	334
164	-	2	25	1	-	21	-
9	-	5	26	9	-	83	-
-	-	34	-	27	-	119	-
2	-	-	-	2	-	4,143	208
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,243	263	2,507	2,165	1,680	547	7,982	542
(1,477)	94	(30)	(638)	(329)	2,845	(3,377)	796
961	-	-	991	-	300	2,149	-
-	-	-	-	(361)	(5,236)	-	(877)
961	-	-	991	(361)	(4,936)	2,149	(877)
(516)	94	(30)	353	(690)	(2,091)	(1,228)	(81)
(2,306)	105	38	(243)	4,667	3,301	(1,250)	1,293
$ (2,822)	$ 199	$ 8	$ 110	$ 3,977	$ 1,210	$ (2,478)	$ 1,212

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended September 30, 2013
(in thousands)

	Special Revenue Funds				
	Stadium Authority	Economic Development Corporation	Stadium and Land Development	Environmental Programs	Health and Family Services
Revenue					
Taxes:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Excise taxes	-	-	7,745	-	-
Licenses and permits	-	-	-	-	-
Federal grants	-	-	-	-	24,953
State grants and contracts	-	-	-	-	-
Local grants and contracts	-	-	-	-	-
Charges for services	-	451	-	2,099	-
Interest and rents	-	-	-	3	-
Other	-	-	-	-	-
Total revenue	-	451	7,745	2,102	24,953
Expenditures					
Current operations:					
Personnel	-	-	-	573	512
Fringe benefits	-	-	-	277	230
Pension	-	-	-	249	128
Materials and supplies	-	-	-	18	9
Contractual services	-	430	207	768	24,767
Travel	-	-	-	32	3
Operating	-	15	-	21	26
Rentals	-	-	7,544	56	4
Other charges	1	-	-	-	3
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Total expenditures	1	445	7,751	1,994	25,682
Revenues over (under) expenditures	(1)	6	(6)	108	(729)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(1)	6	(6)	108	(729)
Fund balances (deficits) at October 1, 2012, as restated, (Note 17)	586	189	6	5,340	777
Fund balances (deficits) at September 30, 2013	$ 585	$ 195	$ -	$ 5,448	$ 48

Debt Service Funds				Capital Projects Funds			
General Debt Service	Roads	Building Authority	Stadium Authority	Wayne County Construction	County Roads Projects	Other Capital Projects	Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 13,565
-	-	-	-	-	-	-	7,745
-	-	-	-	-	-	-	96
-	-	-	-	-	-	-	48,163
-	-	-	-	-	-	-	4,995
-	-	-	-	-	-	-	2,491
-	-	-	7,550	-	-	1,907	19,242
4,991	-	18,364	5	-	-	10	24,732
-	-	-	-	-	-	-	314
4,991	-	18,364	7,555	-	-	1,917	121,343
-	-	-	-	-	-	-	10,495
-	-	-	-	-	-	-	4,360
-	-	-	-	-	-	-	2,737
-	-	-	-	-	-	-	1,140
-	-	-	-	-	-	2,101	57,981
-	-	-	-	-	-	-	319
-	-	-	(1)	-	-	201	1,686
-	-	-	-	-	-	-	9,043
-	-	-	-	-	-	10	10,533
-	-	-	-	260	-	4,253	8,777
18,418	5,914	27,480	1,508	-	-	-	53,320
18,418	5,914	27,480	1,507	260	-	6,565	160,391
(13,427)	(5,914)	(9,116)	6,048	(260)	-	(4,648)	(39,048)
13,427	5,914	11,490	-	-	-	-	38,240
-	-	-	-	-	-	(1,114)	(7,588)
13,427	5,914	11,490	-	-	-	(1,114)	30,652
-	-	2,374	6,048	(260)	-	(5,762)	(8,396)
2,844	16	6,264	2,793	686	-	18,374	68,449
$ 2,844	$ 16	$ 8,638	$ 8,841	$ 426	$ -	$ 12,612	$ 60,053

concluded.

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule
Nonmajor Governmental Funds
Parks Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ 9,206	$ 9,206	$ 8,824	$ (382)
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	93	93	96	3
Federal grants	-	-	-	-
State grants and contracts	-	-	605	605
Local grants and contracts	-	-	-	-
Charges for services	1,370	1,370	1,727	357
Interest and rents	74	74	34	(40)
Other	290	290	290	-
Total revenue	11,033	11,033	11,576	543
Expenditures				
Current operations:				
Personnel	3,442	3,558	2,751	(807)
Fringe benefits	1,528	1,537	1,291	(246)
Pension	991	1,003	875	(128)
Materials and supplies	490	496	476	(20)
Contractual services	5,428	11,981	6,150	(5,831)
Travel	10	14	6	(8)
Operating	566	576	484	(92)
Rentals	1,116	1,116	1,062	(54)
Other charges	1	15	11	(4)
Capital outlay	1,000	6,712	4,205	(2,507)
Debt service	-	-	-	-
Total expenditures	14,572	27,008	17,311	(9,697)
Excess (deficiency) of revenues over (under) expenditures	(3,539)	(15,975)	(5,735)	10,240
Other financing sources (uses)				
Transfers in	2,722	2,722	2,722	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	2,722	2,722	2,722	-
Net change in fund balances	(817)	(13,253)	(3,013)	10,240
Fund balance at October 1, 2012	18,139	18,139	18,139	-
Fund balance at September 30, 2013	$ 17,322	$ 4,886	$ 15,126	$ 10,240

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Rouge Demonstration Project Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	3,770	3,770	2,386	(1,384)
State grants and contracts	-	-	-	-
Local grants and contracts	2,210	2,210	1,020	(1,190)
Charges for services	1,654	1,654	1,523	(131)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	7,634	7,634	4,929	(2,705)
Expenditures				
Current operations:				
Personnel	769	769	689	(80)
Fringe benefits	373	373	369	(4)
Pension	224	224	278	54
Materials and supplies	160	137	65	(72)
Contractual services	5,969	5,989	3,329	(2,660)
Travel	21	22	23	1
Operating	40	42	28	(14)
Rentals	69	69	65	(4)
Other charges	10	10	-	(10)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	7,635	7,635	4,846	(2,789)
Excess (deficiency) of revenues over (under) expenditures	(1)	(1)	83	84
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)	83	84
Fund balance at October 1, 2012	144	144	144	-
Fund balance at September 30, 2013	$ 143	$ 143	$ 227	$ 84

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Law Enforcement Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	12,586	1,763	1,811	48
State grants and contracts	648	648	145	(503)
Local grants and contracts	-	-	-	-
Charges for services	2,493	2,493	2,643	150
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	15,727	4,904	4,599	(305)
Expenditures				
Current operations:				
Personnel	1,664	1,662	1,492	(170)
Fringe benefits	722	672	638	(34)
Pension	396	412	485	73
Materials and supplies	78	99	35	(64)
Contractual services	8,685	5,628	5,271	(357)
Travel	70	110	38	(72)
Operating	960	599	462	(137)
Rentals	16	4	1	(3)
Other charges	3,236	1,922	223	(1,699)
Capital outlay	-	20	59	39
Debt service	-	-	-	-
Total expenditures	15,827	11,128	8,704	(2,424)
Excess (deficiency) of revenues over (under) expenditures	(100)	(6,224)	(4,105)	2,119
Other financing sources (uses)				
Transfers in	224	224	113	(111)
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	224	224	113	(111)
Net change in fund balances	124	(6,000)	(3,992)	2,008
Fund balance at October 1, 2012	8,035	8,035	8,035	-
Fund balance at September 30, 2013	$ 8,159	$ 2,035	$ 4,043	$ 2,008

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Community Development Block Grant Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	17,365	38,306	10,690	(27,616)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	87	85	(2)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	17,365	38,393	10,775	(27,618)
Expenditures				
Current operations:				
Personnel	285	338	435	97
Fringe benefits	92	96	151	55
Pension	57	57	45	(12)
Materials and supplies	3	7	3	(4)
Contractual services	5,399	15,263	4,157	(11,106)
Travel	5	3	4	1
Operating	256	770	258	(512)
Rentals	88	88	59	(29)
Other charges	11,691	22,294	5,895	(16,399)
Capital outlay	-	-	-	-
Debt service	7	(5)	-	5
Total expenditures	17,883	38,911	11,007	(27,904)
Excess (deficiency) of revenues over (under) expenditures	(518)	(518)	(232)	286
Other financing sources (uses)				
Transfers in	149	149	173	24
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	149	149	173	24
Net change in fund balances	(369)	(369)	(59)	310
Fund balance at October 1, 2012	1,063	1,063	1,063	-
Fund balance at September 30, 2013	$ 694	$ 694	$ 1,004	$ 310

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Drug Enforcement Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	494	494
State grants and contracts	-	-	-	-
Local grants and contracts	-	8	1,471	1,463
Charges for services	445	445	608	163
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	445	453	2,573	2,120
Expenditures				
Current operations:				
Personnel	190	190	839	649
Fringe benefits	66	66	18	(48)
Pension	37	37	36	(1)
Materials and supplies	23	29	21	(8)
Contractual services	53	53	496	443
Travel	-	-	-	-
Operating	7	9	60	51
Rentals	16	16	72	56
Other charges	391	391	35	(356)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	783	791	1,577	786
Excess (deficiency) of revenues over (under) expenditures	(338)	(338)	996	1,334
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	(338)	(338)	996	1,334
Fund balance (deficit) at October 1, 2012	(2,412)	(2,412)	(2,412)	-
Fund balance (deficit) at September 30, 2013	$ (2,750)	$ (2,750)	$ (1,416)	$ 1,334

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Nutrition Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	2,390	2,389	2,514	125
State grants and contracts	789	789	791	2
Local grants and contracts	-	-	-	-
Charges for services	1,229	605	452	(153)
Interest and rents	-	-	-	-
Other	30	30	9	(21)
Total revenue	4,438	3,813	3,766	(47)
Expenditures				
Current operations:				
Personnel	782	782	850	68
Fringe benefits	243	243	252	9
Pension	134	134	144	10
Materials and supplies	996	980	484	(496)
Contractual services	3,118	2,493	3,338	845
Travel	150	150	164	14
Operating	10	10	9	(1)
Rentals	-	-	-	-
Other charges	-	15	2	(13)
Capital outlay	5	5	-	(5)
Debt service	-	-	-	-
Total expenditures	5,438	4,812	5,243	431
Excess (deficiency) of revenues over (under) expenditures	(1,000)	(999)	(1,477)	(478)
Other financing sources (uses)				
Transfers in	1,100	1,100	961	(139)
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	1,100	1,100	961	(139)
Net change in fund balances	100	101	(516)	(617)
Fund balance (deficit) at October 1, 2012	(2,306)	(2,306)	(2,306)	-
Fund balance (deficit) at September 30, 2013	$ (2,206)	$ (2,205)	$ (2,822)	$ (617)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Veteran's Trust Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	250	250	357	107
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	250	250	357	107
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	250	250	263	13
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	250	250	263	13
Excess (deficiency) of revenues over (under) expenditures	-	-	94	94
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	-	-	94	94
Fund balance at October 1, 2012	105	105	105	-
Fund balance at September 30, 2013	$ 105	$ 105	$ 199	$ 94

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Community Corrections Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	50	10	(40)
State grants and contracts	2,815	2,523	2,347	(176)
Local grants and contracts	-	-	-	-
Charges for services	131	131	120	(11)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	2,946	2,704	2,477	(227)
Expenditures				
Current operations:				
Personnel	198	198	164	(34)
Fringe benefits	96	96	90	(6)
Pension	57	57	40	(17)
Materials and supplies	3	6	3	(3)
Contractual services	2,549	2,301	2,169	(132)
Travel	1	4	2	(2)
Operating	5	5	5	-
Rentals	37	37	34	(3)
Other charges	-	-	-	-
Capital outlay	2	2	-	(2)
Debt service	-	-	-	-
Total expenditures	2,948	2,706	2,507	(199)
Excess (deficiency) of revenues over (under) expenditures	(2)	(2)	(30)	(28)
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	(2)	(2)	(30)	(28)
Fund balance at October 1, 2012	38	38	38	-
Fund balance at September 30, 2013	$ 36	$ 36	$ 8	$ (28)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Victim Witness Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	777	777
State grants and contracts	1,613	1,613	750	(863)
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	1,613	1,613	1,527	(86)
Expenditures				
Current operations:				
Personnel	1,277	1,277	1,069	(208)
Fringe benefits	573	573	522	(51)
Pension	371	371	263	(108)
Materials and supplies	13	13	3	(10)
Contractual services	332	332	257	(75)
Travel	15	15	25	10
Operating	23	23	26	3
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	2,604	2,604	2,165	(439)
Excess (deficiency) of revenues over (under) expenditures	(991)	(991)	(638)	353
Other financing sources (uses)				
Transfers in	991	991	991	-
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	991	991	991	-
Net change in fund balances	-	-	353	353
Fund balance (deficit) at October 1, 2012	(243)	(243)	(243)	-
Fund balance (deficit) at September 30, 2013	$ (243)	$ (243)	$ 110	$ 353

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Soldiers' Relief Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ 1,370	$ 1,370	$ 1,349	$ (21)
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	2	2
Other	-	-	-	-
Total revenue	1,370	1,370	1,351	(19)
Expenditures				
Current operations:				
Personnel	263	305	242	(63)
Fringe benefits	117	137	117	(20)
Pension	76	89	59	(30)
Materials and supplies	11	11	4	(7)
Contractual services	841	1,237	1,219	(18)
Travel	10	10	1	(9)
Operating	14	15	9	(6)
Rentals	27	27	27	-
Other charges	5	5	2	(3)
Capital outlay	5	5	-	(5)
Debt service	-	-	-	-
Total expenditures	1,369	1,841	1,680	(161)
Excess (deficiency) of revenues over (under) expenditures	1	(471)	(329)	142
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(500)	(500)	(361)	139
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(500)	(500)	(361)	139
Net change in fund balances	(499)	(971)	(690)	281
Fund balance at October 1, 2012	4,667	4,667	4,667	-
Fund balance at September 30, 2013	$ 4,168	$ 3,696	$ 3,977	$ 281

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Youth Services Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ 3,617	$ 3,617	$ 3,392	$ (225)
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 revenue	3,617	3,617	3,392	(225)
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	638	638	547	(91)
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	638	638	547	(91)
Excess (deficiency) of revenues over (under) expenditures	2,979	2,979	2,845	(134)
Other financing sources (uses)				
Transfers in	300	300	300	-
Transfers out	(4,560)	(6,560)	(5,236)	1,324
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(4,260)	(6,260)	(4,936)	1,324
Net change in fund balances	(1,281)	(3,281)	(2,091)	1,190
Fund balance at October 1, 2012	3,301	3,301	3,301	-
Fund balance at September 30, 2013	$ 2,020	$ 20	$ 1,210	$ 1,190

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Community & Economic Development
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	9,904	14,536	4,528	(10,008)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	90	90	77	(13)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	9,994	14,626	4,605	(10,021)
Expenditures				
Current operations:				
Personnel	754	754	879	125
Fringe benefits	319	319	405	86
Pension	197	197	135	(62)
Materials and supplies	15	12	19	7
Contractual services	3,142	2,948	2,178	(770)
Travel	10	11	21	10
Operating	19	85	83	(2)
Rentals	90	90	119	29
Other charges	7,371	12,191	4,143	(8,048)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	11,917	16,607	7,982	(8,625)
Excess (deficiency) of revenues over (under) expenditures	(1,923)	(1,981)	(3,377)	(1,396)
Other financing sources (uses)				
Transfers in	2,172	2,172	2,149	(23)
Transfers out	-	-	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	2,172	2,172	2,149	(23)
Net change in fund balances	249	191	(1,228)	(1,419)
Fund balance (deficit) at October 1, 2012	(1,250)	(1,250)	(1,250)	-
Fund balance (deficit) at September 30, 2013	$ (1,001)	$ (1,059)	$ (2,478)	$ (1,419)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Building Authority Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
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	-	-	1,323	1,323
Other	-	-	15	15
Total revenue	-	-	1,338	1,338
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	334	334
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	208	208
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	542	542
Excess (deficiency) of revenues over (under) expenditures	-	-	796	796
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(877)	(877)
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	(877)	(877)
Net change in fund balances	-	-	(81)	(81)
Fund balance at October 1, 2012	1,293	1,293	1,293	-
Fund balance at September 30, 2013	$ 1,293	$ 1,293	$ 1,212	$ (81)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Stadium Authority Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
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 revenue	-	-	-	-
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	1	1
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	-	-	1	1
Excess (deficiency) of revenues over (under) expenditures	-	-	(1)	(1)
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)
Fund balance at October 1, 2012	586	586	586	-
Fund balance at September 30, 2013	$ 586	$ 586	$ 585	$ (1)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Economic Development Corporation Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	485	451	(34)
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	-	485	451	(34)
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	13	551	430	(121)
Travel	-	-	-	-
Operating	-	16	15	(1)
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	13	567	445	(122)
Excess (deficiency) of revenues over (under) expenditures	(13)	(82)	6	88
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	(13)	(82)	6	88
Fund balance at October 1, 2012	189	189	189	-
Fund balance at September 30, 2013	$ 176	$ 107	$ 195	$ 88

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Stadium and Land Development Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	6,600	6,600	7,745	1,145
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	1	1	-	(1)
Other	-	-	-	-
Total revenue	6,601	6,601	7,745	1,144
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	171	198	207	9
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	6,430	6,402	7,544	1,142
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	6,601	6,600	7,751	1,151
Excess (deficiency) of revenues over (under) expenditures	-	1	(6)	(7)
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	(6)	(7)
Fund balance at October 1, 2012	6	6	6	-
Fund balance at September 30, 2013	$ 6	$ 7	$ -	$ (7)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Environmental Programs Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	-	-	-	-
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	2,135	2,135	2,099	(36)
Interest and rents	20	20	3	(17)
Other	-	-	-	-
Total revenue	2,155	2,155	2,102	(53)
Expenditures				
Current operations:				
Personnel	692	692	573	(119)
Fringe benefits	308	308	277	(31)
Pension	201	201	249	48
Materials and supplies	27	27	18	(9)
Contractual services	987	987	768	(219)
Travel	39	39	32	(7)
Operating	30	30	21	(9)
Rentals	56	56	56	-
Other charges	5	5	-	(5)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	2,345	2,345	1,994	(351)
Excess (deficiency) of revenues over (under) expenditures	(190)	(190)	108	298
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	(190)	(190)	108	298
Fund balance at October 1, 2012	5,340	5,340	5,340	-
Fund balance at September 30, 2013	$ 5,150	$ 5,150	$ 5,448	$ 298

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Health and Family Services Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
Taxes				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Excise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Federal grants	26,314	26,407	24,953	(1,454)
State grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Charges for services	-	-	-	-
Interest and rents	-	-	-	-
Other	-	-	-	-
Total revenue	26,314	26,407	24,953	(1,454)
Expenditures				
Current operations:				
Personnel	549	501	512	11
Fringe benefits	255	234	230	(4)
Pension	160	146	128	(18)
Materials and supplies	23	23	9	(14)
Contractual services	25,241	25,418	24,767	(651)
Travel	7	7	3	(4)
Operating	35	39	26	(13)
Rentals	26	26	4	(22)
Other charges	19	14	3	(11)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	26,315	26,408	25,682	(726)
Excess (deficiency) of revenues over (under) expenditures	(1)	(1)	(729)	(728)
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)	(729)	(728)
Fund balance at October 1, 2012	777	777	777	-
Fund balance (deficit) at September 30, 2013	$ 776	$ 776	$ 48	$ (728)

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
General Debt Service Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
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	5,258	5,258	4,991	(267)
Other	-	-	-	-
Total revenue	5,258	5,258	4,991	(267)
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	17,651	17,651	18,418	767
Total expenditures	17,651	17,651	18,418	767
Excess (deficiency) of revenues over (under) expenditures	(12,393)	(12,393)	(13,427)	(1,034)
Other financing sources (uses)				
Transfers in	12,393	12,393	13,427	1,034
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium				
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	12,393	12,393	13,427	1,034
Net change in fund balances	-	-	-	-
Fund balance at October 1, 2012	2,844	2,844	2,844	-
Fund balance at September 30, 2013	$ 2,844	$ 2,844	$ 2,844	$ -

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Roads Debt Service Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
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 revenue	-	-	-	-
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	5,982	5,914	5,914	-
Total expenditures	5,982	5,914	5,914	-
Excess (deficiency) of revenues over (under) expenditures	(5,982)	(5,914)	(5,914)	-
Other financing sources (uses)				
Transfers in	5,982	5,914	5,914	-
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	5,982	5,914	5,914	-
Net change in fund balances	-	-	-	-
Fund balance at October 1, 2012	16	16	16	-
Fund balance at September 30, 2013	$ 16	$ 16	$ 16	$ -

CHARTER COUNTY OF WAYNE, MICHIGAN

Budgetary Comparison Schedule

Nonmajor Governmental Funds
Wayne County Building Authority Debt Service Fund
For the Year Ended September 30, 2013
(in thousands)

	Original Budget (unaudited)	Final Amended Budget (unaudited)	Actual	Variance Over (Under)
Revenue				
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	15,979	15,979	18,364	2,385
Other	-	-	-	-
Total revenue	15,979	15,979	18,364	2,385
Expenditures				
Current operations:				
Personnel	-	-	-	-
Fringe benefits	-	-	-	-
Pension	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Travel	-	-	-	-
Operating	-	-	-	-
Rentals	-	-	-	-
Other charges	-	-	-	-
Capital outlay	-	-	-	-
Debt service	26,592	26,592	27,480	888
Total expenditures	26,592	26,592	27,480	888
Excess (deficiency) of revenues over (under) expenditures	(10,613)	(10,613)	(9,116)	1,497
Other financing sources (uses)				
Transfers in	10,613	10,613	11,490	877
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond issuance	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	10,613	10,613	11,490	877
Net change in fund balances	-	-	2,374	2,374
Fund balance at October 1, 2012	6,264	6,264	6,264	-
Fund balance at September 30, 2013	$ 6,264	$ 6,264	$ 8,638	$ 2,374

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NON-MAJOR
ENTERPRISE FUNDS

ENTERPRISE FUNDS Are Used to Account for Operations that are Financed and Operated in a Manner Similar to Private Business Enterprises - Where the Costs of Providing Goods or Services to the General Public on a Continuing Basis are Financed or Recovered Primarily Through User Charges or Where Periodic Determination of Net Income is Appropriate for Accountability Purposes.

Northeast Sewage Disposal System – This fund records the fiscal activities associated with operation and maintenance of the sewage treatment facilities. Costs are recovered through development of usage rates which are billed to the local communities served.

CSO Basins – This fund is used to account for activities related to the construction of combined sewer overflow (CSO) basins in the cities of River Rouge, Inkster, Redford and Dearborn Heights to reduce wet weather overflow to the rivers and increase the flow to the sewage treatment plants.

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

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

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

Combining Statement of Net Position

Nonmajor Enterprise Funds
September 30, 2013
(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Totals
Assets							
Current assets:							
Equity in pooled cash and investments	$ 4,019	$ -	$ 1,105	$ 128	$ -	$ -	$ 5,252
Other cash and investments	-	-	7	-	-	-	7
Receivables:							
Accounts	-	-	118	7	-	-	125
Due from other governmental units	1,489	1,304	-	-	-	-	2,793
Total current assets	5,508	1,304	1,230	135	-	-	8,177
Restricted assets:							
Equity in pooled cash and investments	2,459	4,458	-	-	-	-	6,917
Accounts receivable	-	2,142	-	-	-	-	2,142
Bond principal due from municipalities	561	10,085	-	-	-	-	10,646
Total restricted assets	3,020	16,685	-	-	-	-	19,705
Noncurrent assets:							
Capital assets not being depreciated	1,182	1,006	-	1,423	155	-	3,766
Capital assets being depreciated, net	2,959	-	-	55	-	-	3,014
Other assets	3	153	-	-	-	-	156
Total noncurrent assets	4,144	1,159	-	1,478	155	-	6,936
Total assets	12,672	19,148	1,230	1,613	155	-	34,818
Liabilities							
Current liabilities:							
Accounts and contracts payable	61	6	109	-	-	-	176
Due to other funds	-	758	-	-	-	-	758
Other liabilities	5,199	6	75	-	-	-	5,280
Total current liabilities	5,260	770	184	-	-	-	6,214
Payable from restricted assets:							
Accounts payable	175	2,495	-	-	-	-	2,670
Accrued interest	7	225	-	-	-	-	232
Bonds payable due in less than one year	561	3,385	-	-	-	-	3,946
Bonds payable due in more than one year	1,150	10,529	-	-	-	-	11,679
Total liabilities payable from restricted assets	1,893	16,634	-	-	-	-	18,527
Total liabilities	7,153	17,404	184	-	-	-	24,741
Net position							
Net investment in capital assets	2,430	1,006	-	1,478	155	-	5,069
Restricted for bond programs	2,838	51	-	-	-	-	2,889
Unrestricted	251	687	1,046	135	-	-	2,119
Total net position	$ 5,519	$ 1,744	$ 1,046	$ 1,613	$ 155	$ -	$ 10,077

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Nonmajor Enterprise Funds
For the Year Ended September 30, 2013
(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Totals
Operating revenue							
Sewage disposal charges	$ 22,168	$ 260	$ -	$ -	$ -	$ -	$ 22,428
Other charges for services	-	1,532	3,013	63	-	-	4,608
Total operating revenue	22,168	1,792	3,013	63	-	-	27,036
Operating expenses							
Fringe benefits	-	-	-	-	-	-	-
Materials and supplies	60	99	736	-	-	-	895
Contractual services	19,102	2,982	1,042	5	-	27	23,158
Miscellaneous operating	432	284	1	-	-	74	791
Rentals	306	32	-	-	-	76	414
Other charges	-	-	930	1	-	1	932
Depreciation and amortization	351	-	-	4	-	-	355
Total operating expenses	20,251	3,397	2,709	10	-	178	26,545
Operating income (loss)	1,917	(1,605)	304	53	-	(178)	491
Non-operating revenues (expenses)							
Investment earnings	17	162	-	-	-	-	179
Collections from participating local units	33	732	-	-	-	-	765
Interest expense	(50)	(887)	-	-	-	-	(937)
Total non-operating revenues (expenses)	-	7	-	-	-	-	7
Net income (loss) before transfers	1,917	(1,598)	304	53	-	(178)	498
Transfers in	-	-	-	-	-	564	564
Change in net position	1,917	(1,598)	304	53	-	386	1,062
Net position (deficit) at October 1, 2012	3,602	3,342	742	1,560	155	(386)	9,015
Net position (deficit) at September 30, 2013	$ 5,519	$ 1,744	$ 1,046	$ 1,613	$ 155	$ -	$ 10,077

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2013
(in thousands)

	Northeast Sewage Disposal System	CSO Basins	Jail Commissary	Parking Lots	Wetlands Mitigation	Copy Center	Totals
Cash flows from operating activities							
Receipts from customers	$ 22,323	$ 3,689	$ 2,895	$ 61	$ -	$ -	$ 28,968
Payments to suppliers	(19,792)	(4,343)	(2,616)	(6)	-	(178)	(26,935)
Payments to employees	-	-	-	-	-	(53)	(53)
Internal activity - receipts from other funds	-	(883)	-	-	-	-	(883)
Internal activity - payments to other funds	(5)	-	-	-	-	(332)	(337)
Net cash provided by (used in) operating activities	2,526	(1,537)	279	55	-	(563)	760
Cash flows from non-capital financing activities							
Transfers from other funds	-	-	-	-	-	563	563
Cash flows from capital and related financing activities							
Repayment of long-term debt	(555)	(3,410)	-	-	-	-	(3,965)
Proceeds from issuance of long-term debt	1,150	226	-	-	-	-	1,376
Bond principal received from municipalities	540	4,139	-	-	-	-	4,679
Interest received from participating local units	33	732	-	-	-	-	765
Acquisition of capital assets	(902)	(84)	-	-	-	-	(986)
Interest paid	(38)	(901)	-	-	-	-	(939)
Net cash provided by (used in) capital and related financing activities	228	702	-	-	-	-	930
Cash flows from investing activities:							
Investment earnings (loss)	17	162	-	-	-	-	179
Net decrease in cash and cash equivalents	2,771	(673)	279	55	-	-	2,432
Cash and cash equivalents at October 1, 2012	3,707	5,131	833	73	-	-	9,744
Cash and cash equivalents at September 30, 2013	$ 6,478	$ 4,458	$ 1,112	$ 128	$ -	$ -	$ 12,176
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities							
Operating income (loss)	$ 1,917	$ (1,605)	$ 304	$ 53	$ -	$ (178)	$ 491
Adjustments to reconcile operating income (loss) to net cash used by operating activities:							
Depreciation and amortization	351	-	-	4	-	-	355
Decreases (increases) in current assets:							
Accounts receivable	-	1,413	(118)	(2)	-	-	1,293
Due from other governmental units	155	484	-	-	-	-	639
Increases (decreases) in current liabilities:							
Accounts and contracts payable	(191)	(846)	17	-	-	-	(1,020)
Due to other funds	(5)	(883)	-	-	-	(332)	(1,220)
Other liabilities	299	(100)	76	-	-	(53)	222
Net cash provided by (used in) operating activities	$ 2,526	$ (1,537)	$ 279	$ 55	$ -	$ (563)	$ 760
Cash and cash equivalents at September 30, 2013 consist of the following:							
Equity in pooled cash and investments	$ 4,019	$ -	$ 1,105	$ 128	$ -	$ -	$ 5,252
Other cash and investments	-	-	7	-	-	-	7
Restricted assets -							
Equity in pooled cash and equivalents	2,459	4,458	-	-	-	-	6,917
Total cash and investments	$ 6,478	$ 4,458	$ 1,112	$ 128	$ -	$ -	$ 12,176

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS Are Used to Account for the Financing of Goods or Services Provided by One Department or Agency to Other Departments or Agencies of the County and to Other Governmental Units, on a Cost-Reimbursement Basis.

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

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

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

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

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

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

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

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CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position

Internal Service Funds
September 30, 2013
(in thousands)

	Central Services	Environment	Long-term Disability	General Health
Assets				
Current assets:				
Equity in pooled cash and investments	$ -	$ -	$ -	$ -
Other cash and investments	1	1	-	-
Due from other funds	2,204	729	705	3,799
Due from component units	7	-	-	-
Due from other governmental units	95	-	-	-
Prepayments and deposits	-	-	-	-
Total current assets	2,307	730	705	3,799
Noncurrent assets:				
Capital assets not being depreciated	-	24	-	-
Capital assets being depreciated, net	869	318	-	-
Total noncurrent assets	869	342	-	-
Total assets	3,176	1,072	705	3,799
Liabilities				
Current liabilities:				
Accounts and contracts payable	916	6	-	97
Accrued wages and benefits	125	85	58	2
Current portion of long-term obligations	319	260	-	-
Other liabilities	123	5	331	1,899
Total current liabilities	1,483	356	389	1,998
Noncurrent liabilities:				
Other postemployment benefits	454	321	-	-
Other long-term liabilitires	-	-	-	-
Total noncurrent liabilities	454	321	-	-
Total liabilities	1,937	677	389	1,998
Net position				
Net investment in capital assets	869	342	-	-
Unrestricted (deficit)	370	53	316	1,801
Total net position	$ 1,239	$ 395	$ 316	$ 1,801

Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
$ -	$ -	$ 3	$ 3
-	-	1	3
10,094	857	1,900	20,288
-	-	-	7
-	-	-	95
-	1,240	-	1,240
10,094	2,097	1,904	21,636
-	-	-	24
-	-	1,861	3,048
-	-	1,861	3,072
10,094	2,097	3,765	24,708
37	36	267	1,359
-	-	249	519
-	-	599	1,178
2,286	24	394	5,062
2,323	60	1,509	8,118
2	-	815	1,592
3,601	-	-	3,601
3,603	-	815	5,193
5,926	60	2,324	13,311
-	-	1,861	3,072
4,168	2,037	(420)	8,325
$ 4,168	$ 2,037	$ 1,441	$ 11,397

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds
For the Year Ended September 30, 2013
(in thousands)

	Central Services	Environment	Long-term Disability	General Health
Operating revenue				
Charges for services	$ 17,171	$ 4,302	$ 813	$ 107,670
Rentals and expense recoveries	-	96	-	-
Total operating revenue	17,171	4,398	813	107,670
Operating expenses				
Personnel	2,257	1,501	-	2
Fringe benefits	1,526	1,084	-	1
Pension	402	571	-	-
Materials and supplies	1	37	-	39
Contractual services	5,131	986	13	441
Travel	18	8	-	-
Miscellaneous operating	1,611	74	815	104,248
Rentals	1,605	86	-	-
Other charges	-	-	-	2,545
Depreciation and amortization	661	51	-	-
Total operating expenses	13,212	4,398	828	107,276
Operating income (loss) before transfers	3,959	-	(15)	394
Transfers in	-	-	-	-
Transfers out	(3,677)	-	-	-
Change in net position	282	-	(15)	394
Net position (deficit) at October 1, 2012	957	395	331	1,407
Net position (deficit) at September 30, 2013	$ 1,239	$ 395	$ 316	$ 1,801

Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
$ 3,786	$ 3,596	$ 14,195	$ 151,533
-	-	1,562	1,658
3,786	3,596	15,757	153,191
13	-	4,123	7,896
7	-	2,715	5,333
3	-	1,643	2,619
-	1	796	874
308	349	1,596	8,824
-	-	42	68
1,096	2,482	4,491	114,817
-	-	209	1,900
-	-	24	2,569
-	-	158	870
1,427	2,832	15,797	145,770
2,359	764	(40)	7,421
-	-	1,727	1,727
-	-	-	(3,677)
2,359	764	1,687	5,471
1,809	1,273	(246)	5,926
$ 4,168	$ 2,037	$ 1,441	$ 11,397

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2013
(in thousands)

	Central Services	Environment	Long-term Disability	General Health
Cash flows from operating activities				
Receipts for interfund services provided	$ 17,048	$ 4,412	$ 813	$ 107,670
Receipts from interfund loans	(2,206)	(576)	(705)	(3,799)
Payments to employees	(4,158)	(3,143)	22	(4)
Payments for benefits	(1,371)	(812)	-	(3)
Payments to suppliers	(8,956)	(1,401)	(830)	(110,232)
Receipts from component units	(7)	-	-	-
Net cash provided by (used in) operating activities	350	(1,520)	(700)	(6,368)
Cash flows from noncapital financing activities				
Transfers (to) from other funds	(3,677)	-	-	-
Net cash provided by (used in) noncapital and related financing activities	(3,677)	-	-	-
Net increase (decrease) in cash and cash equivalents	(3,327)	(1,520)	(700)	(6,368)
Cash and cash equivalents at October 1, 2012	3,328	1,521	700	6,368
Cash and cash equivalents at September 30, 2013	$ 1	$ 1	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 3,959	$ -	$ (15)	$ 394
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	661	51	-	-
(Increases) decreases in current assets:				
Due from other funds	(2,204)	(575)	(705)	(3,799)
Due from other governmental units	37	14	-	-
Due from component units	(7)	-	-	-
Other assets	69	-	-	-
Increases (decreases) in current liabilities:				
Accounts and contracts payable	(224)	(4)	(2)	(39)
Accrued wages	27	13	22	(3)
Accrued benefits	8	7	-	-
Other liabilities	(437)	(207)	-	(2,921)
Compensated absences payable	74	26	-	-
Deferred revenue	(160)	-	-	-
(Decrease) in noncurrent other liabilities	(1,453)	(845)	-	-
Net cash provided by (used in) operating activities	$ 350	$ (1,520)	$ (700)	$ (6,368)
Cash and cash equivalents at September 30, 2013 consist of the following:				
Equity in pooled cash and investments	$ -	$ -	$ -	$ -
Other cash and investments	1	1	-	-
Total cash and investments	$ 1	$ 1	$ -	$ -

Workers' Compensation Self Insurance	General Liability	Building and Grounds Maintenance	Totals
$ 3,786	$ 3,596	$ 15,757	$ 153,082
(10,094)	(857)	(1,900)	(20,137)
(22)	-	(8,484)	(15,789)
-	-	(2,872)	(5,058)
(2,896)	(3,309)	(7,179)	(134,803)
-	-	-	(7)
(9,226)	(570)	(4,678)	(22,712)
-	-	1,727	(1,950)
-	-	1,727	(1,950)
(9,226)	(570)	(2,951)	(24,662)
9,226	570	2,955	24,668
$ -	$ -	$ 4	$ 6
$ 2,359	$ 764	$ (40)	$ 7,421
-	-	158	870
(10,094)	(857)	(1,900)	(20,134)
-	-	-	51
-	-	-	(7)
-	(123)	-	(54)
(45)	(16)	34	(296)
1	-	(3)	57
-	-	9	24
(1,447)	(338)	(55)	(5,405)
-	-	(40)	60
-	-	-	(160)
-	-	(2,841)	(5,139)
$ (9,226)	$ (570)	$ (4,678)	$ (22,712)
$ -	$ -	$ 3	$ 3
-	-	1	3
$ -	$ -	$ 4	$ 6

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FIDUCIARY FUNDS

FIDUCIARY FUNDS Are Comprised of Pension (and Other Employee Benefit) Trust Funds and Agency Funds. Pension (and Other Employee Benefit) Trust Funds are Used to Account for Assets Held by the County in a Trustee Capacity. Agency Funds are Used to Account for Assets Held by the County as an Agent for Individuals, Private Organizations, Other Governments and/or Other Funds.

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

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

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

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

Other Post-Employment Benefits (OPEB) – This fund accounts for the monies accumulated for post retirement benefits other than pensions.

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FIDUCIARY FUNDS
(CONTINUED)

FIDUCIARY FUNDS Are Comprised of Pension (and Other Employee Benefit) Trust Funds and Agency Funds. Pension (and Other Employee Benefit) Trust Funds are Used to Account for Assets Held by the County in a Trustee Capacity. Agency Funds are Used to Account for Assets Held by the County as an Agent for Individuals, Private Organizations, Other Governments and/or Other Funds.

AGENCY FUNDS

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

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

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

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

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

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

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

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Fiduciary Net Position

Pension and Other Employee Benefits Trust Funds
September 30, 2013
(in thousands)

	Employees' Retirement System	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Other Post-employment Benefits	Qualified Excess Benefit Arrangement	Total
Assets						
Equity in pooled cash and investments	$ 13,883	$ 8	$ 415	$ -	$ 1	$ 14,307
Receivables:						
Accounts	468	28	-	-	-	496
Accrued interest	569	-	-	-	-	569
Due from component units	2,693	-	19	-	-	2,712
Total receivables	3,730	28	19	-	-	3,777
Investments:						
Equity securities	503,290	4,917	235,032	-	-	743,239
Debt securities	93,266	99	109,284	-	-	202,649
Money market funds	16,897	285	-	-	-	17,182
Other investments	153,046	51	26,778	9,106	-	188,981
Total investments	766,499	5,352	371,094	9,106	-	1,152,051
Prepayments and deposits	23	-	-	-	-	23
Depreciable capital assets, net	5	-	-	-	-	5
Total assets	784,140	5,388	371,528	9,106	1	1,170,163
Liabilities						
Accounts and contracts payable	755	-	-	-	-	755
Accrued wages and benefits	76	-	-	-	20	96
Other liabilities	422	-	-	-	-	422
Due to broker for securities	762	-	-	-	-	762
Total liabilities	2,015	-	-	-	20	2,035
Net position						
Held in trust for pension and other employee benefits	$ 782,125	$ 5,388	$ 371,528	$ 9,106	$ (19)	$ 1,168,128

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Fiduciary Net Position

Pension and Other Employee Benefits Trust Funds
For the Year Ended September 30, 2013
(in thousands)

	Employees' Retirement System	Circuit Court Commissioners Bailiffs'	Defined Contribution Plan	Other Post-employment Benefits	Qualified Excess Benefit Arrangement	Total
Additions						
Investment income:						
Net appreciation in fair market value	$ 84,527	$ 735	$ 41,812	$ -	$ -	$ 127,074
Interest and dividends	19,996	45	5,373	-	-	25,414
Other investment income	1,474	-	473	-	-	1,947
Investment expenses	(3,022)	-	-	-	-	(3,022)
Net investment income	102,975	780	47,658	-	-	151,413
Contributions:						
Employer	68,889	34	15,642	9,106	22	93,693
Employee	17,922	15	5,424	-	-	23,361
Total additions	189,786	829	68,724	9,106	22	268,467
Deductions						
Administrative expenses	2,942	52	480	-	-	3,474
Participant benefits	132,804	388	31,439	-	41	164,672
Total deductions	135,746	440	31,919	-	41	168,146
Change in net position	54,040	389	36,805	9,106	(19)	100,321
Net position at October 1, 2012	728,085	4,999	334,723	-	-	1,067,807
Net position at September 30, 2013	$ 782,125	$ 5,388	$ 371,528	$ 9,106	$ (19)	$ 1,168,128

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Fiduciary Net Position

Agency Funds
As of September 30, 2013
(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	$ 15,859	$ 144,103	$ 676	$ 11,109	$ 1,330	$ 1,499	$ 4,326	$ 178,902
Other cash and investments	1,169	-	-	-	967	-	-	2,136
Due from other governmental units	-	62	-	-	-	-	-	62
Total assets	$ 17,028	$ 144,165	$ 676	$ 11,109	$ 2,297	$ 1,499	$ 4,326	$ 181,100
Liabilities								
Undistributed receipts	$ 4,913	$ 693	$ -	$ 550	$ 2,297	$ 188	$ 2,769	$ 11,410
Due to other governmental units	104	-	-	-	-	1,155	1,557	2,816
Undistributed taxes	-	143,472	-	-	-	-	-	143,472
Other liabilities	12,011	-	676	10,559	-	156	-	23,402
Total liabilities	$ 17,028	$ 144,165	$ 676	$ 11,109	$ 2,297	$ 1,499	$ 4,326	$ 181,100

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

Agency Funds
For the Year Ended September 30, 2013
(in thousands)

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
Trust and Agency				
Assets				
Equity in pooled cash and investments	$ 18,296	$ 1,735,890	$ 1,738,327	$ 15,859
Other cash and investments	689	1,169	689	1,169
Due from other governmental units	-	6,232,216	6,232,216	-
Total assets	$ 18,985	$ 7,969,275	$ 7,971,232	$ 17,028
Liabilities				
Undistributed receipts	$ 6,467	$ 33,964	$ 35,518	$ 4,913
Due to other governmental units	98	34,111	34,105	104
Other liabilities	12,420		409	12,011
Total liabilities	$ 18,985	$ 68,075	$ 70,032	$ 17,028
Undistributed Tax				
Assets				
Equity in pooled cash and investments	$ 90,397	$ 1,210,636	$ 1,156,930	$ 144,103
Other cash and investments	-		-	-
Due from other governmental units	-	623,694	623,632	62
Total assets	$ 90,397	$ 1,834,330	$ 1,780,562	$ 144,165
Liabilities				
Undistributed receipts	$ 3,701	$ 278,021	$ 281,029	$ 693
Undistributed taxes	86,696	1,024,760	967,984	143,472
Total liabilities	$ 90,397	$ 1,302,781	$ 1,249,013	$ 144,165
Library Penal Fines				
Assets				
Equity in pooled cash and investments	$ 431	$ 2,244	$ 1,999	$ 676
Liabilities				
Other liabilities	$ 431	$ 4,695	$ 4,450	$ 676

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

Agency Funds
For the Year Ended September 30, 2013
(in thousands)

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
Office of the County Clerk				
Assets				
Equity in pooled cash and investments	$ 10,760	$ 34,038	33,689	$ 11,109
Due from other governmental units	1	11	12	-
Total assets	$ 10,761	$ 34,049	$ 33,701	$ 11,109
Liabilities				
Undistributed receipts	$ 439	$ 11,758	11,647	$ 550
Other liabilities	10,322	22,968	22,731	10,559
	-	-	-	
Total liabilities	$ 10,761	$ 34,726	$ 34,378	$ 11,109
Retainages				
Assets				
Equity in pooled cash and investments	$ 1,123	$ 497	290	$ 1,330
Other cash and investments	755	376	164	967
Due from other governmental units	-	672	672	-
Total assets	$ 1,878	$ 1,545	$ 1,126	$ 2,297
Liabilities				
Undistributed receipts	$ 1,878	$ 2,421	$ 2,002	$ 2,297
Imprest Payroll				
Assets				
Equity in pooled cash and investments	$ 1,493	$ 262,990	262,984	$ 1,499
Due from other governmental units	30	299,629	299,659	-
Total assets	$ 1,523	$ 562,619	$ 562,643	$ 1,499
Liabilities				
Undistributed receipts	259	$ 505,326	505,397	188
Due to other governmental units	1,160	70,643	70,648	1,155
Other liabilities	104	23,381	23,329	156
Total liabilities	$ 1,523	$ 599,350	$ 599,374	$ 1,499

continued...

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

Agency Funds
For the Year Ended September 30, 2013
(in thousands)

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
Imprest Retirement Payroll				
Assets			-	
Equity in pooled cash and investments	$ 4,443	$ 221,468	$ 221,585	$ 4,326
Liabilities				
Undistributed receipts	$ 2,903	335,440	335,574	$ 2,769
Due to other governmental units	1,540	20,302	20,285	1,557
Other liabilities	-	276	276	-
Total liabilities	$ 4,443	$ 356,018	$ 356,135	$ 4,326
Totals - all agency funds				
Assets				
Equity in pooled cash and investments	$ 126,943	$ 3,467,763	$ 3,415,804	$ 178,902
Other cash and investments	1,444	1,545	853	2,136
Due from other governmental units	31	7,156,222	7,156,191	62
Total assets	$ 128,418	$ 10,625,530	$ 10,572,848	$ 181,100
Liabilities				
Undistrbuted receipts	$ 15,647	$ 1,166,930	$ 1,171,167	$ 11,410
Due to other governmental units	2,798	125,056	125,038	2,816
Undistributed taxes	86,696	1,024,760	967,984	143,472
Other liabilities	23,277	51,320	51,195	23,402
Total liabilities	$ 128,418	$ 2,368,066	$ 2,315,384	$ 181,100

concluded.

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

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.

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.

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.

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.

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

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.

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.

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.

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CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Net Position

Nonmajor Discretely Presented Component Units
September 30, 2013
(in thousands)

	Chapter 8	Chapter 20	Chapter 21	CDE
Assets				
Equity in pooled cash and investments	$ 2,655	$ 7,678	$ 1,857	$ -
Other cash and investments	-	-	-	2,374
Receivables:				
Due in one year	925	229	-	388
Due in more than year	6,033	4,387	-	-
Due from primary government	-	-	-	-
Other assets	125	-	-	-
Capital assets not being depreciated	-	653	-	-
Capital assets being depreciated, net	-	25,979	8,753	-
Total assets	9,738	38,926	10,610	2,762
Liabilities				
Accounts payable and accrued expenses	155	480	25	187
Accrued interest payable	70	-	-	-
Unearned revenue	5,704	4,950	-	-
Long-term liabilities:				
Due in one year	545	247	14	-
Due in more than year	6,033	4,387	-	-
Other noncurrent liabilities - net pension and other postemployment benefits	-	38	16	-
Total liabilities	12,507	10,102	55	187
Net position				
Net investment in capital assets	-	22,016	8,753	-
Restricted for:				
Capital projects	-	-	-	-
Unrestricted	(2,769)	6,808	1,802	2,575
Total net position	$ (2,769)	$ 28,824	$ 10,555	$ 2,575

GWEDC	BRA	Health Choice	RJEGF	Land Bank	Total
$ 576	$ 356	$ -	$ -	$ 686	$ 13,808
52	-	6,642	15	6	9,089
-	63	-	8	674	2,287
-	-	-	-	-	10,420
-	8	-	-	-	8
8	-	9	3	-	145
-	-	-	-	-	653
-	-	6	-	1	34,739
636	427	6,657	26	1,367	71,149
18	101	3,655	24	778	5,423
-	-	-	-	-	70
-	63	1,513	-	-	12,230
-	-	-	-	32	838
-	-	-	-	-	10,420
-	-	-	-	74	128
18	164	5,168	24	884	29,109
-	-	6	-	1	30,776
493	-	-	-	-	493
125	263	1,483	2	482	10,771
$ 618	$ 263	$ 1,489	$ 2	$ 483	$ 42,040

CHARTER COUNTY OF WAYNE, MICHIGAN

Combining Statement of Activities

Nonmajor Discretely Presented Component Units
For the Year Ended September 30, 2013
(in thousands)

	Chapter 8	Chapter 20	Chapter 21	CDE
Expenses	$ 2,276	$ 2,763	$ 3,602	$ 292
Program revenues				
Charges for services	1,537	2,202	2,336	-
Operating grants and contributions	-	80	920	-
Total program revenues	1,537	2,282	3,256	-
Net (expense) / program revenue	(739)	(481)	(346)	(292)
General revenues				
Investment earnings	-	6	-	-
Other revenue	-	127	-	955
Total general revenues	-	133	-	955
Change in net position	(739)	(348)	(346)	663
Net position (deficit) at October 1, 2012, as restated	(2,030)	29,172	10,901	1,912
Net position (deficit) at September 30, 2013	$ (2,769)	$ 28,824	$ 10,555	$ 2,575

GWEDC	BRA	Health Choice	RJEGF	Land Bank	Total
$ 61	$ 759	$ 25,678	$ 13	$ 381	$ 35,825
-	-	21,323	-	686	28,084
-	1,021	-	-	-	2,021
-	1,021	21,323	-	686	30,105
(61)	262	(4,355)	(13)	305	(5,720)
-	-	-	-	1	7
3	-	-	20	-	1,105
3	-	-	20	1	1,112
(58)	262	(4,355)	7	306	(4,608)
676	1	5,844	(5)	177	46,648
$ 618	$ 263	$ 1,489	$ 2	$ 483	$ 42,040

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

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, 2013

FINANCIAL TRENDS

Table 1

CHARTER COUNTY OF WAYNE, MICHIGAN

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

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Invested in capital assets, net of related debt	$ 926,220	$ 908,967	$ 929,079	$ 950,521	$ 974,539	$ 982,356	$ 1,039,751	$ 1,073,350	$ 1,120,350	$ 1,197,506
Restricted	255,153	243,298	331,022	257,459	192,002	193,203	125,823	86,318	78,499	89,283
Unrestricted	(380,524)	(223,423)	(278,629)	(149,046)	(99,313)	(14,199)	82,709	66,706	31,745	(100,261)
Total governmental activities net position	$ 800,849	$ 928,842	$ 981,472	$ 1,058,934	$ 1,067,228	$ 1,161,360	$ 1,248,283	$ 1,226,374	$ 1,230,594	$ 1,186,528
Business-type activities:										
Invested in capital assets, net of related debt	$ 171,861	$ 172,080	$ 168,370	$ 167,770	$ 159,735	$ 159,655	$ 160,424	$ 180,638	$ 215,294	$ 213,588
Restricted	119,229	137,351	152,559	172,408	185,445	200,105	211,789	188,935	27,757	8,860
Unrestricted	$ 25,355	14,956	11,036	6,509	7,274	15,761	22,295	22,332	226,294	263,049
Total business-type activities net position	$ 316,445	$ 324,387	$ 331,965	$ 346,687	$ 352,454	$ 375,521	$ 394,508	$ 391,905	$ 469,345	$ 485,497
Primary government:										
Invested in capital assets, net of related debt	$ 1,098,081	$ 1,081,047	$ 1,097,449	$ 1,118,291	$ 1,134,274	$ 1,142,011	$ 1,200,175	$ 1,253,988	$ 1,335,644	$ 1,411,094
Restricted	374,382	380,649	483,581	429,867	377,447	393,308	337,612	275,253	106,256	98,143
Unrestricted	(355,169)	(208,467)	(267,593)	(142,537)	(92,039)	1,562	105,004	89,038	258,039	162,788
Total primary government net position	$ 1,117,294	$ 1,253,229	$ 1,313,437	$ 1,405,621	$ 1,419,682	$ 1,536,881	$ 1,642,791	$ 1,618,279	$ 1,699,939	$ 1,672,025

Source: Statement of net position

See accompanying accountant's report.

Table 2

CHARTER COUNTY OF WAYNE, MICHIGAN

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

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Primary Government Expenses										
Governmental activities:										
Legislative	$ 8,618	$ 8,627	$ 9,707	$ 9,736	$ 10,697	$ 11,873	$ 9,871	$ 8,972	$ 9,189	$ 10,177
Judicial	145,929	120,446	123,555	126,507	109,282	119,539	98,345	96,897	97,825	96,132
General government	167,181	161,836	168,753	133,484	150,409	131,833	174,234	151,149	145,811	153,569
Public safety	174,936	167,463	171,762	165,646	165,074	177,999	177,762	166,593	155,603	155,073
Public works	5,825	5,830	5,896	6,021	7,353	7,290	7,510	6,992	7,214	1,405
Highways, streets and bridges	110,561	109,914	115,882	129,005	136,775	142,452	140,230	164,345	153,093	155,502
Health and welfare	916,074	939,228	930,262	944,892	935,874	979,211	950,270	944,029	901,419	898,802
Recreation and cultural	24,791	19,631	21,198	23,005	27,006	30,925	27,310	32,173	29,385	21,382
Community and economic development	18,375	27,899	25,578	27,105	20,338	20,780	17,763	17,966	-	-
Non-departmental *	-	-	-	-	-	-	-	16,057	26,348	68,457
Interest on long-term debt	40,446	46,268	40,864	21,610	17,880	21,111	18,465	27,412	24,700	21,852
Total governmental activities, net expenses	$ 1,612,736	$ 1,607,142	1,613,457	1,587,011	1,580,688	1,643,013	1,621,760	1,632,585	1,550,587	1,582,351
Business-type activities:										
Sewage Disposal Systems	109,790	108,973	106,191	93,217	100,010	96,723	92,064	157,499	93,033	94,529
Jail Commissary	2,710	2,783	2,510	2,224	2,230	2,545	2,149	1,648	1,187	1,617
Parking Lots	9	13	15	71	143	143	107	114	204	219
Wetlands Mitigation	-	-	-	-	3	-	1	1	5	3
Copy Center	178	-	(20)	660	762	722	320	23	-	-
Total business-type activities expenses	112,687	111,769	108,696	96,172	103,148	100,133	94,641	159,285	94,429	96,368
Total primary government expenses	$ 1,725,423	$ 1,718,911	$ 1,722,153	$ 1,683,183	$ 1,683,836	$ 1,743,146	$ 1,716,401	$ 1,791,870	$ 1,645,016	$ 1,678,719
Program Revenues										
Governmental activities:										
Charges for services:										
Legislative	2,021	2,243	$ 2,243	$ 2,251	$ 2,232	$ 1,612	$ -	$ -	$ -	$ -
Judicial	8,716	20,350	20,350	19,250	20,028	19,460	22	2	-	-
General government	97,331	128,693	128,693	93,650	88,063	78,978	82,763	111,035	110,026	98,695
Public safety	39,416	36,136	36,136	34,554	38,496	42,122	30,437	26,020	27,283	21,876
Public works	5,487	5,190	5,190	5,234	6,240	6,324	6,609	5,973	6,030	166
Highways, streets and bridges	3,512	5,278	5,278	900	1,859	10,966	8,078	6,649	6,441	2,516
Health and welfare	28,199	33,781	33,781	33,543	15,179	14,555	14,518	24,881	30,723	28,000
Recreation and cultural	10,002	2,672	2,672	1,344	3,397	2,605	2,631	5,713	3,681	5,025
Community and economic development	1,796	465	465	582	607	862	758	1,321	-	-
Non-departmental *	-	-	-	-	-	-	-	-	1,367	3,016
Operating grants and contributions	979,813	934,242	934,242	926,294	873,408	880,502	869,537	878,985	872,743	866,483
Capital grants and contributions	17,242	20,935	20,935	20,762	17,232	24,411	15,347	12,681	10,281	18,963
Total governmental activities program revenues	$ 1,193,535	$ 1,189,985	$ 1,189,985	$ 1,138,364	$ 1,066,741	$ 1,082,397	$ 1,030,700	$ 1,073,260	$ 1,068,575	$ 1,044,740

* - The non-departmental function has been reclassified to more specific line items.

Source: Statement of Activities

See accompanying accountant's report.

Table 2

CHARTER COUNTY OF WAYNE, MICHIGAN

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

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-type activities:										
Charges for services:										
Sewage Disposal Systems	$ 96,218	$ 93,846	$ 85,276	$ 74,171	$ 70,745	$ 70,645	$ 68,162	$ 67,553	$ 68,001	$ 68,028
Jail Commissary	3,013	3,007	2,806	2,392	1,641	2,745	2,405	1,314	1,314	1,218
Parking Lots	63	66	25	64	143	142	226	197	174	314
Wetlands Mitigation	-	-	-	-	-	-	-	-	-	3
Copy Center	-	-	1	219	226	540	329	247	-	-
Operating grants and contributions	4,670	8,934	5,330	13,154	6,569	5,486	6,161	7,071	7,121	9,287
Capital grants and contributions		-	-	-	58	640	17,467	3,317	335	1,508
Total business-type activities program revenues	103,964	105,853	93,438	90,000	79,382	80,198	94,750	79,699	76,945	80,358
Total primary government revenues	$ 1,297,499	$ 1,295,838	$ 1,283,423	$ 1,228,364	$ 1,146,123	$ 1,162,595	$ 1,125,450	$ 1,152,959	$ 1,145,520	$ 1,125,098
Net revenue (expense)										
Governmental activities	$ (419,201)	$ (459,942)	(423,472)	(448,647)	(513,947)	(591,060)	(559,325)	(482,012)	(537,611)	(453,255)
Business-type activities	(8,723)	(7,971)	(15,258)	(6,172)	(20,751)	(14,443)	(64,535)	(14,730)	(19,423)	(10,195)
Total primary government net revenue (expense)	$ (427,924)	$ (467,913)	$ (438,730)	$ (454,819)	$ (534,698)	$ (605,503)	$ (623,860)	$ (496,742)	$ (557,034)	$ (463,450)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes	$ 285,192	$ 296,441	$ 323,986	$ 349,385	$ 381,351	$ 401,764	$ 485,554	$ 484,636	$ 465,466	$ 382,482
Investment earnings	29,128	27,670	21,175	20,875	21,525	28,390	37,697	33,317	29,597	21,817
State sales tax	43,120	42,877	55,052	43,966	5,455	21,701	21,985	-	-	31,687
Airport parking taxes	5,800	13,085	9,203	9,333	12,553	15,276	13,866	12,696	10,170	7,228
Other revenue	17,959	19,989	13,036	9,969	12,378	25,517	47,658	24,456	20,845	28,319
Excise	7,745	7,449	7,112	6,522	6,454	8,408	7,403	-	-	-
Contributed assets	-	-		-	-	(27,004)	-	-	-	-
Gain on reduction in note payable	-	-	-	-	52,716	-	-	-	-	-
Transfers	(564)	(199)	-	(100)	(87)	(359)	(1,195)	-	-	(45)
Chargeback recovery	-	-	5,387	-	-	-	-	-	-	-
Special item	(88,087)	-	(65,326)	-	-	-	-	-	-	-
Total governmental activities	300,293	407,312	369,625	439,950	492,345	473,693	612,968	555,105	526,078	471,488
Business-type activities:										
Investment earnings	217	195	428	305	612	661	2,417	2,148	1,156	102
Other revenue	-	-	-	-	-	-	-	-	175	-
Transfers of capital assets	-	(1)	-	-	-	-	(1,118)	-	-	-
Contributed assets	-	-	-	-	-	(71)	-	-	-	-
Transfers in (out)	564	199	-	100	87	359	1,195	-	-	45
Chargeback recovery	-	-	108	-	-	-	-	-	-	-
Total business-type activities	781	393	536	405	699	949	2,494	2,148	1,331	147
Total primary government	$ 301,074	$ 407,705	$ 370,161	$ 440,355	$ 493,044	$ 474,642	$ 615,462	$ 557,253	$ 527,409	$ 471,635
Change in Net Position										
Governmental activities	$ (118,908)	$ (56,174)	$ (53,847)	$ (8,697)	$ (21,602)	$ (117,367)	$ 53,643	$ 73,093	$ (11,533)	$ 18,233
Business-type activities	(7,942)	(5,722)	(14,722)	(5,767)	(20,052)	(13,494)	(62,041)	(12,582)	(18,092)	(10,048)
Total primary government	$ (126,850)	$ (61,896)	$ (68,569)	$ (14,464)	$ (41,654)	$ (130,861)	$ (8,398)	$ 60,511	$ (29,625)	$ 8,185

Source: Statement of Activities

See accompanying accountant's report.

Table 3

CHARTER COUNTY OF WAYNE, MICHIGAN

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)
(in thousands)

	Fiscal Year									
	2013	2012	2011 (a)	2010	2009	2008	2007	2006	2005	2004
General fund										
Reserved	$ -	$ -	$ -	$ 89,513	$ 75,813	$ 36,106	$ 4,230	$ 7,857	$ 5,558	$ 2,034
Nonspendable	1,734	1,732	33,184	-	-	-	-	-	-	-
Restricted	9,183	9,160	9,888	-	-	-	-	-	-	-
Committed	-	3,000	3,000	-	-	-	-	-	-	-
Assigned	3,000	-	-	-	-	-	-	-	-	-
Unassigned	(159,483)	(148,925)	(127,953)							
Unreserved	-	-	-	(116,029)	(68,949)	(10,606)	21,148	15,842	18,079	17,066
Total general fund	$ (145,566)	$ (135,033)	$ (81,881)	$ (26,516)	$ 6,864	$ 25,500	$ 25,378	$ 23,699	$ 23,637	$ 19,100
All other governmental funds										
Reserved	$ -	$ -	$ -	$ 93,540	$ 72,964	$ 109,062	$ 121,622	$ 116,089	$ 53,910	$ 50,624
Nonspendable	37,500	34,883	33,045	-	-	-	-	-	-	-
Restricted	161,435	220,292	294,318	-	-	-	-	-	-	-
Committed	-	-	6,232	-	-	-	-	-	-	-
Assigned	51,100	51,010	21,062	-	-	-	-	-	-	-
Unassigned	(17,886)	(16,616)	(18,722)	-	-	-	-	-	-	-
Unreserved, reported in:	-	-								
Special revenue funds	-	-	-	14,000	(289)	(6,507)	33,025	22,448	81,510	49,648
Total all other governmental funds	$ 232,149	$ 289,569	$ 335,935	$ 107,540	$ 72,675	$ 102,555	$ 154,647	$ 138,537	$ 135,420	$ 100,272

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

Source: Balance Sheet - Governmental Funds

See accompanying accountant's report.

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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				
	2013	2012	2011	2010	2009
Revenues					
Taxes	$ 335,922	$ 351,205	$ 380,326	$ 403,582	$ 395,446
Licenses and permits	758	657	602	587	480
Federal grants	94,137	85,549	107,288	90,395	72,988
State grants and contracts	833,150	817,220	822,212	819,310	792,731
Local grants and contracts	36,895	21,422	16,336	14,634	15,141
Charges for services	164,955	164,108	155,087	115,724	94,594
Investment earnings	28,526	27,079	20,540	19,754	19,873
Other	16,928	18,923	8,665	8,870	24,333
Total revenues	1,511,271	1,486,163	1,511,056	1,472,856	1,415,586
Expenditures					
Legislative	8,768	8,792	8,805	8,865	10,697
Judicial	140,274	99,522	102,776	107,464	89,615
General government	139,384	132,803	137,061	114,967	127,117
Public safety	167,986	158,761	142,316	145,476	156,011
Public works	379	660	708	786	1,217
Highways, streets and bridges	71,895	68,575	64,029	73,583	83,631
Health and welfare	931,114	944,966	937,002	946,259	938,830
Recreation and cultural	24,268	25,994	22,336	23,907	28,268
Non-departmental *	-	-	-	-	-
Community and economic development	21,748	29,354	3,384	5,856	5,407
Capital outlay	69,507	67,091	44,233	54,267	23,553
Debt service:	-	-			
Principal	28,430	24,770	21,305	19,208	20,519
Interest	28,058	28,058	21,564	13,365	8,568
Other	-		959	494	915
Total expenditures	1,631,811	1,589,346	1,506,478	1,514,497	1,494,348
Revenues over (under) expenditures	(120,540)	(103,183)	8,103	(41,641)	(78,762)
Other financing sources (uses)					
Transfers in	183,583	150,718	145,088	141,747	209,589
Transfers out	(133,187)	(132,779)	(130,428)	(138,747)	(211,838)
Chargeback recovery	-	-	4,783	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Bond issuance	-	16,036	210,026	39,840	31,944
Bond premium	-	55	-	46	462
Bond discount	-	-	-	(187)	-
Proceeds from sale of capital assets	1	80	2,132	25	89
Total other financing sources (uses)	50,397	34,110	231,601	42,724	30,246
Net change before special item	(70,143)	(69,073)	239,704	1,083	(48,516)
Special item	-	(30,444)	(43,057)	-	-
Net change in fund balances	$ (70,143)	$ (99,517)	$ 196,647	$ 1,083	$ (48,516)
Debt service as a percentage of noncapital expenditures	3.6%	3.5%	2.9%	2.2%	2.0%

* - 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				
2008	2007	2006	2005	2004
$ 432,714	$ 498,060	$ 472,551	$ 444,819	$ 366,881
274	431	295	362	257
81,062	72,779	74,348	86,857	73,030
793,348	795,048	772,603	762,754	809,759
17,306	19,008	23,279	25,186	21,601
100,410	98,636	115,191	133,187	118,980
25,285	33,371	29,924	27,193	19,819
24,917	32,382	22,402	17,909	17,784
1,475,316	1,549,715	1,510,593	1,498,267	1,428,111
11,629	11,807	10,992	11,024	11,370
100,370	98,130	96,628	97,596	94,200
124,885	134,865	124,876	109,079	117,704
167,469	161,972	151,343	150,354	149,489
1,098	1,051	1,164	1,318	1,405
89,833	87,022	94,821	102,428	106,791
985,003	955,338	948,725	901,866	895,239
29,821	20,921	25,100	28,149	21,938
-	-	17,666	26,348	21,665
12,802	1,800	-	-	-
47,688	12,954	11,846	13,412	16,150
27,756	20,293	19,959	19,949	19,290
9,671	17,912	18,305	18,568	18,530
2,159	578	9	17	69
1,610,184	1,524,643	1,521,434	1,480,108	1,473,840
(134,868)	25,072	(10,841)	18,159	(45,729)
249,506	318,947	295,941	329,148	176,072
(231,988)	(304,769)	(282,441)	(308,148)	(147,980)
-	-	-	-	-
-	(90,278)	-	-	-
64,045	66,395	-	-	-
1,158	1,583	-	-	-
-	-	-	-	-
176	839	520	526	1,081
82,897	(7,283)	14,020	21,526	29,173
(51,971)	17,789	3,179	39,685	(16,556)
-	-	-	-	-
$ (51,971)	$ 17,789	$ 3,179	$ 39,685	$ (16,556)
2.4%	2.5%	2.5%	2.6%	2.6%

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

REVENUE CAPACITY

Table 5

CHARTER COUNTY OF WAYNE, MICHIGAN

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, 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%
July 1, 2011	27,509,235,231	7,811,532,677	3,392,393,971	6,768,953	17,926,585	4,867,569,724	43,605,427,141	5.6483	92,828,383,320	46.97%
December 1, 2011	27,509,235,231	7,811,532,677	3,392,393,971	6,768,953	17,926,585	4,867,569,724	43,605,427,141	2.1737	92,828,383,320	46.97%
July 1, 2012	25,916,204,229	7,419,783,282	2,981,495,811	18,770,783	19,878,809	5,067,481,829	41,423,614,743	2.1737	87,115,013,336	47.55%
December 1, 2012	25,916,204,229	7,419,783,282	2,981,495,811	18,770,783	19,878,809	5,067,481,829	41,423,614,743	2.1737	87,115,013,336	47.55%
July 1, 2013	25,509,633,413	7,084,252,055	2,869,040,877	18,426,262	19,669,958	5,438,055,570	40,939,078,135	2.1737	85,751,843,028	47.74%
December 1, 2013	25,509,633,413	7,084,252,055	2,869,040,877	18,426,262	19,669,958	5,438,055,570	40,939,078,135	2.1737	85,751,843,028	47.74%

(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.

Table 6

CHARTER COUNTY OF WAYNE, MICHIGAN

Direct and Overlapping Property Tax Rates
Last ten Years
(Unaudited)

	Fiscal year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
County direct rates										
General	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012	6.6012
Soldiers Relief	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368	0.0368
Parks	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459	0.2459
Jail	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381	0.9381
Total direct rate	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220
Overlapping Rates										
Huron-Clinton Metro Authority	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2154
Wayne County Transit Authority	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5980	0.5980
^ Wayne County Zoological Authority	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	-	-	-	-
& Cities (34)										
Low	13.0780	13.9613	12.1537	11.4365	11.4353	11.4351	11.5149	11.5683	11.3865	12.0064
High	49.2758	50.1355	48.7258	42.9414	38.9496	35.4641	34.2434	35.9706	36.3511	37.6525
	-	-								
& Village (0)	-	-	-	-	-	14.3000	14.3000	14.2996	14.3000	13.7000
& Townships (9)										
Low	4.0000	2.3660	4.0000	2.3660	2.3660	0.5908	0.5943	0.5943	0.5961	2.6812
High	24.8019	17.3979	17.7079	16.9349	14.0429	13.6179	13.6179	13.4306	13.2917	15.1199
School Districts (39)										
Low	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
High	34.1645	36.8556	33.5000	33.5000	33.5000	33.5000	33.5000	33.5000	30.6236	30.7696
Intermediate School Districts (4)										
Monroe	3.7675	3.7675	3.7675	4.7541	4.7541	4.7541	4.7541	4.7541	4.4644	4.4644
Oakland	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.3690	3.1780
Washtenaw	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745	3.9745	3.9970	3.9350
Wayne	2.3465	3.4643	3.4643	3.4643	3.4643	3.4643	3.4643	3.4643	3.3678	3.3678
Community Colleges (3)										
Henry Ford	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	2.4596
Schoolcraft	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967
Wayne County	3.2408	2.2408	2.2408	2.4769	2.4769	2.4769	2.4769	2.4769	2.4769	2.4844
DDAs (4)										
Detroit	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9887	0.9895
* Hamtramck	1.8251	1.8251	1.8251	1.8251	1.8251	1.8251	1.8380	2.0000	-	-
Northville	1.8255	1.8255	1.8255	1.8360	1.8360	1.8360	1.8406	1.8617	1.9365	1.9664
Library (7)	1.5362									
Bacon Memorial (Wyandotte)	0.7000	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5362	1.5466	1.5446
Belleville	1.5437	0.7000	0.7000	0.7000	-	-	-	-	-	-
Canton	2.0412	1.5437	1.5437	1.5437	1.4980	1.4980	1.5437	1.5437	1.5554	1.5331
Grosse PTE	2.0000	2.0012	1.5412	1.5412	1.5412	1.5412	1.5412	1.5413	1.5000	1.5000
Inkster	1.1573	-								
Northville	1.4656	1.1573	1.1573	1.1573	0.9573	0.9573	0.9573	0.9573	0.9573	0.9664
Plymouth	0.9233	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656	1.4656
Redford	0.9233	0.9233	0.9233	0.9233	0.9233	0.9233	0.9233	0.9233	0.9314	0.9368

Source: Wayne County Assessment and Equalization Division

* Abolished in tax year 2002 - 2005 and re-established in tax year 2006.

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

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

Millage is rate per $1,000 of taxable value

CHARTER COUNTY OF WAYNE, MICHIGAN

Principal Property Taxpayers
Fiscal year 2013
(Unaudited)

		2013			2004		
Company	Line of Business	(2) Total Taxable values	Rank	Percentage of Taxable Value	(2) Total Taxable Values	Rank	Percentage of Taxable Value
Ford Motor Company	Automotive	$ 952,061,518	1	2.33%	$ 1,656,306,254	1	3.61%
DTE Energy	Utility	945,056,620	2	2.31%	1,028,102,794	2	2.24%
Marathon Oil Company	Petroleum	638,526,411	3	1.56%			
Severstal Steel Company	Steel	328,255,000	4	0.80%		3	0.00%
Chrysler Group LLC	Automotive	254,295,598	5	0.62%	889,568,024		
Vanguard Health Systems-Hospitals	Health	228,344,724	6	0.56%			
MGM Grand Detroit LLC	Casino	210,047,463	7	0.51%		4	0.00%
Michigan Consolidated Gas	Utility	192,808,851	8	0.47%			
Detroit Diesel	Petroleum	133,405,380	9	0.33%			
ITC (International Transmission)	Automotive	132,989,064	10	0.32%			
General Motors Corp.*	Automotive				547,651,898	5	1.19%
National Steel Corporation	Steel				201,548,039	6	0.44%
Auto Alliance Int'l Inc.	Automotive				161,378,935	7	0.35%
Rouge Steel Company	Steel				142,137,095	8	0.31%
Visteon	Automotive				119,510,437	9	0.26%
Mirant Corporation	Utility-Marketing				100,392,700	10	0.22%
BASF Corporation	Technology				99,697,060		
Total		$ 4,015,790,629		9.81%	$ 4,946,293,236		10.77%
Total Taxable Value		$ 40,939,078,135			$ 45,917,929,737		

(1) The Taxable Value for the County's fiscal year 2013, which commenced on October 1, 2012 was determined as of December 31, 2011. Taxable for fiscal year 2004 was determined as of December 31, 2002.

(2) Total assessments do not include abated properties.

*General Motors Corp and below were top ten property taxpayers in 2004, but not in 2013.

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, 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 7, 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	237,876,581	210,510,671	88.50	23,279,790	233,790,461	98.28	2,126,196
December 1, 2010	2011	92,507,559	81,865,261	88.50	9,053,252	90,918,513	98.28	826,854
July 1, 2011	2011	222,489,499	197,291,187	88.67	20,488,043	217,779,230	97.88	1,206,591
December 1, 2011	2012	86,523,694	76,724,350	88.67	7,967,572	84,691,923	97.88	469,230
July 1, 2012	2012	211,030,904	190,335,837	90.19	18,972,004	209,307,841	99.18	1,069,458
December 1, 2012	2013	82,067,574	74,019,492	90.19	7,579,419	81,598,911	99.43	415,900
July 1, 2013	2013	208,561,843	164,274,342	78.77	N/A	N/A	78.77	N/A

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
(4) Beginning with the 2009 tax year and forward, "Reimbursement from Delinquent Tax Fund" includes same tax year recoveries

** The July 1, 2013 levy becomes delinquent on March 1, 2014. Collections reported above on this levy are from the levy date through November 30, 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

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	Total Personal Income	Percentage of Personal Income	Total Debt Per Capita
2004	183,855	3,294	135,000	15,382	236,719	4,952	579,202	59,889,040	0.97%	283.23
2005	165,505	3,007	142,400	14,055	221,841	4,511	551,319	60,106,108	0.92%	270.79
2006	146,836	2,702	139,800	12,809	209,452	4,066	515,665	62,456,166	0.83%	254.78
2007	132,949	-	180,000	11,639	211,233	3,605	539,426	61,793,069	0.87%	268.50
2008	170,973	-	319,000	10,540	196,193	7,429	704,135	62,865,991	1.12%	355.26
2009	183,450	-	376,560	-	178,844	26,479	765,333	62,581,021	1.22%	392.48
2010	199,188	-	131,060	6,098	161,783	33,714	531,843	73,675,241	0.72%	276.14
2011	389,924	-	355,355	3,545	152,302	35,229	936,355	40,280,421	2.32%	514.20
2012	367,675	14,983	315,802	5,156	137,727	40,060	881,403	39,559,500	2.23%	492.95
2013	345,578	75,165	255,287	3,328	108,487	55,948	843,793	39,606,938	2.13%	473.17

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
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	204,087,542	0.39	104.66
2009	1,938,141	52,918,906,133	1,022,477,000	1.93	527.56
2010	1,897,499	50,989,562,702	718,669,000	1.41	378.75
2011	1,797,901	46,582,482,079	1,118,181,000	2.40	621.94
2012	1,787,920	43,605,427,141	1,136,560,000	2.61	635.69
2013	1,783,293	41,423,614,743	1,004,645,000	2.43	563.37

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 2013 taxable value shown above is as of December 31, 2012.

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 11

Direct and Overlapping Governmental Activities Debt
September 30, 2013
(Unaudited)
(in thousands)

		Gross Debt Outstanding	Self-Supporting or Paid by Benefited Entity	Net Debt Outstanding
Direct debt				
Debt carrying the County's limited tax general obligation:				
Building Authority Bonds	(1)	$ 228,695	$ -	$ 228,695
Capital Improvement Bonds		110,715	-	110,715
Tax Anticipation Notes		65,000	-	65,000
Installment Purchase Agreements		3,870	-	3,870
Stadium Authority Bonds	(4)	58,160	(58,160)	-
Drainage District Bonds and Notes	(5)	10,824	(10,824)	-
Michigan Transportation Fund Bonds	(6)	2,775	(2,775)	-
Delinquent Tax Notes	(7)	254,687	(254,687)	-
Airport Hotel Revenue Bonds	(9)	105,460	(105,460)	-
Sewage Disposal Bonds	(8)	164,089	(164,089)	-
Total debt carrying County's limited tax pledge		1,004,275	(595,995)	408,280
Other debt:				
Building Authority Local Projects Revenue Bonds	(2)	14,805	(14,805)	-
Brownfield Revolving Loan Fund Note	(6)	600	(600)	-
Capital Lease Obligations	(6)	3,328	(3,328)	-
Metro Airport Revenue Bonds	(3)	2,070,180	(2,070,180)	-
Hotel Debt (Capital Loans)	(8)	1,500	(1,500)	-
Willow Run Notes	(3)	122	(122)	-
Airport Installment Purchase Agreement	(3)	5,273	(5,273)	-
Total Revenue bonds		2,095,808	(2,095,808)	-
Total direct debt		$ 3,100,083	$ (2,691,803)	$ 408,280

	Net Debt Outstanding	Estimated Applicable Percentage	Estimated Share of Debt
Overlapping debt			
Cities and townships	$ 3,306,118	99.98%	$ 3,305,479
School districts	3,499,185	93.04%	3,255,495
Community colleges	24,570	94.88%	23,312
Libraries	21,745	99.74%	21,688
Total overlapping debt	$ 6,851,618		6,605,974
Total direct and overlapping debt			$ 7,014,254

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

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 11

Direct and Overlapping Governmental Activities Debt
September 30, 2013
(Unaudited)
(in thousands)

The assessed values are the appraised worth of properties as set by a taxing authority for purposes of ad valorem taxation. The method of establishing assessed valuation varies from state to state. For example, in certain jurisdictions the assessed valuation is equal to the full or market value of the properties; in other jurisdictions the assessed valuation is equal to a set percentage of full or market value, which is the case for Michigan.

(1) Payable from lease rentals which constitute full faith and credit obligations of the County.
(2) Payable solely from Michigan DHS rent payments
(3) Payable solely from airport revenues, passenger facility charges, or direct airline pledges.
(4) Motor vehicle rental and hotel tax revenues are projected to be sufficient to cover debt service.
(5) Payments from benefited local communities or properties are projected to be sufficient to cover debt service, based on experience.
(6) Revenues from the State of Michigan Transportation Fund are projected to be sufficient to cover debt service, based on experience.
(7) Delinquent tax revenues are projected to be sufficient to cover debt service, based on experience.
(8) User fees or payments from benefited local communities are projected to be sufficient to cover debt service, based on experience.
(9) Payable primarily from Airport Hotel revenues.

Source: Wayne County Department of Management and Budget, Accounting Division and Municipal Advisory Council of Michigan

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE,MICHIGAN

Legal Debt Margin Information
September 30,2013
(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
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%
2011	46,414,191,660	4,641,419,166	1,118,181,000	3,523,238,166	2.41%
2012	43,557,506,668	4,355,750,667	1,136,559,130	3,219,191,537	2.61%
2013	42,875,921,514	4,287,592,151	1,004,645,000	3,282,947,151	2.34%

Source: Wayne County Department of Management and Budget.

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
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
2011	84,903	82,681	2,222	1,925	1,090	0.74	2,325	2,100	225	1.00
2012	95,815	85,877	9,939	1,960	1,210	3.14	2,292	2,120	172	1.00
2013	94,426	83,695	10,731	2,485	1,845	2.48	298	180	118	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 fiscal year 2008, 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. The Rouge Valley Sewer System issued a Revenue Bond SRF 5350-01 for up to $19.8 million for the Short Term Corrective Action Plan. In the previous years, Rouge Valley did not have revenue bonds. This project was 40% funded by federal ARRA funds, and debt to the system was not incurred until October 2010. The first principal payment of the new bond was not due until May 2012 but interest payments began during 2011. The inclusion of Rouge Valley revenues and expenses for fiscal year 2011 and thereafter results in the large increase in those categories for fiscal year 2011.

Re: Special Assessment increases: 3 Chapter 8 Drainage District issued bonds on September 30, 2010 with Special Assessments approved by the respective Drainage Districts to collect funds for the debt repayment.

* 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 Public Services - Environmental Services Group

See accompanying accountant's report.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

DEMOGRAPHIC AND ECONOMIC INFORMATION

CHARTER COUNTY OF WAYNE, MICHIGAN

Table 14

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
2003	10,041,152	0.25%	2,006,154	-0.28%	$ 32,295	$ 31,300	$ 28,817	35.1	8.6
2004	10,055,315	0.14%	1,983,830	-1.11%	33,909	31,768	28,930	35.1	8.6
2005	10,051,137	-0.04%	1,960,263	-1.19%	35,452	32,409	29,442	35.1	8.7
2006	10,036,081	-0.15%	1,932,490	-1.42%	37,725	33,365	30,166	36.8	8.4
2007	10,001,284	-0.35%	1,900,992	-1.63%	39,506	34,419	31,332	37.2	8.6
2008	9,946,889	-0.54%	1,865,058	-1.89%	40,947	38,288	33,258	38.0	9.9
2009	9,901,591	-0.46%	1,837,536	-1.48%	38,637	33,221	31,633	38.5	16.1
2010	9,883,640	-0.18%	1,820,584	-0.92%	39,791	34,326	32,617	38.9	14.8
2011	9,876,801	-0.07%	1,802,096	-1.02%	41,560	36,264	34,012	38.9	12.6
2012	9,883,360	0.07%	1,792,365	-0.54%	42,693	37,497	36,141	38.8	11.7

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

* Fiscal year 2012 polulation statistics for Wayne County are not available

** Fiscal year 2013 statistics are not available

See accompanying accountant's report.

CHARTER COUNTY OF WAYNE, MICHIGAN

Principal Employers

Current Year and Ten Years Ago

	2012 **			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Ford Motor Company	34,119	1	4.73%	47,136	1	5.61%
Detroit Medical Center	12,398	2	1.72%	11,627	5	1.38%
Henry Ford Health System	12,109	3	1.68%	8,425	9	1.00%
City of Detroit	10,920	4	1.51%	19,833	3	2.36%
U.S. Government	8,325	5	1.15%	14,712	4	1.75%
Detroit Public Schools	7,839	6	1.09%	22,899	2	2.72%
Oakwood Healthcare Inc.	6,167	7	0.86%	7,441	10	0.89%
Quicken Loans/Rock Financi	5,984	8	0.83%	-		0.00%
Wayne State University	5,924	9	0.82%	-		0.00%
U.S. Postal Service	5,648	10	0.78%	8,765	8	1.04%
Chrysler Group LLC				10,172	6	1.21%
General Motors Corp				10,133	7	1.21%
	109,433		15.18%	161,143		19.17%

Total: Wayne County Employment 2012 & 2003	720,899	840,446

** The information for 2013 will not be available until 2014. As such, the information in this table will be reported on a one year lag.

Source: Michigan Labor Market Information: Labor & Economic Growth , Crain's Detroit Business: Book of Lists January 2004 and December 2013 Edition (Employee totals are based on full-time equivalents.)

See accompanying accountant's report.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2013

OPERATING INFORMATION

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

	Wayne County Employees [4]									
Function/Program	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**
Legislative										
Board of Commissioners	36	36	36	42	42	48	29	83	89	81
Auditor General's Office	11	11	12	15	15	18	16	15	14	17
Judicial										
All court and court related actives	732	689	696	650	687	712	751	750	737	737
General government										
Treasurer's Office (5)	72	68	72	69	34	39	80	81	89	83
Tax Assessment	7	23	32	37	44	47	45	49	46	49
Tax Billings/collections (5)	12	4	4	5	35	40	7	7	8	8
Budgeting	3	6	10	9	9	11	18	16	9	16
Purchasing	13	14	15	18	21	22	23	26	29	27
Central Accounting	27	25	29	36	36	40	44	42	44	37
Central Administration	68	41	55	52	66	66	63	57	59	66
Other Financial Administration	55	77	85	94	119	114	103	115	121	131
Data Processing	26	29	32	34	48	35	49	49	52	52
Building Maintenance	70	78	88	87	107	120	122	130	135	144
County Clerk	240	247	256	264	251	262	276	293	285	277
Register of Deeds	60	55	65	78	85	91	90	89	100	78
Prosecuting Attorney	281	291	284	244	268	292	295	308	300	309
Corporation Counsel	48	51	53	68	84	89	90	93	88	76
Public safety										
Homeland Security (6)	4	4	5	5	10	10	10	-	-	-
Sheriff's Department										
Arresting Powers (2)	206	229	235	194	286	330	1149	409	386	697
Civilian	56	60	58	50	64	75	123	126	139	139
Jails & Detention Facilities (2), (3)	961	932	962	1057	1098	1250	20	744	744	711
Firefighters	0	0	0	0	0	0	0	0	0	0
Public works										
Public works	78	92	107	80	82	88	108	132	162	202
Sewage Disposal	59	59	66	70	73	79	114	105	107	101
Airport (1)	0	0	0	0	0	0	0	0	0	0
Highways, streets and bridges										
Administration	14	15	20	16	15	16	14	20	40	42
Engineering	79	80	87	91	121	126	130	141	145	151
Maintenance	327	322	329	351	371	414	447	508	582	606
Health and welfare (3)	276	283	358	462	471	474	623	623	776	559
Recreation and cultural										
Parks	60	61	60	65	70	66	76	82	78	72
Libraries	20	20	24	33	37	37	38	42	77	44
Community and economic development	65	69	75	33	37	40	35			
Other (6)	-	-	-	-	-	-	202	261	296	307
Total	3,966	3,971	4,210	4,309	4,686	5,051	5,190	5,396	5,737	5,819

(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 2013. 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.

Table 17

CHARTER COUNTY OF WAYNE, MICHIGAN

Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year						Fiscal Year			
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Function/Program										
Police										
Physical Arrests	2,062	2,696	1,415	961	662	1,869	2,219	1,820	1,972	2,075
Bookings	2,062	2,696	1,415	961	662	535	692	1,820	1,972	2,075
Parking Violations	50	146	193	147	51	51	23	110	132	141
Traffic Violations	18,487	33,103	23,083	23,730	20,908	22,926	18,930	23,469	24,359	24,387
Incidents	3,054	2,652	4,337	4,443	3,282	7,089	6,987	15,923	16,767	16,310
Crash Reports	141	70	62	60	57	95	331	276	291	303
Culture and recreation (1)										
Rounds of Golf - Warren Valley	40,469	37,409	31,658	44,463	55,220	61,479	42,154	47,482	60,486	60,819
Picnic Permits	899	909	944	952	940	986	1,019	1,004	1,042	1,048
Aquatic Center Attendance	18,525	21,465	40,502	56,516	42,107	48,588	45,879	43,278	54,583	32,185
Nankin Mills Center - (program attendance)	9,384	8,628	8,502	12,760	14,503	13,207	13,239	17,524	19,509	17,890
Crosswinds Marsh (program attendance)	1,832	3,053	2,819	4,559	5,437	3,951	3,518	3,647	3,172	2,620
Highways, streets and bridges										
Street resurfacing asphalt (tons)	11,287	84,235	48,305	11,942	1,852	26,202	44,658	76,420	42,143	92,932
Street resurfacing (miles)	12	9	29	26	19	17	16	14	7	20
Snow removing salt (tons)	68,139	39,997	94,966	52,570	74,131	191,748	98,243	120,000	93,886	151,342
Ditching program (Linear feet)	46,972	44,175	21,163	48,291	46,653	53,402	55,433	86,620	121,385	86,620
Ditching program (miles)	9	8	4	9	9	10	11	16	23	16
Emergency road repairs (tons)	4,153	3,506	4,389	3,155	4,111	4,345	3,122	2,670	4,808	4,426
Forestry Section										
Tree removal	6,439	9,528	6,745	9,389	6,839	5,497	1,947	2,900	2,869	3,087
Tree planting & trimming	2,635	2,745	1,881	2,093	1,746	2,133	1,183	875	1,956	688

(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.

Table 18

CHARTER COUNTY OF WAYNE, MICHIGAN

Capital Asset Statistics by Function
Last Ten Fiscal years
(Unaudited)

	Fiscal Year						Fiscal Year			
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Function										
Public safety										
Stations - Road Patrol	1	1	1	1	1	1	1	1	1	1
Police Services Automobiles	44	44	44	50	48	53	59	62	62	62
Marine Safety (Boats and Vans)	18	18	20	20	22	15	14	13	13	13
Jail Automobiles	20	18	23	23	23	26	12	21	21	21
Motorcycles (1)	11	11	11	5	5	3	25	25	33	45
Culture and recreation										
Pavilions	22	22	20	16	14	14	14	14	14	14
Golf Courses	2	2	2	2	2	2	2	2	2	2
Playscapes	20	20	19	16	14	14	13	13	13	13
Soccer Fields	20	17	23	25	25	25	25	25	25	24
Picnic Areas	4	4	5	7	9	9	9	9	9	9
Baseball Diamonds	23	-	25	26	26	26	26	26	26	26
Highways, streets and bridges										
Traffic signal (maintained)	76	114	130	90	138	141	97	48	40	48
Traffic signs (installed)	2,653	1,979	2,028	2,244	2,818	2,824	2,708	2,500	4,435	2,500

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

Source: Various County departments

See accompanying accountant's report.

Table 19

CHARTER COUNTY OF WAYNE, MICHIGAN

Revenues by Source and Expenses by Type - Pension Trust Fund
Required Supplementary Information
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ended 9/30	Revenues by Source: Contributions Employee	Contributions Employer	Investment Income	Total	Expenses by Type: Benefits	Administration	Total
Wayne County Employee's Retirement System							
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
2011	15,874	13,428	(2,195)	27,107	132,438	7,824	140,262
2012	24,308	47,676	100,985	172,969	134,184	6,146	140,330
2013	17,922	68,889	105,997	192,808	132,804	7,967	140,771
Wayne County Circuit Court Commissioners Bailiff's Retirement System							
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
2011	15	29	(412)	(368)	165	50	215
2012	16	37	993	1,046	164	45	209
2013	15	34	780	829	388	52	440

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.

Table 20

CHARTER COUNTY OF WAYNE, MICHIGAN

Analysis of Funding Progress-Pension Trust Funds
Required Supplementary Information
Last Ten Fiscal Years
(Unaudited)
(in thousands)

Fiscal Year Ended 9/30	Net Position 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						
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%
2010	901	1,502	60%	601	277	217%
2011	795	1,595	50%	800	272	294%
2012	746	1,624	46%	878	269	326%
Wayne County Circuit Court Commissioners Bailiff's Retirement System						
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	-
2010	5,569	2,499	223%	(3,070)	312	-
2011	4,843	2,454	197%	(2,389)	319	-
2012	4,734	2,390	198%	(2,344)	320	-

Analysis of the dollar amounts of net position available for benefits, pension benefit obligations, and unfunded pension benefits in isolation can be misleading. Expressing the net position available for benefits as a percentage of the pension benefit obligation 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 inflation 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.

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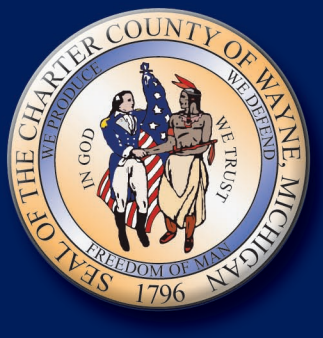

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