OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
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Washtenaw County
Community Action Board

Wednesday, July 22nd, 2026
5:30 pm to 7:30pm
General Session/Regular Meeting
Hybrid/Zoom meeting

In-Person: 4135 Washtenaw Ave, Ann Arbor, MI 48108

Join Zoom Meeting
https://washtenawcounty.zoom.us/j/85639407527?pwd=WvZR4Bs4JBXFBevBR0zhxtZu4X9TVj.1
Meeting ID: 856 3940 7527
Passcode: 151905

	AGENDA ITEM	LEAD
5:30 pm	**Call to Order**	Jeanice Townsend – Chair
5:32 pm	**Welcome and Introductions** a) Roll Call, with each board member stating name and where they are from	All
5:35 pm	**Public Comment** a) Reserved for non-CAB members only b) 3 minutes maximum per individual	Members of Public
5:40 pm	**Approval of July Agenda (ACTION)**	All
5:42 pm	**Approval of May meeting minutes (ACTION)**	All
5:50 pm	**Community Guest Program** a) IHN-Alpha House – Shonagh Taruza	
6:15 pm	**OCED Program Updates** a) Director's report – Toni Kayumi b) Finance and Operations Division Administrator – Ellis Johnson II c) Foster Grandparents Program – Sandy Bowers d) Housing and Homelessness Data Report – Andrew Kraemer e) FY27 Community Action Plan approval **(ACTION)** – Nicole Kennedy f) Community Needs Assessment – Nicole Kennedy	

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6:40 pm	**CAB New Business**	Chair
6:50 pm	**CAB Member Discussion**	Chair
	Community Needs	All
7:10 pm	**BOC Representative Report** a) Current Board of Commissioner Priorities / Emerging Community Issues	BOC Members
7:20 pm	**Public Comment** a) Reserved for non-CAB members only a) 3 minutes maximum per individual	Members of Public
7:30 pm	**Adjourn**	

Washtenaw County Community Action Board
May Meeting Minutes

Wednesday, May 27, 2026
5:30 pm to 7:30 pm
General Session/Regular Meeting
In-person: Washtenaw Learning Resource Center | 4135 Washtenaw Avenue | Ann Arbor, MI 48108

Members Present:

1. Jeanice Townsend
2. Madyn Litten
3. Chris Watson
4. Kathy Wyatt
5. Commissioner Shannon Beeman
6. Commissioner Justin Hodge
7. Pat Vaillencourt (Zoom)
8. Bonnie Billups (Zoom)
9. Courtney Cruz (Zoom)
10. Candice Spencer
11. Krystal Steward
12. Yvonne Cudney

Absent:

1. Emily Hastie
2. Pat Davis
3. Darrell Kirby

OCED staff present:

1. Toni Kayumi
2. Monica Bullock
3. Hannah Lane
4. Pam Maddox
5. Andrew Kraemer (Zoom)
6. Nicole Kennedy

Community Members:

1. Jan Little

I. **Call to Order**
   - Meeting called to order at 5:36pm by Jeanice Townsend

Washtenaw County Community Action Board
May Meeting Minutes

II. **Welcome and Introductions**
- Roll call of CAB board members and where they're from

III. **Public Comments**
- None

IV. **Approval of agenda:**
- Motion to approve agenda: Motion to approve by Madyn, Supported by Commissioner Beeman. Motion carried.

V. **Approval of previous minutes:**
- Motion to approve previous minutes: Motion to approve by Madyn, supported by Commissioner Beeman. Motion carried.

VI. **Community Guest Program**
- Jan Little – Michigan Ability Partners
  - Originated 40 years ago. MAP provides housing, addiction services, veteran reintegration services, mental illness support, and people with disabilities. MAP started with housing in the 1990's and has added services since then. Some individuals have multiple disabilities. We have 30 staff in total. We have 130 vouchers through HUD. We have multiple funding sources, local, state, and federal. We serve single adults, but if they become families we still serve them. MAP offers financial services such as financial coaching, budgeting, bill payment, and payee services. Individuals can graduate from the program. Ninety-six percent of those in the housing program maintained permanent housing. We work with Food Gatherers and deliver food bags to those who receive services from MAP.
    - Madyn Litten – Could you talk about MAP's capacity for eviction prevention? Jan – the funds run out quickly. We serve as many as we can up to $11-12,000, which is generally 3 or 4 people.
    - Jeanice – What are your partnerships? Jan – We work closely with Michigan Works, local employers, WCC, and many others.
    - Kathy – Are you looking at using funds from the Older Person's Millage for your senior clients. Jan – yes, we're working on that process.

VII. **OCED Program Updates**
- Toni Kayumi – Director's Report
  - Director presented at the Saline Chamber of Commerce Legislative Lunch. Director, OCED staff and CoC Residential Displacement and Prevention Taskforce met and discussed strategies on Thorncrest, Arbor One, Sycamore Meadows, and Danbury Park. The County is looking at ways to assist residents and improve infrastructure. Director and OCED staff attended the State of the County Event celebrating the Bicentennial. BOC approved the OCED Blanket Resolution, Urban County Action Plan, and Arbor South housing development which will add 1000 housing units. Director presented about the Opportunity Index at REO Reparations Advisory Council. The OCED Historic Preservation Commission won a Governor's Award.

The NHSP Summit occurred where we gathered all our grantees for report outs, networking, and brainstorming. We are actively collaborating with local businesses, City, and State representatives trying to raise funds for eviction prevention and diversionary funding. The Foster Grandparents Recognition Luncheon occurred. OCED has over 60 FGP in local schools. Director and OCED staff attended Woodlawn Cemetery listening sessions to collaborate on what happens next. Director and OCED staff attended MCA Legislative Day and Award Luncheon in Lansing. Director and OCED staff presented to the Chelsea Housing Commission.

- Jeanice – The FGP program is excellent. The intergenerational interactions are so meaningful.
- Chris – I'm so grateful for the hard work of OCED in getting the Arbor South project passed. It is a big win for OCED and Ann Arbor Housing.
- Jeanice – the conversation regarding mass evictions and run down properties is such a repeat theme. Rental inspection departments should be mandated and enforced. The property owners are receiving funds and not maintaining the properties. Justin – The County BOC doesn't have the authority to enforce that. It's up to local municipalities and local governments. Kathy – the County needs to come up with preventative measures. Pat – Who are they receiving funds from? Jeanice – HUD vouchers are federal. Shannon- from what I've seen, renters are afraid of losing their vouchers and they'll put up with mold, broken windows, no heat, and tenants need to see a win. Tenants feel that they have no options. Toni – we have also had reports of threats by maintenance people at Thorncrest. LSSCM has been a big help.

- Pam Maddox – Financial Empowerment Center
  - We help County residents with taxes, budgeting, legacy planning, estate planning, and many other financial services. Legacy planning ensures that your possessions, property, pets, and your wishes are carried out and preserved for future generations.
    - Yvonne – does it cover Trusts? Pam – no.
- Andrew Kraemer – Housing and Homelessness Data
  - HAWC had 2,400 calls in April. That's a little higher than last year. Single adult homelessness increased a lot. Winter Warming was busier than last year. Four families in permanent supporting housing, and that's good news. Average days to housing is 280 days on average. Seniors 60 and up, we had 88 seniors in April who were experiencing homelessness. Most were single adults.
- Nicole Kennedy – The Community Needs Assessment is required by BCAEO for County compliance while receiving CSBG funds. It will be open for three months and ask County residents questions about their wellbeing. That data will be analyzed and guide how future CSBG funds are used within OCED, and to see if there are any unmet needs in the community. The FY27 Community Action Plan is here for your review and feedback. This CAP describes how OCED intends to distribute CSBG funds in the upcoming fiscal year.

VIII. **CAB New Business and Member Discussion**

- Madyn – The Commission of Aging is having a town hall, and you are all invited.
- Jeanice – The Wx report confused me. Toni – the projects are still open when the state wants data, and then they finish and close the projects and remaining required data is sent in. It's mostly about timing.

IX. **<u>BOC Representative Report</u>**

- Justin – We're trying to get senior millage funds out for SCIP, and create positions and hire Office of Aging staff, and get RFP's out. Dollars have gone out to certain places, such as the Ypsilanti Senior Center due to flooding. Resolutions have gone out for us to join a Dementia Friendly Network, and Healthy Aging Communities.
- Shannon – We're trying to get Senior Millage funds out more quickly.

X. **<u>Public Comment</u>**

- None

b. **<u>Adjourn</u>**

- Meeting adjourned at 7:27pm

THE INTERFAITH HOSPITALITY NETWORK AT ALPHA HOUSE

Family homelessness is a crisis intensifying across our community, our state, and the nation. Unlike individual homelessness, families experiencing homelessness face unique challenges – parents with young children are navigating job loss, unaffordable housing, and a lack of safety net, all while trying to keep their family together.

The Interfaith Hospitality Network at Alpha House operates multi-site homeless shelters for families: two congregate family shelters, one on the east side of Washtenaw County and one on the west side; and six houses scattered across the county for larger families in need of more space.

IHN at Alpha House has been at the forefront of serving homeless families in our community for over three decades. Founded in 1992, IHN (Interfaith Hospitality Network) began as a grassroots response by local faith congregations to the plight of families without shelter. Initially, it operated as a rotating shelter – twelve congregations took turns providing overnight shelter and meals to parents and children in need. This volunteer-driven model instilled a deep sense of community support that continues to define Alpha House today.

By 2001, with family homelessness persisting, IHN at Alpha House moved into a permanent facility on Jackson Road (a building donated by St. Joseph Mercy Health Systems). This allowed the program to serve families year-round in one location rather than moving between churches. The facility, known as Alpha House, had two wings – one dedicated to shelter space for up to 6 families at a time, and the other for offices and programming. Each family in shelter has a private room of their own while sharing common spaces, meals, and support services with others. Families receive three meals a day and basic necessities while in residence.

Over the years, Alpha House built a strong record of impact:

- **Hundreds of Families Helped:** Since opening the permanent shelter, well over **1,000 families** (including several thousand children) have found safety and support at Alpha House. Each family arrives in crisis and leaves with a renewed chance at stability – a testament to the effective model of shelter plus intensive case management.

FY 24-25 all families served									
	Total Served	**# Families**	**Adults**	**Children**	**Male**	**Female**	**Black+mixed**	**Hispanic**	**White**
Shelter	114	42	59	55	41	73	105		9
RRH	187	52	69	118	80	107	166		21
Hotel	121	40	51	69			81	1	29
Master Leasing	5	1	1	4			5		
Winter Amnesty	140	40	48	92			132	4	4
TOTAL	**567**	**175**	**228**	**338**	**121**	**180**	**489**	**4**	**63**

- **Housing Focus and Innovation:** Alpha House has never been just a bed for the night; it's a comprehensive program. From day one, staff work with families on a "Housing First" approach – helping parents find employment, save money, repair credit, and search for affordable housing. In the past, Alpha House also implemented programs like Rapid Re-Housing (RRH) and diversion to shorten shelter stays. Alpha House additionally provided hotel referrals for overflow and a diversion program to help families avoid shelter when possible. These efforts, combined with ongoing after-care support ("Home-Based Support" for 20–30 more families annually, meant that many families were able to regain housing stability faster. Most families who complete the Alpha House program succeed in securing permanent housing, breaking the cycle of homelessness for their children.

- **Volunteer and Community Driven:** From its inception, Alpha House has harnessed community compassion. More than 2,500 volunteers every year lend their time and talents to Alpha House. They come from congregations, student groups, businesses, and the community at large. Volunteers cook and serve dinners, read bedtime stories to the kids, help with facility upkeep, and offer friendship and mentorship to the resident families. This massive volunteer engagement not only stretches resources, it sends a powerful message to the families: *you are not alone.*

- **Outcomes for Children:** By providing a stable temporary home, Alpha House mitigates the trauma of homelessness for children. The average age of a homeless child in America is just 7 years old, and frequent school moves cause them to fall behind. At Alpha House, children can stay enrolled in school (with transportation assistance if needed) and benefit from trauma-informed support. The shelter ensures kids have space to play and learn – from a playroom stocked with toys to tutoring and after-school activities. Nearly every school-age child at Alpha

House remains in school, and many show improvements in attendance and performance once their basic needs are met. Such stability during a family's stay lays the groundwork for better long-term outcomes.

Responding to Rising Need – Recent Expansion: In the last few years, the affordable housing crisis has worsened, and more families have turned to Alpha House than ever before. The small 6-room capacity meant tough choices – often, families in desperate need had to be turned away or placed on a long waiting list. Determined to live up to its mission, IHN at Alpha House took creative action:

- **In Winter 2024–25**, Alpha House launched a special **Winter Weather Amnesty program** to ensure no family was left out in the cold. By using hotel vouchers and emergency accommodations, Alpha House provided temporary shelter to *47 families over the winter months* who otherwise would have had no place to go.

- **In 2024**, Alpha House undertook a major renovation and expansion of its Jackson Road facility to increase capacity. With support from community partners, the organization relocated its administrative offices off-site to another space. This freed up an entire wing of the building to be converted into additional family bedrooms. By turning former offices into bedrooms (adding new flooring, egress windows, and other safety upgrades), Alpha House expanded from *6 family rooms to 14 family rooms*. This more than doubles the number of families that can be sheltered at one time, increasing the capacity from about 18 individuals to 36 individuals (parents and children) across 14 bedrooms of various sizes. The facility also added much-needed bathrooms (now a total of 7 full baths and 4 half-baths for families) to accommodate the greater numbers. This expansion was completed in mid-2024 and immediately put to use, welcoming more families into the warmth of stability and safety.

- Through these expansions, IHN at Alpha House has demonstrated agility and dedication in the face of a growing crisis. Yet, even with 14 families in shelter, the need continues to outpace capacity during peak times. The waiting list still grows during certain months, and the community cannot rely indefinitely on stopgap hotel placements. Recognizing this, Alpha House's leadership and supporters developed a bold plan to further expand — one that would transform the landscape of family homelessness in Washtenaw County. The result is the new Temporary Housing Program, an expansion into the Towsley Health Building, which will add dozens of additional shelter units for families.

With the opening of our new shelter, we have added 30 apartment-style rooms in a former assisted living facility in Ypsilanti, bringing our total shelter capacity to 44 rooms across two locations. Importantly, we are maintaining our family shelter on Jackson Road in Ann Arbor, which expanded in 2024 from 6 to 14 rooms. This dual-campus model allows us to serve more families with increased dignity, stability, and trauma-informed care – without turning anyone away.

Supportive Services On-Site: The Temporary Housing Program will offer the same high-quality support services that are the hallmark of Alpha House, scaled up for a larger population. A dedicated team of case managers and family support specialists will have offices in the building. Each family will be assigned a case manager who will meet with them regularly (in their unit or in private offices) to work on individualized plans: securing permanent housing, accessing benefits, childcare, job opportunities, and any needed counseling or health services. Thanks to additional capacity, the expansion will allow for enriched programming, such as:

- **Life Skills and Workshops:** Space permitting, the program will host workshops on financial literacy, tenants' rights, parenting, and wellness. For example, a cooking class in the communal kitchen or a resume-writing session in a conference room can be offered to interested parents.

- **Children's Services:** A playroom or children's activity coordinator will ensure kids have constructive play and learning opportunities. Partnerships with local schools will continue so that children staying at Towsley receive tutoring or school enrollment assistance as needed.

- **Health and Wellness:** Being on a hospital campus opens possibilities for health outreach. The program plans to collaborate with Trinity Health and local clinics to offer periodic health screenings (vision, dental, etc.) for children and parents on-site. Additionally, mental health services can be more easily connected, which is crucial as many families experience trauma from homelessness.

The new shelter exemplifies a forward-thinking model: a blend of *emergency shelter and transitional housing*. Families can stay a bit longer if needed (a few months rather than a few weeks) without the pressure of having to exit before they secure housing. This flexibility acknowledges the reality of the housing market – it often takes time to find an affordable apartment. By providing that crucial "bridge housing" in a supportive environment, the program will likely improve long-term success rates, with more families achieving permanent housing and fewer returning to shelter.

Through our growing partnership with Trinity Health, we are developing a workforce development pipeline – supporting families not only through shelter and housing but also by creating pathways to employment, transitioning families from clients to colleagues/employees on their journey to long-term stability.

The **impact on the community** of this expansion will be profound. The addition of the new shelter means that families that fall into homelessness will have a safe, decent place to land while they get back on their feet. This stability prevents the cascade of negative outcomes that occur when families are unsheltered – children sleeping in cars or abandoned buildings will be a tragedy of the past.

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

June 8, 2026

Ms. Toni Kayumi, Executive Director
Washtenaw County Office of Community and Economic Development
415 W Michigan Ave.
Ypsilanti, MI 48187

Dear Ms. Kayumi,

Thank you for the cooperation you and your staff extended to the Bureau during the recent Program Compliance Monitoring Desk Review. We appreciate your patience while we navigated the monitoring process. Your staff was extremely helpful in responding promptly to our requests for information. Enclosed is the monitoring report summarizing the review of your Agency.

Monitoring Type: FY26 Program Compliance Desk Review MVID 3941
Monitoring Dates: April 9, 2026 – May 5, 2026
Monitoring Scope: April 1, 2025 – September 30, 2025
Program Compliance Monitor: Comelia Mathews
Findings and Recommendations: Zero (0) Findings, One (1) Recommendation, Zero (0) Observations
Corrective Action Due by: N/A

Based on the Program Compliance Monitoring review, the monitor discovered one recommendation in the Weatherization Program for missing documents. BCAEO reserves the right to review additional transactions during future monitoring engagements.

If you have any questions regarding this report, please contact Comelia Mathews at mathewsc5@michigan.gov.

Sincerely,

Kris Schoenow, CCAP Executive Director
MDHHS-Bureau of Community Action & Economic Opportunity

cc:
Melanie Sanford, MDHHS-BCAEO Deputy Director
Maddy Kamalay, Weatherization Manager
Robert Haske, BCAEO Financial Manager
Tracy Thompkins, BCAEO Program Compliance Manager
Ben Gulker, CSBG Specialist
Theresa Stillman, Grant Manager
Elaine Lee-Burks, Financial Analyst
Comelia Mathews, Program Compliance Monitor
Drew Gerth, Program Assistant
MVID 3941

PROGRAM COMPLANCE DESK REVIEW REPORT

DATE: 05/11/2026

Report Information

Agency Name	81029 Washtenaw County Office of Community & Ecomonic Development (OCED)	Monitoring Visit ID (MVID)	3941
Agency Type	Public	Monitor	Comelia Mathews
Executive Director	Toni Kayumi	Review Dates	April 9, 2026 – May 5, 2026

Review of Report At-a-Glance

Contract Series	Contract Effective Dates	Status of Non-Compliance	Agency Response Required
CS25-2025-81029 CSBG1-2025-81029	10/1/2024-09/30/2025 10/1/2023-03/31/2025	No Specific Assistance was provided with CSBG.	☐ Yes ☒No
DOE1-2025-81029 WXDEF-2025-81029 WXBIL-2025-81029 LIHP-2025-81029	10/01/2024-06/30/2025 10/01/2024-12/31/2026 10/01/2024-09/30/2025 10/01/2024-09/30/2025	One Recommendation	☐ Yes ☒No

Prior Monitoring Review and Scope

MVID 3641 was completed on June 24, 2025. The monitoring scope was October 1, 2024 – March 31, 2025.

Prior Year(s) Monitoring Follow-Up

Program Compliance Monitoring Review from FY25 resulted in the following:

MVID 3641 – Finding: Weatherization- Job not completed within 6 months of Energy Audit and Recommendation: Tripartite Board– Vacancy nearing 6 months.

Purpose Statement

Program Compliance monitoring addresses the content and substance of programs. It is a qualitative review to determine performance, innovation, and impact to moving low-income individuals and families to self-sufficiency. It assesses whether approved activities are consistent with the work plan identified in the contract, ROMA goals and objectives are accomplished, and are compliant with statutory regulations and other policy guidelines. It also involves assessing technical assistance needs and evaluation program outcomes, as well as monitoring administrative activities including compliance with the program’s terms and conditions, reporting requirements and completeness of documentation.

Comprehensive and Annual Program Compliance Monitoring Reviews are multi-purpose. They provide the Bureau with an overall picture of operations at each Community Action Agency (CAA) including their strengths and weaknesses. It is the Bureau’s objective to review all MDHHS-BCAEO contract-funded programs each Agency manages during the contract fiscal and/or program year. The programs can include Community Services Block Grant (CSBG AND CSBG-D) Programs, Local Water Utility Assistance (LWUA), Water Affordability (WATER), Michigan Energy Assistance Program (MEAP), the Diaper Bank (DGENF and DTANF) Programs, the Department of Energy (DOE) Weatherization Program, Low Income Home Energy Assistance Program (LIHEAP) Weatherization Program and DOE’S Weatherization Bipartisan Infrastructure Law (WXBIL)Program.

Program Compliance Overview

A random sample of WCOCED's client files (for each MDHHS-BCAEO funded program that either provided Specific Assistance to individuals or households or required a determination of client eligibility) were reviewed for completeness, program adherence, appropriate documentation, correct client income eligibility determination, and when applicable, correct client asset eligibility. The Program Compliance Monitor acknowledges the efforts of the WCOCED's staff to assist households with their immediate needs.

Entrance Conference

The entrance conference was held 04/09/2026 at 10:00 am via Microsoft Teams. Attendees included BCAEO Program Compliance Monitor Comelia Mathews, WCOCED Executive Director Toni Kayumi and staff members Nicole Kennedy, Tara Cohen, Monica Bullock, Heidi Johnson, and Aaron Kraft. PCM provided an overview of the monitoring process and answered agency questions.

CSBG Tripartite Board Compliance

WCOCED's Board has held six (6) meetings in FY25 in accordance with their bylaw requirement of six meetings per year. The Program Compliance Monitor observed board meeting minutes were uploaded to empowOR following the board's approval. There are fifteen members currently serving on the Board. By-laws require fifteen members.

File Review

Program: **CSBG FY25**

Number of Files Reviewed:

Compliant Citation: N/A Corrective Action: ☐ Yes ☒No	No specific assistance was provided for CSBG.

Program: **Weatherization Assistance Programs PY25/FY26**

Number of Files Reviewed: **15**

Program & File Review for **WxDEF**	The agency has a WXDEF grant for FY26. However, Programmatic Monitoring File Reviews consists of reviewing client files for income eligibility. Income eligibility for WXDEF is established based on applications deemed eligible to receive WAP services per CSPM 1500 to include eligibility established under CSPM 601 and CSPM 701. Work completed using WXDEF funds will be reviewed by the BCAEO Technical Monitor.
Corrective Action: ☐ Yes ☒No Citation: 612 No Compliance:	**Recommendation:** **Missing Documents**-Decision notices were missing. The agency uploaded the documents, but they were not dated. BCAEO Programmatic Monitor recommends Intake Staff review document collection requirements for WAP jobs. **Household IDs: DOE:** 187 **LIHEAP:** 191

Exit Conference

Exit Conference was held on Tuesday May 5, 2026, at 4:00 PM via Microsoft Teams. Attendees included BCAEO Program Compliance Monitor Comelia Mathews, WCOCED Executive Director, Toni Kayum and staff members Nicole Kennedy, Monica Bullock, Ellis Johnson, Aaron Kraft and Tata Cohen. PCM presented the contents of the draft report. The agency did not have any questions regarding the draft report. The meeting ended.

Monitoring Summary

WCOCED continues to do a great job supporting individuals and families in need. Overall, the organization demonstrates acceptable file management practices.

For the Weatherization Program (DOE and LIHEAP), there is one recommendation. During the review, some required documents were missing, specifically approval notices that were either not included or not dated. During follow-up, the agency provided the documents; however, the documents still did not display a notice date.

BCAEO recommends that the agency review document requirements with staff to ensure all collected documents include the necessary information, including dates and other required elements.

BCAEO would also like to thank WCOCED's staff for your ongoing commitment to serving the community. Your dedication is evident, and we encourage you to continue the good work. You are all making a meaningful difference.

Conclusion

Based on the sample size evaluated in this Program Compliance Review, WCOCED was generally in programmatic compliance with applicable federal, state, and internal regulations and guidelines.

GRETCHEN WHITMER
GOVERNOR

AMY EPKEY
ACTING DIRECTOR

July 7, 2026

Toni Kayumi, Executive Director
Washtenaw County Office of Community & Economic Development
415 W. Michigan Avenue
Ypsilanti, MI 48197

Re: IIJA Quality Assurance Monitoring Report PY25 MVID 3943

Dear Ms. Kayumi,

The Michigan Department of Health and Human Services (MDHHS) Bureau of Community Action & Economic Opportunity (BCAEO) is in receipt of the Washtenaw County Office of Community & Economic Development (WCOCED) response dated June 1, 2026 to our May 12, 2026 Quality Assurance Monitoring Report. The following is the MDHHS-BCAEO Management Decision Summary regarding your agency's response to the Findings and Concerns identified in the report. Comprehensive details are provided in the Job Analysis Detail attachment labeled "Resolved Issues".

BCAEO MANAGEMENT DECISION SUMMARY

MONITOR REPORT MVID 3943

Area of Concern: File Review Issues & Weatherization Technical Work Performance on Job **210** (Finding 9, Concern 12, Recommendation 4, Observation 18 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to upload missing deferral reduction documentation, show EWR as a funding source in the Compass, and complete missing empowOR Assessments. WCOCED was also recommended to return to the home to correct identified measures.

Agency Response:
Dated 06/01/2026 WCOCED has performed call-back work, provided photo documentation of corrections, and responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses and the documentation provided. The Finding, Concern, Recommendation, and Observation for this job are considered resolved.

Area of Concern: File Review Issues on Job **220**
(Finding 10, 11, Concern 16, Clarification 20 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to return to the home to correct identified measures, provide photo verification of the completed work, provide missing required documents, photos, and QC Checklist.

Agency Response:
Dated 06/01/2026 WCOCED has provided photo documentation of corrections, uploaded missing documentation, and responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses and the documentation provided. All Findings, Concerns, and Clarifications for this job are considered resolved.

Area of Concern: File Review Issues on Job **230**
(Concern 12, 13, Observation 18 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to show EWR as a funding source in the Compass, provide confirmation of review of pressure diagnostic policy, and complete missing empowOR Assessments.

Agency Response:
Dated 06/01/2026 WCOCED has uploaded missing documentation and responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses and the documentation provided. All Concerns and Observations for this job are considered resolved.

Area of Concern: File Review Issues, Audit Review Issue, & Weatherization Technical Work Performance on Job **299**
(Concern 3, 12, 14, Observation 5, 8, 18 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to return to the home to correct identified measures, provide photo verification of the completed work, show EWR as a funding source in the Compass, provide missing documentation, complete missing empowOR Assessments, provide room pressure diagnostic justification, and ensure house measurement accuracy.

Agency Response:
Dated 06/01/2026 WCOCED has performed call-back work, provided photo documentation of corrections, uploaded missing documentation, and responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses and the documentation provided. All Concerns and Observations for this job are considered resolved.

Area of Concern: File Review Issues on Job **300**
(Concern 12, 15, Observation 17, 18 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to show EWR as a funding source in the Compass, ensure all invoices align with the work order and empowOR expenditures, and complete the missing empowOR Assessments. WCOCED was also requested to follow manufacturer's specifications for air sealing use.

Agency Response:
Dated 06/01/2026 WCOCED has responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses. All Concerns and Observations for this job are considered resolved.

Area of Concern: Audit Review Issues & File Review Issues on Job **301**
(Concern 12, Observation 7, 18, 19, Clarification 21 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to show EWR as a funding source in the Compass, ensure furnace filters are treated as H&S, complete missing empowOR Assessments, and include justification for poor garage pressure differential going forward. WCOCED was also requested to clarify that several items were installed in the home.

Agency Response:
Dated 06/01/2026 WCOCED has responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses. All Concerns, Observations, and Clarifications for this job are considered resolved.

Area of Concern: Audit Review Issue, File Review Issues, & Weatherization Technical Work Performance on Job **799**
(Finding 10, Concern 6, 12, 14, Observation 5, 18 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to upload missing required documents, ensure ASHRAE is completed in the audit for every job, show EWR as a funding source in the Compass, and provide the missing QC Checklist. WCOCED was also requested to provide room pressure diagnostic justification and complete the missing empowOR Assessments.

Agency Response:
Dated 06/01/2026 WCOCED has uploaded missing documentation and responded to requested corrective action.

MDHHS Response: BCAEO monitors have reviewed the agency responses and the documentation provided. All Findings, Concerns, and Observations for this job are considered resolved.

Area of Concern:	File Review Issues on Job **1600** (Finding 9, 10, Concern 12, Observation 18, Clarification 22 on the Job Analysis Detail Template)
Corrective Action:	WCOCED was requested to upload missing deferral reduction documentation, upload missing required documents, show EWR as a funding source in the Compass, complete the missing empowOR Assessments, and provide justification for not performing LSW on future jobs.
Agency Response: **Dated** 06/01/2026	WCOCED has uploaded missing documentation and responded to requested corrective action.
MDHHS Response:	BCAEO monitors have reviewed the agency responses and the documentation provided. All Findings, Concerns, Observations, and Clarifications for this job are considered resolved.

Area of Concern:	File Review Issues & Weatherization Technical Work Performance on Job **2475** (Finding 1, Concern 12, Observation 18, Clarification 23 on the Job Analysis Detail Template)
Corrective Action:	WCOCED was requested to provide documentation of the water heater replacement, show EWR as a funding source in the Compass, complete the missing empowOR Assessments, and provide clarification for the LSW charges.
Agency Response: **Dated** 06/01/2026	WCOCED has provided documentation and responded to requested corrective action.
MDHHS Response:	BCAEO monitors have reviewed the agency responses and the documentation provided. All Findings, Concerns, Observations, and Clarifications for this job are considered resolved.

Area of Concern:	Annual Monitoring Issue: **Missing Health & Safety Certification** (Finding 24 on the Job Analysis Detail Template)
Corrective Action:	WCOCED was requested to submit a training plan for when the certification would be completed for: Gabrielle Long, Kenya Mellett, Deontaye York
Agency Response: **Dated** 06/01/2026	WCOCED has responded to requested corrective action, stating that the crew members listed are no longer on staff with contractors.
MDHHS Response:	BCAEO monitors have reviewed the agency response provided. In the future, it is best practice to provide an up to date contractor list for annual reviews. The Finding for this job are considered resolved.

Area of Concern:	Annual Monitoring Issue: **Missing OSHA Certification** (Finding 25 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to submit a training plan for when the certification would be completed for: Kenya Mallett, Mattew Merlo

Agency Response: Dated 06/01/2026 WCOCED has responded to requested corrective action, stating that the crew members listed are no longer on staff with contractors.

MDHHS Response: BCAEO monitors have reviewed the agency response provided. In the future, it is best practice to provide an up to date contractor list for annual reviews. The Finding for this job are considered resolved.

Area of Concern: Annual Monitoring Issue: **No folder/certifications located** (Finding 26 on the Job Analysis Detail Template)

Corrective Action: WCOCED was requested to submit a training plan for when the folder and required trainings would be completed/uploaded for: Colin Kratz

Agency Response: Dated 06/01/2026 WCOCED has responded to requested corrective action, stating that the crew members listed are no longer on staff with contractors.

MDHHS Response: BCAEO monitors have reviewed the agency response provided. In the future, it is best practice to provide an up to date contractor list for annual reviews. The Finding for this job are considered resolved.

For inquiries regarding this management decision, please reach out to MDHHS-BCAEO@michigan.gov. Ensure all correspondence related to this monitoring includes MVID 3943 in the email subject line.

Sincerely,

Kris Schoenow, Executive Director
MDHHS-Bureau of Community Action & Economic Opportunity

CC:
Heidi Johnson, Weatherization Program Supervisor
Aaron Kraft, Housing Program Supervisor
Danyelle Reynolds, Board Chair
Melanie Sanford, MDHHS-BCAEO Deputy Director
Maddy Kamalay, Weatherization Manager
Alex Mehls, Weatherization Specialist
Justin Walls, Weatherization Technical Specialist
Lisa Ritter, Weatherization Analyst
Tracy Thompkins, Program Compliance Manager
Robert Haske, Financial Manager
Theresa Stillman, Grant Manager
Christopher Addison, Lead Technical Monitor

Daniel Battah, Technical Monitor
Comelia Mathews, Program Compliance Monitor
Elaine Lee-Burks, Financial Monitor
Drew Gerth, Program Assistant
MiTEC
MVID 3943

STATEMENT OF EXPENDITURES

Michigan Department of Health & Human Services (MDHHS)

Authority: P.A. 230 of 1981

ORIGINAL MDHHS RECEIPT (MDHHS Use Only)

1. Grant Number
CSBG26 - (FY26) 81029
EGrAMS # CSBG1-2026
Federal Award Number
90200 (26)

Section I. Complete for all Submittals

2. Grantee Name: Washtenaw County Office of Community and Economic Development

3. Report Month/Year:	4. Accting Template:	5. PPC:	
May 2026	491xx5852	FYB26	EGrAMS Agreement Period: October 1, 2025 - September 30, 2026 Funding Period: October 1, 2025 - September 30, 2026

SECTION II. Bill Type

X	Original		Correction

SECTION III. Reported Expenditures

Line Item CATEGORIES	TOTAL PLANNED EXPENDITURES	PREVIOUSLY REPORTED EXPENDITURES	EXPENDITURES THIS PERIOD	EXPENDITURES YEAR-TO-DATE	BUDGET BALANCE
Salaries	$ 293,614.00	$ 51,329.40	$ 4,173.97	$ 55,503.37	$ 238,110.63
Fringe Benefits	$ 192,780.00	$ 32,104.84	$ 2,625.25	$ 34,730.09	$ 158,049.91
Occupancy	$ -	$ -	$ -	$ -	$ -
Communication	$ -	$ -	$ -	$ -	$ -
Supplies	$ -	$ -	$ -	$ -	$ -
Equipment	$ -	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ -	$ -	$ -
Contractual Services	$ -	$ -	$ -	$ -	$ -
Specific Assistance	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ 139,413.00	$ 13,430.27	$ -	$ 13,430.27	$ 125,982.73
Total	**$ 625,807.00**	$ 96,864.51	**$ 6,799.22**	**$ 103,663.73**	**$ 522,143.27**

Line Item flexibility=15% or $10,000 whichever is greater. Once max flexibility is met, LIT needed 30 days prior to end of grant. See CSPM 408.

BCAEO USE ONLY: _____General Ledger received and reviewed by GM _____Other

SECTION IV. Expenditures by Activity (YTD)

Administrative	$57,926.66
Direct Program	$45,737.07
TOTAL (should match Expenditures YTD Column in Section III)	**$103,663.73**

Section V. MDHHS USE ONLY: BCAEO Approval

1.Grant Manager: check the line by your name or print your name in "Other"

___ Michelle Judge
___ Andrew Kornecky
___ Courtney Lousma
___ Mel Losey
___ Theresa Stillman
___ Alex Mehls
___ Melissa McCollum
___ Viran Parag
___ Other_______________

Grant Manager Signature	Grant Manager Signature Date

2. Authorized MDHHS, BCAEO Approval:
___BCAEO Director, Kris Schoenow
___BCAEO Deputy Director, Melanie Sanford
___Other (print name) ___________________________

Authorized MDHHS, BCAEO Approval Signature	MDHHS, BCAEO Signature Date

COMMENTS

By signing this report, I certify to the best of my knowledge & belief that the report is true, complete & accurate, & the expenditures, disbursements & cash receipts are for the purposes & objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

The Michigan Department of Health & Human Services (MDHHS) does not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status,genetic information, sexual orientation, gender identity or expression, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a MDHHS office in your county.

Authorized Agency Signature	Title	Date
	Finance and Operations Division Administrator	06/25/2026

WASHTENAW COUNTY Michigan

Annual Comprehensive Financial Report

Year Ended December 31, 2025

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WASHTENAW COUNTY, MICHIGAN

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025

Prepared by the Finance Department

WASHTENAW COUNTY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025

BOARD OF COMMISSIONERS

Katie Scott, Chair

Jason Maciejewski
Crystal Lyte
Shannon Beeman
Caroline Sanders

Annie Somerville
Andy LaBarre
Yousef Rabhi
Justin Hodge

COUNTY ADMINISTRATOR

Gregory Dill

CHIEF FINANCIAL OFFICER

Tina Gavalier

WASHTENAW COUNTY

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WASHTENAW COUNTY

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COUNTY ADMINISTRATOR

220 NORTH MAIN STREET, P.O. BOX 8645
ANN ARBOR, Michigan 48107-8645
(734) 222-6850
FAX (734) 222-6715
http://www.ewashtenaw.org

May 13, 2026

To the Board of Commissioners and Citizens of
Washtenaw County:

The Annual Comprehensive Financial Report of Washtenaw County for the year ended December 31, 2025, is submitted herewith. It was prepared by staff in the Finance Department with assistance from the accounting personnel in other County departments. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County.

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 December 31, 2025.

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 has been 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 misstatement.

Rehmann Robson LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Washtenaw County's financial statements for the year ended December 31, 2025. 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. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Washtenaw County, incorporated in 1827, is located in the southeast region of Michigan's Lower Peninsula, approximately 40 miles west of Detroit. The County encompasses 28 cities, villages and townships with the settings covering the spectrum from rural to suburban to urban. It is the sixth largest county in the State of Michigan, with a 2024 population of 373,875. Its major cities are Ann Arbor and Ypsilanti, with estimated 2024 populations of 122,914 and 20,967, respectively. Washtenaw County is empowered to levy a property tax, the primary source of funding, on both real and personal property located within its boundaries.

The governmental structure of Washtenaw County is based upon the State Constitution and the general laws of the State of Michigan. The County's legislative body, and its administrative body for many functions, is the County Board of Commissioners. The Board of Commissioners consists of nine members elected by direct vote from single-member districts every four years. In Washtenaw County, the Board of Commissioners appoints a County Administrator who is responsible for daily operations. In addition to the Board of Commissioners, there are fifteen elected officials serving the County in judicial, administrative, or staff officer roles. An organization chart depicting the County structure is shown on a page following this letter.

Washtenaw County provides a full range of services in the following service area groups: civic infrastructure, economic development, emergency preparedness and response, health and human services, land use and environment, public safety and justice, and support services. The County is responsible for the management and financing of these operations. Other services are provided through legally separate entities. The Washtenaw County Building Authority, although legally separate, functions as a department because its sole purpose is to finance and construct the County’s public buildings. Therefore, it is included as an integral part of the County’s financial statements. Washtenaw County is also financially accountable for four legally separate component units: Department of Public Works Projects, Water Resources Commissioner, Road Commission and Brownfield Redevelopment Authority. These component units are reported separately within the County’s financial statements. Additional information related to these legally separate entities can be found in the notes to the financial statements (See Note 1).

The Board of Commissioners is required to adopt a final operating budget prior to the beginning of each fiscal year. This annual budget serves as the foundation for Washtenaw County’s financial planning and control. The budget is approved and budgetary control is exercised at the department level for the general fund and the function level for the special revenue funds. Expenditures may not exceed budgeted appropriations at these levels. Departments are authorized to make budget adjustments up to $10,000 within established categories of their budget. The County Administrator is authorized to make budget adjustments within and between categories of budgets up to $100,000 or 10 percent of the budget, whichever is less. Budget adjustments greater than this amount must be approved by the Board of Commissioners. Transfers from the capital reserve capital projects fund must be approved solely by the Board of Commissioners for any amount.

Local Economy

Washtenaw County's major industries provide a wide array of services. The largest sectors of employment are socially directed (37.1 percent in Educational Services and Health Care); technical and production (23.0 percent technical services and manufacturing); and the supporting retail, food, and culture business (16.8 percent retail and food services). Many quality educational institutions, most notably the University of Michigan and Eastern Michigan University, are located within our borders. The County government has a significant economic presence thanks to the vast array of services provided by approximately 1,400 employees spread throughout all of our cities, villages, and townships. We also possess several advantages including a diverse and robust group of industries well-equipped against any macro or micro-economic upheavals, a large and well-educated population, and a leadership core that is focused on long-term growth and sustainability.

The County's unemployment rate remained steady at 3.7 percent in December 2025. This rate was 5.0 percent for the state and 4.4 percent at the national level, respectively, at the end of 2025. The County's unemployment rate has been consistently below the state and national averages throughout the past decade. The University of Michigan's College of Literature, Science, and the Arts (UofM LSA) develops annual economic outlooks at the county, state, and national levels. In their interim update for the 2025-2027 Washtenaw County outlook, they propose that the county's economy will withstand the current economic challenges, the forecast predicts the County's unemployment rate to remain steady and be around 4.4% by the end of 2027.

Washtenaw County has had an exceptional record of successfully recovering from past economic recessions. During the eight year recovery in the period 2009-2016, the County added 25,107 jobs or an average annual growth of 1.9 percent (3,537 jobs annually). This compares favorably to the national and state averages for this same period, which were 1.4 and 1.6 percent, respectively. UofM LSA, in their County economic outlook, forecasts for continued job creation and growth but at a slower pace for 2026 through 2027. Payroll Job growth for the County will be at a more modest pace of 0.5% for the next few years. The Research Seminar in Quantitative economics (RSQE) discusses how Washtenaw continues to benefit from a favorable industry mix as well as higher average wages in the government sector. Washtenaw County's well-educated population and traditionally recession-resistant higher education sector gives its economy a better chance of rebounding from any negative economic events. Their outlook represents a notable downshift from last year's robust outlook, reflecting the rapidly evolving economic landscape.

In an interim update for the 2026-2027 economic outlook at the national and state levels, UofM LSA focused upon the risks and opportunities in the current economic environment. Michigan has the potential for job growth in the government, leisure, and hospitality sectors. Healthcare, historically a major driver of job growth, slows substantially through 2027 due to a tough funding landscape while manufacturing is predicted to dip in 2026 before returning to growth in 2027. There is some expectation of growth in personal income and real disposable income over the next two years. There is concern over the effects of tariffs and the war with Iran upon the state and local economies. Examples given are; the ongoing hostilities in Iran have the potential to lead to significantly higher inflation if the conflict is not resolved quickly, also noted was the continued imposition of tariffs on imports.

Washtenaw County has maintained strong population and household income growth over the past decade. This growth is expected to slow down for the next two years. However, population estimates as of the two most recent surveys by the Census Bureau showed a decline to 369,390 for fiscal year 2021 followed by another drop to 366,504 in 2022. The estimate for 2024 is 373,875, and that growth estimated in prior years to a population of 386,235 by 2040 is still valid. According to recent data released by the U.S. Census Bureau, the estimated median age of citizens in Washtenaw County is 35.1 years compared to 40.3 years for the entire state of Michigan. Over half, 57.4 percent, of our residents 25 years and older have completed four or more years of college compared to 32.1 percent for the State of Michigan. The low median age and high level of educational attainment assures that the future will hold a broad pool of skilled candidates from which employers can choose for our various industry sectors. The median household income of our residents is substantially higher ($79,665 compared to $66,986) than that of the State of Michigan. This indicates a healthier local economy and a higher standard of living for our residents which will assist the County in retaining its skilled labor force.

Washtenaw County's taxable property values have realized strong growth since the recovery from the Great Recession. In the years following that economic turmoil (2009-2019), the total taxable value grew at an average rate of between 2.2 and 4.8 percent. Appreciation in taxable value took a breather due to the pandemic-driven economic slowdown in 2020 and 2021 but overall remained largely steady. Inflationary pressures and a return to economic stability has driven steady growth in the past two years. 2025 saw an increase of 5.6 percent in total taxable value compared to the increase of 7.0 percent in 2024.

Long-term Financial Planning

The Board of Commissioners commits to long-term budget flexibility and sustainability, and an adequate level of cash flow with its attention to fund balance. A healthy fund balance is an essential ingredient and the following was considered to determine an appropriate level as a target: an appropriate level to fund at least 60 days of operations, to help offset negative cash flow (primarily from the seven month delay in property tax collections after incurred expenses), and to assist buffering any unexpected downturns. Therefore, the Board shall plan future budgets to meet the goal of a reserve for subsequent years representing at least 29 percent of General Fund expenditures, net of indirect costs as authorized per Resolution 22-115.

The Board of Commissioners has committed to ensure the long-term fiscal stability of the County. The County has worked diligently over the years making long-term fiscal stability a top priority, which has resulted in higher bond ratings, reasonable levels of debt, and reserves in line with policy and annual surpluses. Washtenaw County has relied on long-term budgeting as well, and has prepared multi-year budgets since 1994. Since 2013, quadrennial (four-year) budgets have been developed and adopted. Quadrennial budget development occurs through engagement with all employees in partnership with organizational leaders.

The budget is a set of complex and interrelated assumptions; but nobody can predict the future. Through development and adoption of the County's eleventh quadrennial (2024-2027) budget, a review of revenue opportunities was conducted, a continued focus was maintained on containing expenditures, and a review of the organizational structure and non-department specific expenditures was implemented. The County also ran a Budget Request Process for structural and non-structural investments for the 2024-2027 budget. The 2025-2028 budgets were developed following a process that continued the revenue enhancement and expenditure containment activities, while continuing the structural strategic investments first prioritized in the 2024-2027 budget. Revenue projections were also updated to reflect the necessary revisions due to annual Equalization reports as well as when economic conditions warrant. The Board of Commissioners adopted the County's twelfth quadrennial (2025-2028) budget on December 4, 2024. The County's annual budgets are balanced through 2028.

The quadrennial budget was developed with an attempt to balance the short-term with the long-term, both from a fiscal perspective but also considering the impact on the community. We must be conservative to set ourselves on a path towards long-term fiscal stability. At the same time, we must be reasonable in our assumptions to maintain as many programs and provide as many services to those in need. A rolling four year budget is presented regularly to provide a complete picture of the impact of decisions in the long-term for all to be and stay informed.

On the revenue side, the major assumption is that property taxes modestly grow in 2026 and beyond in alignment with the 2025 Equalization Report. This is reflected in a projected 3 percent growth in taxable value in 2026 and 1.5 percent growth in taxable value each remaining year. This assumption is conservative to assure we are able to absorb the impact of any applicable Headlee reduction fraction, increased support for tax increment financing authorities, and the result of personal property tax reform. These projections assume the State of Michigan will keep reinstated revenue sharing/county incentive program in the amount of $9.4 million per year. Other revenue including fines and fees are estimated to remain relatively flat.

For expenditures, salary and fringes are the largest component of the budget. 2025 had settled labor agreements with an upcoming wage reopener for 2026. The projections were then able to take into consideration conservative wage adjustments in alignment with the labor agreements reached and factor in growing fringe rates based on trends, which are currently projected to be a bit above 4 percent annually. There is an exception for 2026 fringe rates, where medical renewals were above previously budgeted assumptions. This year contains $4 million to absorb the increased cost without passing it on to employees. Next to personnel, the largest portion of the General Fund budget comes through its appropriations to programs outside the General Fund.

Another critical aspect of this budget is adjustments to the way the County approaches budgeting for attrition. It has been a longstanding practice since the Great Recession to budget attrition within Central Charges as opposed to department budgets. This has resulted in large vacancy savings within department budgets both in the General Fund and Non-General funds. In May 2024, the Board passed resolution 24-107 directing the County to shift the approach toward budgeting attrition. The Board has now directed the County to budget attrition based on the last full fiscal year or multi-year trend directly in departmental budgets. 2025 was the first year that attrition was budgeted in departmental budgets, and the practice continues for 2026 and beyond.

In a worst-case scenario, there is a risk this renewed practice combined with various variables regarding practices around vacancy savings, County employment levels, and new labor agreements may result in a budget shortfall that will require use of fund balance. Since this is the first time in about two decades that attrition is being calculated directly based on position control and in department budgets, there is not recent trend data to rely on. In determining rates, the County took a conservative approach until more trend information is available.

The County has already begun planning its next multi-year budget. The strategies for long-term fiscal stability revolve around revenue growth and reform through strategic leveraging and economic stabilization; minimizing the growth of personnel costs through innovative solutions, employee cost-sharing and partnerships with labor units; organizational restructurings for efficiency and determination of core services; community collaborations to bring forth consolidations with reduced costs of doing business; and evaluating cost allocation of indirect services and maintaining an investment in infrastructure and reserves.

Relevant Financial Policies

Establishment and Use of General Fund Balance

Washtenaw County's establishment and use of General Fund balance is actually a significant portion of its overall budgeting and forecasting strategy. The development and use of the Quadrennial budget allows the County to maintain financial stability; however, Washtenaw County realizes that sound financial management actually begins with a solid financial position. The first financial question Washtenaw County officials ask is not "how do we balance the budget", but "where do we want to be financially in the next five years." County officials first set a goal of a solid financial position and "work backwards" to develop a budget which will achieve that goal.

The measurement of a solid financial position is a strong General Fund balance. Washtenaw County's General Fund fund balance has increased over the past several years. This increase in fund balance is not accomplished by accident, but is part of the design to assure the County's ability to continue to provide services to its residents through long-term financial stability.

It is Washtenaw County's usual practice to develop and maintain a General Fund balance equating to approximately 29 percent of annual General Fund expenditures and transfers out. This figure is calculated based upon two criteria. The first criterion is the Government Finance Officers' Association (GFOA) recommendation to retain at least two months of annual revenue (approximately 17 percent) in fund balance. Such a practice provides a cushion against sudden fiscal crises, allowing the County to meet emergency demands without severely disrupting ongoing operations and services. Though this recommended practice is a national criterion, it falls short for the County, as it does not take into account the seven month lag experienced to collect our single largest General Fund revenue source: property taxes.

The second criterion is the need for an additional cash flow cushion based upon the fact that Michigan Public Act 357 of 2004 requires the County to collect property taxes in arrears. Under this State Act, counties levy property taxes in July of each calendar year, which is six months AFTER the beginning of Washtenaw County's fiscal year. Prior to enacting P.A. 357, the County levied property taxes in December prior to the beginning of the fiscal year. This shift to a later levy date results in the need for short-term borrowing to augment General Fund cash balances around April of each fiscal year. Historically, the General Fund borrowed from other internal funds to pay obligations until property tax revenue began coming in during late July/early August. By building up General Fund fund balance, the County hopes to mitigate the need, or at least the amount, of borrowing required to meet cash flow needs.

It should finally be noted that a healthy General Fund fund balance can also provide a source of funds for one-time expenditures (such as major capital purchases) or for limited-time enhancements, which would not normally be budgeted on a continuing basis. This allows the County to enhance services to residents, and develop procedures to meet long-term financial needs, without limiting on-going services. Even under constricted budgets, there still may be occasions where a one-time expenditure for a particular pilot project or program could lead to future efficiencies. A healthy General Fund fund balance provides the County's management and policy makers with a degree of limited flexibility to explore these options.

Major Initiatives

In 2022, the Board and County leadership began the process of shifting to program-based budgeting with the goal of doing priority-based budgeting in the future. The goal is to begin to shift the narrative of budgeting to be focused solely on departments as a solid dollar figure with specific categories of cost centers to increase transparency and accountability and to provide the narrative to the board, the organization and the community.

During 2023, the County undertook a full budget development process including a thorough budget request process. As a part of this process, the County was able to make investments that would align with organizational priorities which have carried into the 2025-2028 reaffirmation. The decisions during that development laid much of the framework for this reaffirmation.

The next step in the process was to inventory all county programs in a similar manner, collecting information on the program, their outcomes and categorizing them against the following criteria:

1. Level of Mandate
2. Cost Recovery
3. Impact on Building Safe & Healthy Communities
4. Impact on Equity
5. Impact on Climate Action Plan
6. Impact on Good Governance

After departments sent this information to Finance, it was then compiled and shared with a cross-functional team made up of employees from most County departments representing all levels of work from front-line employees up to department heads. This team was broken into smaller groups and each group was assigned a subset of the programs to review in the County's first ever Program Review Process. The results of this process will be able to be used in future budget development processes.

In 2025, this work was further enhanced when the Board of Commissioners had a priority retreat where they stated three priorities, one of which was entitled Resource Management where the Board asked to fully understand what programs are operated by County Departments and Elected Officials, what mandates drive those, and how are resources allocated to them. The Budget team launched an initiative to update the program inventories to capture all of this information and delivered a comprehensive program inventory to the Board in September 2025.

During the shift to program-based budgeting, the County Board and Administration also agreed to have a targeted purpose for each year of the Quadrennial process.

Year 1 will focus on program review and updating County programs for goals/targeted outcomes. Year 2 will focus on strategic planning and vision, setting up for the next budget development by establishing goals and plans. Year 3 will focus on budget preparation work including updating compensation with a salary study, preparing program inventories, board priorities and other necessary work. The fourth year of the quadrennium will be focused on a fulsome budget development process. In both the second and fourth years, budget request processes are planned to stay in touch with the needs of departments in the County.

The American Rescue Plan Act (ARPA) allocated nearly $72M to Washtenaw County in 2021 and all ARPA money had been received as of December 31, 2022. The County had until December 31, 2024 to obligate the funds and until December 31, 2026 to expend all funds. As of December 31, 2024 all ARPA funds have been allocated to various allowable projects that have been authorized by the Board of Commissioners, and any unused funds were obligated by contract, interagency agreement, or other method allowable by the US Department of Treasury. Many transformative projects have been undertaken with ARPA funds through the Washtenaw Rescue Plan including; connecting Washtenaw County (countywide broadband internet), encouraging generational success, addressing housing affordability and homelessness, creating a more sustainable community, supporting a strong local economy, investing in health and wellbeing and practicing good government. Spending continued on these projects throughout 2025.

* Washtenaw Rescue Plan

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Washtenaw County, Michigan for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. This was the 35th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition to the Certificate of Achievement, the County received the GFOA's Distinguished Budget Presentation Award for its budget for the quadrennial period beginning January 1, 2024. To qualify for the Distinguished Budget Presentation Award, the County's budget document was judged as a policy document, a financial plan, an operations guide, and a communication device. Washtenaw County has been a proud recipient of this award since 1994.

Finally, Washtenaw County is the proud recipient of the GFOA award for its Popular Annual Financial Report. The fiscal year 2024 report was the County's 18th consecutive award. Washtenaw County is the only county in the State of Michigan and one of around 69 counties in the United States that holds all three of the GFOA awards simultaneously which the GFOA refers to as the "Triple Crown".

The preparation of this report on a timely basis was made possible by the dedicated service of Finance Department accounting staff, the accounting personnel from the Treasurer's Office, Sheriff's Office, Water Resources Commissioner's Office, Public Works, Office of Community and Economic Development, Road Commission, Community Mental Health, Public Health, Parks and Recreation, and other County departments, as well as advice from Rehmann Robson.

I wish to express my appreciation and acknowledge those who assisted and contributed to the preparation of this report:

Dan Ackerman	Ellis G. Johnson, II	Elle Soros
Terry Ballantyne	Catherine Jones-Alther	Thomas Sweeney
Jennifer Brassow	Michelle Katz	Melissa Taulbee
Jason Brooks	Deepti Manjeshwar	Kristi Thiel
Tracy Bragiel	Marie Pfeifer	Tyruse Walls
Angela Combs	Nicole Phelps	Alexander Waterhouse
Mary Conley	Rachel Rosenberg	Anthony Zahm
Benjamin Hourani	Keith Shoemaker	
SiRui Huang	Vickey Smith	

Credit also must be given to the Board of Commissioners as well as the Chief Financial Officer, Tina Gavalier, for their unfailing support for maintaining the highest standards of professionalism in the management of Washtenaw County's finances.

Sincerely,

Gregory Dill

Gregory Dill
County Administrator

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

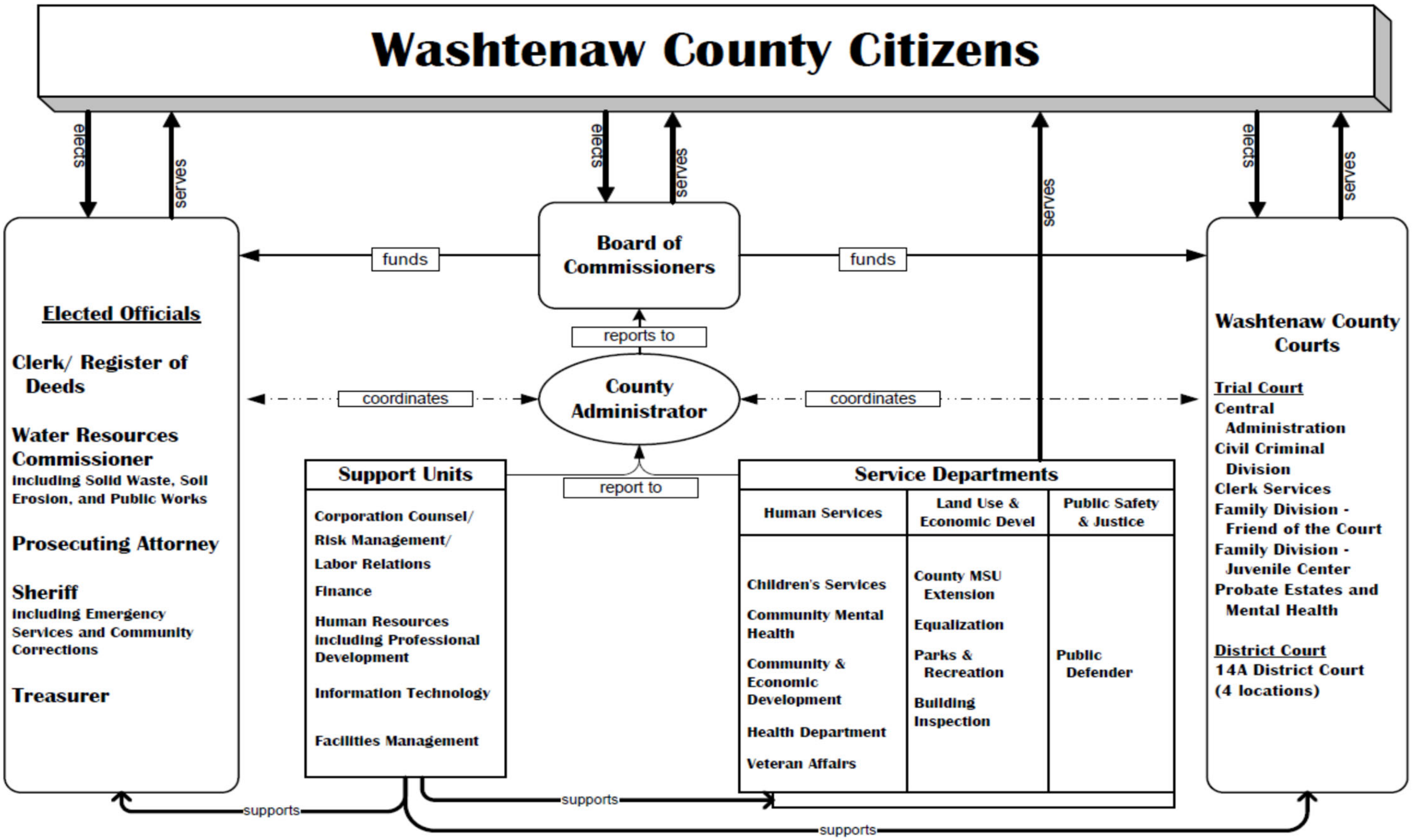
Washtenaw County
Michigan

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO


Washtenaw County Citizens
elects
serves
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serves
elects
serves
Board of Commissioners
funds
funds
reports to
County Administrator
coordinates
coordinates
report to
Elected Officials
Clerk/ Register of Deeds
Water Resources Commissioner
Including Solid Waste, Soil Erosion, and Public Works
Prosecuting Attorney
Sheriff
Including Emergency Services and Community Corrections
Treasurer
Support Units
Corporation Counsel/ Risk Management/ Labor Relations
Finance
Human Resources Including Professional Development
Information Technology
Facilities Management
Service Departments
Human Services
Land Use & Economic Devel
Public Safety & Justice
Children's Services
Community Mental Health
Community & Economic Development
Health Department
Veteran Affairs
County MSU Extension
Equalization
Parks & Recreation
Building Inspection
Public Defender
Washtenaw County Courts
Trial Court
Central Administration
Civil Criminal Division
Clerk Services
Family Division - Friend of the Court
Family Division - Juvenile Center
Probate Estates and Mental Health
District Court
14A District Court (4 locations)
supports
supports
supports

WASHTENAW COUNTY

PRINCIPAL OFFICIALS

At December 31, 2025

Board of Commissioners

Katie Scott, Chair

Jason Maciejewski	Annie Somerville
Crystal Lyte	Andy LaBarre
Shannon Beeman	Yousef Rabhi
Caroline Sanders	Justin Hodge

District Court Judges

Anna Frushour	J. Cedric Simpson	Karl A. Barr

Trial Court Judges

Carol Kuhnke	Darlene A. O'Brien
Jinan A. Hamood	Julia B. Owdziej
Patrick J. Conlin, Jr.	Tracy E. Van den Bergh
Arianne E. Slay	

Clerk/Register of Deeds	**Water Resources Commissioner**	**Prosecuting Attorney**
Lawrence Kestenbaum	Gretchen Driskell	Eli Savit

Sheriff	**Treasurer**
Alyshia Dyer	Latitia Sharp

County Administrator

Gregory Dill

FINANCIAL SECTION

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Rehmann

INDEPENDENT AUDITORS' REPORT

May 13, 2026

To the Board of Commissioners
of Washtenaw County
Ann Arbor, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the 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 ***Washtenaw County, Michigan*** (the "County"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying 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 County, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following entity, which represents the indicated percentages of total aggregate discretely presented component units:

	Percent of Assets and Deferred Outflows	Percent of Revenues	Percent of Net Position
Washtenaw County Road Commission	81.5%	82.7%	85.0%

Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the above entity, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Washtenaw County Road Commission were not audited in accordance with *Government Auditing Standards.*

Restatement of Beginning Net Position

As discussed in Note 17 to the financial statements, beginning net position of the Department of Public Works Projects component unit was decreased and beginning net position of the Water Resources Commissioner component unit was increased due to the County overstating and understating, respectively, special assessments receivables in prior year. Our opinion is not modified with respect to the these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the pension and other postemployment benefit plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who 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 supplementary 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.

Supplementary 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 combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has 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, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued, under separate cover, our report dated May 13, 2026, 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, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Rehmann Robson LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of Washtenaw County, Michigan 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 December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, as listed in the table of contents, and the accompanying basic financial statements.

Financial Highlights

· Total net position	$ 375,939,623
· Change in total net position	14,863,960
· Fund balances, governmental funds	254,623,923
· Change in fund balances, governmental funds	19,712,118
· Unassigned fund balance, general fund	71,792,362
· Change in fund balance, general fund	8,519,914
· General obligation debt outstanding	23,918,000
· Change in general obligation debt	1,277,000

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the County as a whole (government-wide financial statements) and present a longer-term view of the County's finances. Fund financial statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds.

The remaining statements provide financial information about activities for which the County acts solely as a trustee or fiduciary for the benefit of those outside of the government. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. This is limited to this discussion and analysis and the schedules concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to certain employees.

Reporting the County as a Whole

The Statements of Net Position and Activities. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of this year's activities?" The statements of net position and activities report information about the County as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements present financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. During 2025, the net position of the County increased by $14.9 million.

The statements of net position and activities present information about the following:

Governmental activities. All of the County's basic services are considered to be governmental activities, including legislative, judicial, general government, public safety, public works, health, social services, culture and recreation, and interest on long-term debt. Property taxes, operating grants and contributions, and charges for services finance most of these activities.

Business-type activities. Other functions of the County that are intended to recover all or a significant portion of their costs through user fees and charges are considered to be business-type activities. These include delinquent tax collections and property foreclosures.

Management's Discussion and Analysis

Component units. The County includes four legally separate entities in its financial statements: the Washtenaw County Department of Public Works Projects, the Washtenaw County Water Resources Commissioner, the Washtenaw County Road Commission and the Washtenaw County Brownfield Redevelopment Authority. Although legally separate, these component units are important because the County is financially accountable for them.

Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The Washtenaw County Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government.

Reporting the County's Most Significant Funds

Fund Financial Statements. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the County establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The County's two primary kinds of funds – governmental and proprietary – use different accounting approaches.

Governmental funds. Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides.

Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. 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 fund balance sheet and 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 numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the general, community mental health, parks and recreation, mental health/public safety millage, and county capital projects funds, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements and schedules* elsewhere in 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. The County uses enterprise funds to account for delinquent tax operations and property foreclosures. 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 support services provided to other departments, which includes community mental health (CMH) group homes, information technology services, facilities management, fleet, payroll fringe benefits, general services, insurance, severance benefits, telephone services and workers compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within 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 delinquent tax operations and other enterprise funds. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or *fiduciary,* for certain amounts held on behalf of others. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Additional Information

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.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information.* This is limited to this management's discussion and analysis and schedules concerning the County's obligation to provide pension and other postemployment benefits to certain employees.

The combining and individual fund financial statements and schedules referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information.

Financial Analysis of the County as a Whole

This government-wide financial analysis focuses on the net position and changes in net position of the County's governmental and business-type activities. As noted earlier, net position may serve over time as a useful indicator of a government's financial health. As the following table shows, the County's net position was $375.9 million at December 31, 2025.

By far, the largest portion of the County's net position is its investment in capital assets (i.e., land, buildings, vehicles and equipment), net of any related debt used to acquire those assets that is still outstanding. This amounted to $231.1 million at December 31, 2025. 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.

Restricted net position amounted to $135.8 million at December 31, 2025. This represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position was $9.1 million at December 31, 2025. This was caused by the recognition of the County's net pension liability in the statement of net position as required by Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions* as well as the recognition of the County's net liability for postemployment benefits other than pensions (referred to as OPEB) as required by Governmental Accounting Standards Board Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* In particular, the large swing from the prior year was heavily driven by the strong performance in the securities market of held investments for both the pension and OPEB plans.

Management's Discussion and Analysis

Washtenaw County's Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 445,124,172	$ 457,531,932	$ 33,699,413	$ 28,658,185	$ 478,823,585	$ 486,190,117
Capital assets	251,862,676	233,726,849	17,179	22,086	251,879,855	233,748,935
Total assets	696,986,848	691,258,781	33,716,592	28,680,271	730,703,440	719,939,052
Deferred outflows of resources	39,549,005	28,336,874	-	-	39,549,005	28,336,874
Long-term liabilities	178,482,026	204,427,806	18,524,470	14,476,007	197,006,496	218,903,813
Other liabilities	87,313,119	89,090,502	1,632,324	760,045	88,945,443	89,850,547
Total liabilities	265,795,145	293,518,308	20,156,794	15,236,052	285,951,939	308,754,360
Deferred inflows of resources	108,360,883	78,445,903	-	-	108,360,883	78,445,903
Net position:						
Net investment in capital assets	231,034,124	218,965,652	17,179	22,086	231,051,303	218,987,738
Restricted	122,293,591	140,047,877	13,542,619	13,422,133	135,836,210	153,470,010
Unrestricted (deficit)	9,052,110	(11,382,085)	-	-	9,052,110	(11,382,085)
Total net position	$ 362,379,825	$ 347,631,444	$ 13,559,798	$ 13,444,219	$ 375,939,623	$ 361,075,663

The County's net position increased by $14.9 million from fiscal year 2025. Current year operations provided a $14.7 million surplus of revenues over expenses related to governmental activities. A detailed breakdown of the increases and decreases by activity grouping is included below in the "Governmental Activities" section.

Governmental Activities. As noted above, total revenues and transfers exceeded total expenses by $14.7 million during 2025. Key elements of this increase in net position were as follows:

- Operating grants and contributions revenue increased $30.5 million over the prior year. Operating grant revenue related to social services and economic development increased by $1.2 million. The main driver of this change ($1.0 million) was the addition of the Legislative Enhancement Grant related to the expansion of a family shelter. Revenues related to judicial activities increased by $3.7 million from the prior year as greater funding was received for indigent defense services administered by local municipalities per the Michigan Indigent Defense Act. The Act requires that jurisdictions allocate their budgeted local share before they can utilize revenues provided by Michigan Licensing and Regulatory Affairs (LARA). LARA adjusts the money to be allocated by the state by comparing expenditures with the unexpended fund balance and the County's local share. The County heavily utilized unexpended funds from prior years but development of the program has reached the point where we do not have a large amount of unexpended funds. We anticipate this will continue and judicial grant and contribution revenues received from LARA will need to continue to increase annually to support this program. Public health services grant contributions increased by $22.6 million. This increase was driven by greater utilization of other mental health programs such as DCH Medicaid Capitation ($18.3 million increase) as well the Medical Autism program ($1.6 million increase) and other federal, state and local programs (a net increase of around $2.1 million). General government revenue decreased by $0.9 million from the prior year. Public safety grant revenue increased by $0.9 million. There were no main drivers for this change as there were several increases and decreases in the current year grant revenues, all about $0.2 million or less.

Management's Discussion and Analysis

- Property tax revenue increased by $19.1 million during 2025. Property taxes generated from the general operating millage increased by $5.6 million due to the continued increase in the taxable value of assessed property in the County. This is despite the reduction in the rates levied under the terms of the Headlee Amendment of Proposal A of 1994 as the rate of inflation was not surpassed the statutory cap on revenue growth from taxes of 5 percent. Increases for our specially voted millages increased by a total of $14.4 million for this, the addition of the Older Persons Services millage (.4981 mills, for about $11.2 million), and the Veterans Relief and one of the Parks special voted millages being re-upped to the initial millage rate of .1000 and .5000 (less the Headlee rollbacks).

- Unrestricted investment earnings increased by $1.1 million. Interest rates remained largely stable with the prior year as the incredible inflationary pressures from prior years abated. This stability helped maintain the upwards trend in our investment earnings. Interest rates on held investment dollars have continued to increase as the Federal Reserve has taken action to cool inflation. The rate began the year at 4.60 percent and finished the year at 4.15 percent, never falling far below that.

- Accommodations taxes restricted for tourist programs increased by $0.5 million from the prior year to $8.8 million in 2025. This is the type of growth expected in the accommodation industry as it reaches full demand for touristry and temporary housing returns.

- Charges for services revenue decreased by $2.9 million. This is primarily related to charges for services related to health and public safety by $1.3 and $1.5 million, respectfully. The County is part of a couple nationwide settlements of litigation regarding the production and distribution of opioids against the three largest pharmaceutical distributors, McKesson, Cardinal Health, and AmerisourceBergen, and manufacturer Janssen Pharmaceuticals. The County expects to receive $16.4 million over a period of 18 years from distributors, with 16 years remaining in this settlement and recognizes a present year amount based upon a calculation from the State. The 2025 receipt was $1.0 million, down $1.7 million from the prior year. The decline in public safety was almost entirely driven by a decrease in direct police services reimbursement as the Department eliminated its banked overtime hours for sheriffs.

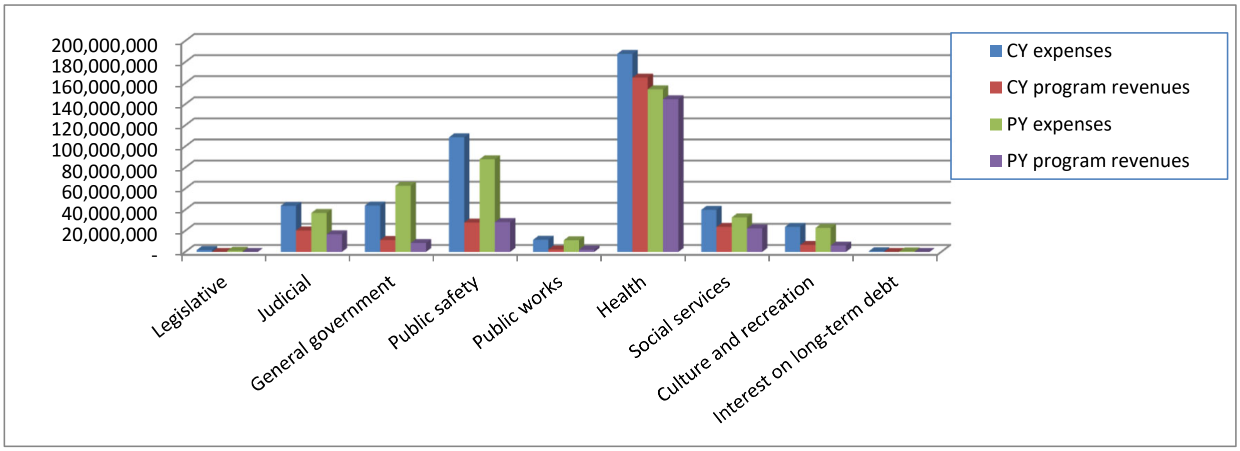
- Grants and contributions not restricted to specific programs decreased by $29.5 million in 2025. This decrease was primarily driven by one large item. The funds received from the federal government under the American Rescue Plan Act (ARPA) were required to be obligated in full by December 31, 2024 and final expenditures to be complete by December 31, 2026. In 2025, we had $6.1 million in reimbursable expenditures under ARPA, a decline of $30.2 million from the prior year. Outside of this decline in ARPA, the County had an increase of $1.6 million in non-specific grants and contributions. First of all, the State Revenue sharing dollars, which are not restricted to specific programs, increased by $0.5 million from the prior year. The overtime reimbursement item discussed in charges for services was reclassified to be a grant and contribution not related to a specific program due to the change in recognizing banked hours, driving an increase of $0.8 million over the prior year.

- Transfers for governmental activities decreased by a total of approximately $7.3 million during 2025. This variance was caused by timing differences in transfers between County funds which follow the state fiscal year end of September 30th and the majority of the funds which operate on the calendar year. All transfers are net neutral transactions, but for reporting purposes, transfers in and out of calendar year end funds that occur in the last three months of the year will be reflected in the year being audited while those into and out of a September 30th fiscal year end will be included in the following year. A description of all timing differences may be found in Note 8 of the notes to the financial statements. A transfer of $7.0 million was made in 2024 to set aside funding for the East Side Recreation Center. This was a one-time transfer to fund the County’s portion of the expected costs of the project and therefore would not have recurred in 2025.

Washtenaw County's Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	$ 39,789,523	$ 42,728,045	$ 3,116,608	$ 3,250,056	$ 42,906,131	$ 45,978,101
Grants and contributions -						
Operating	216,289,146	185,753,828	-	-	216,289,146	185,753,828
Capital	1,099,896	181,716	-	-	1,099,896	181,716
General revenues:						
Property taxes	169,157,065	150,080,493	-	-	169,157,065	150,080,493
Accommodation taxes restricted for tourist programs	8,848,868	8,368,234	-	-	8,848,868	8,368,234
Excise taxes	5,068,352	5,244,381	-	-	5,068,352	5,244,381
Grants and contributions not restricted to specific programs	20,155,388	49,637,822	-	-	20,155,388	49,637,822
Unrestricted investment earnings	15,688,088	14,615,525	1,449,225	1,256,202	17,137,313	15,871,727
Total revenues	476,096,326	456,610,044	4,565,833	4,506,258	480,662,159	461,116,302
Expenses						
Legislative	1,779,141	1,043,937	-	-	1,779,141	1,043,937
Judicial	43,687,516	36,993,343	-	-	43,687,516	36,993,343
General government	43,953,069	62,770,380	-	-	43,953,069	62,770,380
Public safety	108,607,412	87,855,680	-	-	108,607,412	87,855,680
Public works	11,458,394	11,027,022	-	-	11,458,394	11,027,022
Health	187,782,566	154,129,646	-	-	187,782,566	154,129,646
Social services	39,880,026	32,642,760	-	-	39,880,026	32,642,760
Culture and recreation	23,752,309	22,704,479	-	-	23,752,309	22,704,479
Interest on long-term debt	545,564	352,842	-	-	545,564	352,842
Delinquent tax collections and related activities	-	-	2,895,433	1,592,934	2,895,433	1,592,934
Total expenses	461,445,997	409,520,089	2,895,433	1,592,934	464,341,430	411,113,023
Change in net position before transfers	14,650,329	47,089,955	1,670,400	2,913,324	16,320,729	50,003,279
Transfers	98,052	7,432,069	(1,554,821)	(2,335,326)	(1,456,769)	5,096,743
Change in net position	14,748,381	54,522,024	115,579	577,998	14,863,960	55,100,022
Net position - beginning	347,631,444	293,109,420	13,444,219	12,866,221	361,075,663	305,975,641
Net position - ending	$ 362,379,825	$ 347,631,444	$ 13,559,798	$ 13,444,219	$ 375,939,623	$ 361,075,663

2025 & 2024 Expenses and Program Revenues - Governmental Activities



Total expenses for governmental activities increased by $51.9 million during 2025 compared to the prior year. The major areas of change during 2025 are as follows:

- Expenses throughout the County related to pensions and OPEB increased by $2.9 million in 2025 compared to the prior year. The County utilizes the Medicare Advantage program for retiree health care costs in the Voluntary Employees Beneficiary Association (VEBA) to help limit those costs. In 2019, the County's transition to the Medicare Advantage program led to an experience gain to be amortized over 4.1 years or the remaining service lives of all employees, causing an unusual negative expense in OPEB annually throughout the entire period. This transition was completed by the end of fiscal year 2023 and plays a large role in why the expenses only grew modestly. Investment returns and employee contributions in the pension plans were a major driving force of this increase in net pension and OPEB expense. Returns on the investments have rebounded greatly in the current economic environment as the Federal Reserve has steered through some tough inflationary pressures to a soft landing for continued growth. Overall unrealized gains were higher at over $11 million, and interest rates were higher in 2025 as compared to 2024 at an average of 4.6%. Similar positive activity in the investment sector occurred during 2025 and any concerns of Q1 2026 will be addressed in the future. The overall amount of the change in expenses included in any increase or decline discussed for the specific areas below.

- Personnel costs are the County’s largest expense for each function and activity. Results of a 2018 compensation study were negotiated and implemented starting in 2022 through 2025 to increase total compensation to align with market comparisons for each position. Over the four years structural (ongoing and compounding) salary increases for all employees were 24%. In addition, non-structural (one-time lump sum payments), including American Rescue Plan Act – Washtenaw Rescue Plan workforce stability payments ($8 thousand) totaled over $24 thousand per employee over the same timeframe. As negotiated with our bargaining units structural across the board salary increases for 2026 for public safety employees are 3% and for non-public safety employees are 2.5% and are planned within the budget to algin with these levels for 2027 and beyond. Finally, as negotiated with our bargaining units non-structural lump sum payments based on a portion of the prior year-end surplus are also planned for 2026 and beyond for the unions that have contracts settled for longer terms.

- Public safety operational expenses increased by $20.8 million. The largest increase was the net change in this area during 2025 for Pension and OPEB expense ($10.8 million). $5.2 million was related to increased salary and fringe costs for Sheriff employees. As discussed throughout this section, the County's structural and non-structural lump sum payments based on the prior year end surplus as negotiated were twin drivers of this increase from the prior year. Payments from the Mental Health and Public Safety Millage fund to the jurisdictions within Washtenaw County that operate their own police forces (Cities, Villages, and Townships of Ann Arbor, Chelsea, Milan, Northfield, Pittsfield Township, Saline, and Ypsilanti) also increased by around $0.3 million.

- Health expenses increased by $33.7 million in total during 2025. Regular salary and fringe expenses rose by $3.1 million in total from an increase in services provided during the year. Increases by department were $0.5 million for the Health Department, $2.8 million for Community Mental Health and a decline of $0.2 for the Mental Health Millage Operations fund. Non-salary expenses for mental health programs not funded by Medicaid increased by $4.3 million. Expenses related to Medicaid-funded services increased by $16.9 million and those initiatives under the Healthy Michigan plan increased by $1.8 million as state and local providers as well as the citizens of Washtenaw County are returning their focus to addressing mental health concerns and expanding the programs in response to emergent needs. Pension and OPEB expenses increased by a net total of $9.3 million, the change entirely driven by an increase in OPEB expense from the prior year.

- Social services expenses increased by $7.2 million during 2025. Expenses related to salaries and fringes increased by $1.6 million. Social services expenses related to the Home Investment Partnerships (HOME) increased by $0.3 million compared to the prior year, indicating a return to more slow, stable growth in utilization of these programs after the uncertainty of the pandemic. The Community Development Block Grant (CDBG) increased by $0.6 million. Other programs such as the coordinated funding effort with the City of Ann Arbor in working with outside agencies to provide services saw an increase of around $1.1 million as we enter the next phase of helping our citizens. Further, the County began to provide services using the funds provided by the Older Aging Services millage during 2025. Expenses related to this new program were $3.4 million, primarily focused on engaging service providers to establish the program's activities for this and future years. Lastly, non-salary expenses related to juvenile detention programs increased by around $0.2 million. OPEB expenses increased by $1.9 million compared to last year.

- Judicial expenses increased by $6.7 million in total during 2025. Salary and fringe expenses for these departments increased by a total of $3.1 million. Expenses for services provided by the Public Defender's (PD) office rose by $2.6 million in total due to greater utilization of attorneys under the program created by the Michigan Indigent Defense Act and the related increase in salary expenses to cover the administration of the program. Other non-salary judicial expenses for programs, such as those directed by the trial, district, and friend of the court departments, decreased by about $0.8 million. There was a $3.9 million increase in net pension and OPEB expense.

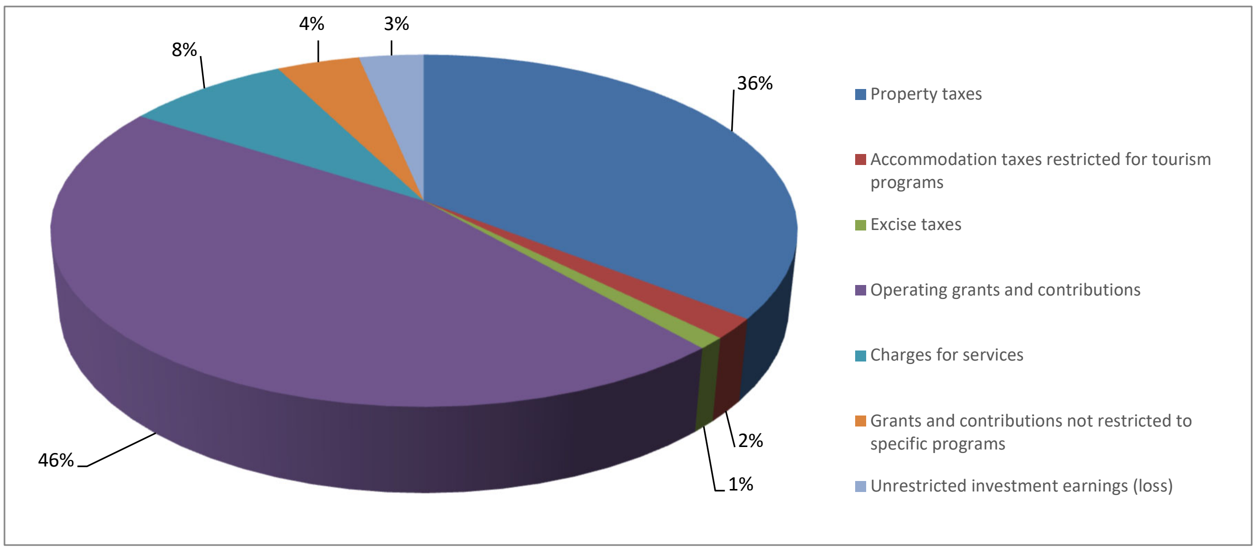
- Culture and recreation expenses increased by $1.0 million overall during 2025. The largest drivers of the current year increase were related to community partnerships with the cities of Chelsea, Milan, Saline, Manchester, and Ypsilanti in support of arts, youth activities, and cultural programs ($205K), and contingencies ($1.4 million). Also, the County also saw overall increases in salary and fringes from prior years of $1.2 million due to a salary study adjustments and hiring more staff based on increased use of park services. There was no material change in net Pension and OPEB expense during 2025.

- Public works expenses increased by $0.4 million during 2025. This increase was driven by the Road Commission's effort to utilize all remaining funds from the roads millage for road maintenance projects annually. Expenses of the road commission increased by $0.6 million This policy will continue to be followed and changes in expenses will remain similar in future years. Other public works activities were materially unchanged in total from the prior year. The SAW grants had a decrease in expenses for contracted services of $0.2 million. There are no aggregate pension and OPEB expenses.

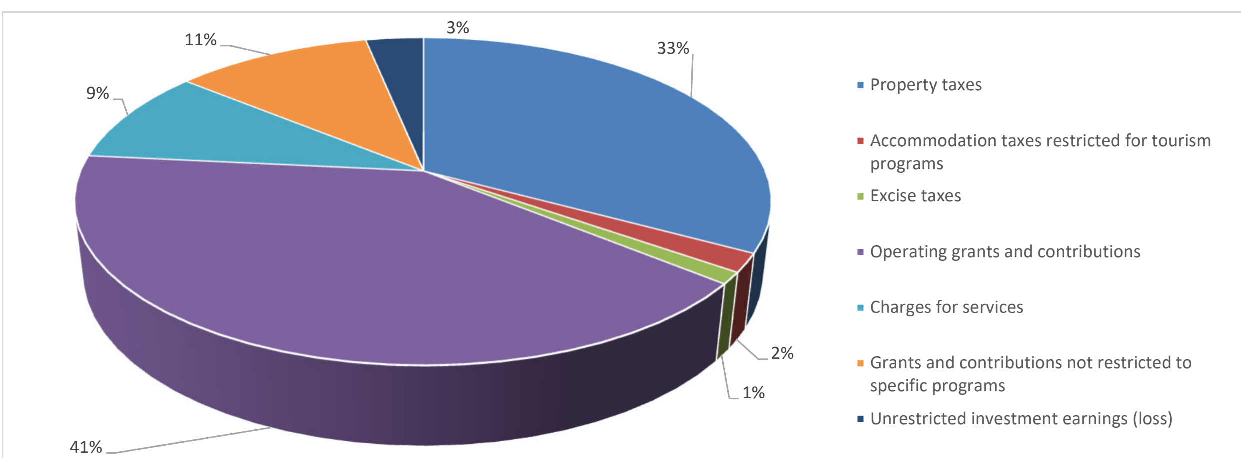
Management's Discussion and Analysis

- General government expenses decreased in total by $18.8 million during 2025. Expenses related to County Visitors Bureau (accommodations taxes) increased by $1.6 million. Expenses related to activity under ARPA decreased by $27.4 million from last year (to reach a total of $13.2 million for 2025) to replace revenues lost due to the effects of the pandemic under the provisions of the act. Expenses related to salary and fringes decreased by $16.7 million from the prior year (to a total of $18.8 million for 2025) most of which was ARPA-related ($13.5 million) closely followed by the Information Technology Services department moving into an internal service fund ($4.6 million), leaving a roughly $1.4 million increase in other salary and fringes coming from labor agreements and the compensation study. Other general government expenses not involved with the American Rescue plan increased by a total of $7.0 million, heavily influenced by IT moving into an internal service fund (net $3.2 million, a decrease of $8.0 million of non-salary expenses offset by a $11.2 million increase in relative CAP expense/reduction of CAP offset). Net Pension and OPEB expenses increased by $5.4 million.

2025 Revenue by Source - Governmental Activities
$476,096,326



2024 Revenue by Source - Governmental Activities
$456,610,044



Management's Discussion and Analysis

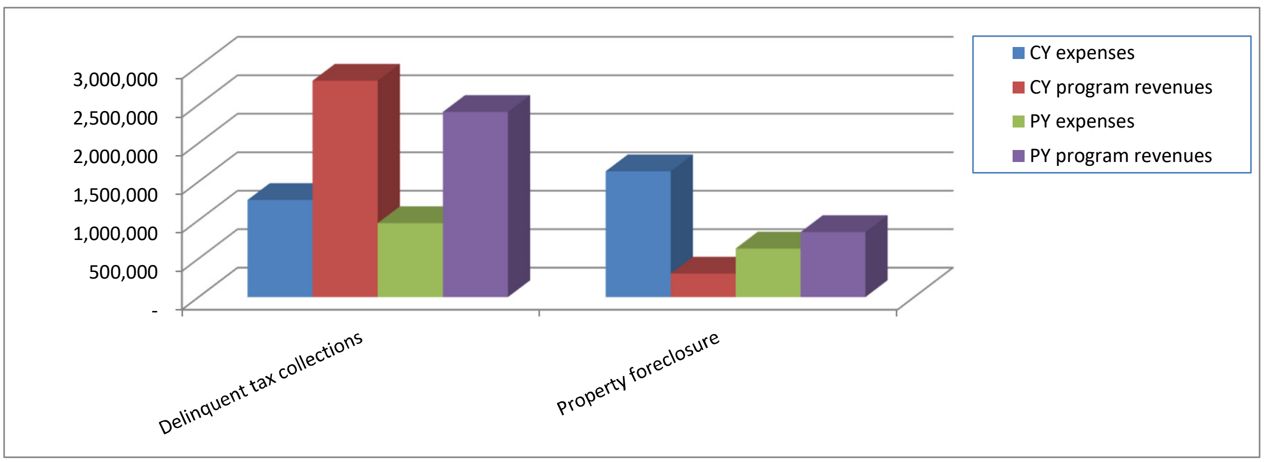
Business-type Activities. Business-type activities increased the County's net position by $0.1 million during 2025 This increase was almost entirely related to the overall increase in the interest rate on held money and the effect of inflationary pressures on the value of investment holdings.

- Charges for services revenue for property foreclosure decreased from the prior year by around $0.3 million primarily as a result of activities related to less properties sold at auction. The property foreclosure fund reported a loss to net position of $1.2 million.

- Charges for services revenue for delinquent tax collections (including interest charges and collection fees) decreased by approximately $0.4 million in 2025. The interest rate on held money remained materially unchanged in 2025 from the prior year. Collection fees and interest on delinquent tax receivables remained materially unchanged as collections remained strong. Interest expenses and fiscal charges increased by $0.5 million. The overall effect to net position from business-type activities from the delinquent tax fund is $1.3 million.

- Transfers out of the delinquent tax monies to the capital reserve decreased from the prior year to $1.5 million. The transfer of monies to the capital reserve fund is completed to maintain our funds in accordance with Board direction. This amount is directed by the declaration of a surplus in the delinquent tax funds by the County Treasurer. This surplus was declared to be $1.5 million in 2025. Annual discussions on this surplus will continue based upon the current and future cash needs of the County. Portions of the salaries of the elected County treasurer (50 percent) and deputy treasurer (25 percent) were also transferred out of the delinquent tax monies, although that total remained materially stable compared to the prior year.

2025 & 2024 Expenses and Program Revenues - Business-type Activities



Financial Analysis of the County's Funds

As noted earlier, Washtenaw 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.

At December 31, 2025, the County's governmental funds reported combined ending fund balances of $254.6 million, an increase of $19.7 million from to the prior year. 71.5 percent of the ending fund balances, or $182.0 million, is subject to the underlying limitations applicable to the particular special revenue, debt service and capital project funds and is not available for new spending because it has already been restricted or committed. 28.2 percent of this total amount, or $71.8 million, is available for spending at the government's discretion (general fund unassigned fund balance, less any fund deficits). The remaining 1 percent, or $0.8 million, is considered nonspendable as the monies have been expended already for prepaid items and advances.

Management's Discussion and Analysis

The general fund is the chief operating fund of the County. At December 31, 2025, its fund balance was $72.1 million. The fund balance increased by $7 million. Total revenues increased by around $5.8 million, primarily due to an increase of $4.7 million in property tax collections, and an increase of around $1.6 million in intergovernmental funding and other revenue during 2025. Expenses in the general fund increased as well by $9.5 million with the largest increase being $7.5 million for public safety mostly related to more hires, higher salaries and benefits due to increased healthcare costs and more overtime of about $6.8 million, as well as an increase of about $2.9 million in fleet lease and maintenance, and related expenses, offset by an overall decrease of $2.4 million in capital projects, operating supplies, jail health services, equipment and maintenance, and other operating expenses. A $1.3 million increase in expenditures for judicial was also related to an overall increase of $3.1 million in higher salaries and benefits due to increased healthcare costs offset by an overall decrease of $1.5 million in consultants and contracts, attorney fees, and other operating expenses. To discuss the liquidity of the general fund, it is useful to compare fund balance to total fund expenditures. The fund balance of $72.1 million is just over 47.1 percent of total general fund expenditures and transfers out. This level of fund balance in the general fund meets the Board of Commissioners formal adopted policy as discussed in the Introduction Letter of the 2025 Annual Comprehensive Financial Report.

The community mental health fund had a fund balance of $6.3 million at September 30, 2025 (its year end). In 2025, the fund's expenditures nominally exceeded revenues and transfers in by less than $0.1 million. Community mental health has returned to a more expected pattern of growth and development after several years of upheaval from the global pandemic and other funding difficulties. The community mental health fund accounts for the revenues and expenditures resulting from the delivery of an array of mental health services to County residents.

The parks and recreation fund had a fund balance of $46.8 million at December 31, 2025, an increase of $7.2 million from the prior year. Property tax revenues increased $1.0 million due to increases in the taxable value of assessed property in the County. This fund also received $1.5 million in funding from local jurisdictions, specifically from the Huron Waterloo Pathways Initiative (HWPI) to reimburse the County for continuing the maintenance and development of the Border to Border Trail. Funding from these sources as well as direct State grant funds are expected to continue in future years as the State strongly supports the maintenance and development of new trails. Starting in 2017, 20 percent of the available monies from the road millage are used for maintenance and improvements to non-motorized areas under the direction of parks and recreation and, as such, are included in this fund balance. This amount from the road millage was $2.4 million in 2025 up $0.2 million from the prior year. This agreement is set to continue for the duration of the special-voted road millage. Expenditures decreased by $3.0 million during 2025 driven by a decrease in acquiring new park land ($2.6 million). The decrease in total expenditures was almost entirely driven by land acquisition transactions and the related capital outlay and contractual agreements payments to support them. The parks and recreation fund utilizes voter-approved millages and park user fees to fund parks and recreation programs and activities and land acquisitions meeting the criteria of the natural areas preservation program. Fund balance will be used in subsequent years for these purposes.

The mental health/public safety millage fund had a fund balance of $61,162 at December 31, 2025. This fund was established to account for the revenues provided by a voter-approved 8-year millage at 1.0 mill. The monies from this millage are to be utilized for three distinct functions: 1) 38 percent for mental health crisis, prevention, and stabilization efforts; 2) 38 percent for public safety efforts to ensure continued operations and greater cooperation with the mental health community; and 3) 24 percent to be distributed to those entities within the county which maintain their own police force (currently Ann Arbor, Chelsea, Milan, Saline, Ypsilanti, Pittsfield Township, and Northfield Township) to facilitate a united effort between the County and its constituent entities. $21.6 million was collected in this fund and distributed to the previously discussed agencies in the amounts of $8.2, $8.2, and $5.2 million, respectively. Special revenue funds cannot reflect transfers in as the sole source of revenue, so the general fund and the mental health millage operations fund each reflect the $8.2 million as property tax revenues instead of a transfer. The County withholds 1 percent of total current year collections paid to other governments at the time of the monthly distributions during the winter levy to fund any potential refunds due to state tax boards of review or tax tribunals. Annually, the County settles the amounts owed from prior years to these agencies for monies reimbursed from the State for personal property tax and eligible manufacturing acquisition costs under the Local Community Stabilization Authority Act as well as any monies above the 1 percent withholding.

Management's Discussion and Analysis

The county capital projects fund accounts for the renovations and modifications of existing facilities, new capital construction projects and the purchase of capital equipment, as well as maintenance of existing facilities (such as replacement of roof systems, carpeting, and other interior finishes). The county capital projects fund had a fund balance of $44.5 million at December 31, 2025. This was an increase of $2.7 million from the prior year. The fund balance increase includes the transfer of $1.5 million in surplus from the delinquent tax fund as directed by Board policy and declared by the Treasurer. Capital expenditures were $14.0 million in 2025, an increase of about $9.1 million from 2024. However, most of these capital projects such as the county-wide LED replacement project are funded by transfers of money from other departments and therefore any such changes in activity will have a neutral effect on net position. Some very large scale projects are in the planning and pre-development stages as of December 31, 2025 and therefore funds have been transferred into the capital reserve fund to prepare for these large scale projects but as it is early, the funds have not been fully utilized yet. By far the largest of these programs is the Eastside County rec center. For this program, the County has transferred in general fund dollars in excess of $8.5 million, as well as received $7.5 million in funding from the State. However, that State funding is deferred to 2026 as none of the grant funding has been utilized as of December 31, 2025. The fund balance for the capital reserve fund has greatly increased, however, the funds within are largely targeted towards specific purposes.

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

Net position of the delinquent tax, nonmajor enterprise and internal service funds at the end of the year amounted to $11.5 million, $2.0 million and $27.2 million, respectively. The delinquent tax fund had an increase in net position for the year of $1.3 million while net position for the property foreclosure fund decreased by $1.2 million. The driver of the foreclosure fund's decline in net position is the recognition of $1.0 million from an unfavorable result in a legal matter related to property foreclosures. Internal service funds overall increased in net position by $0.4 million in 2025 primarily due to a couple factors. First, the County had a couple outsized claims expenses for overall insurance premiums (general liability and workers compensation) a few years ago. Large claims have an effect on the actuarially determined estimated claims for several years. However, claims returned closer to historical levels for this activity in the past couple years for both general liability and workers compensation. Net position in the insurance funds increased by a total of $1.4 million in 2025. The last primary driver of change was the Fleet fund. Revenues related to providing vehicles and expenses to maintain them both increased by around $0.5 million from the prior year. However, operating revenues and investment income on held money still exceed operating expenses by $1.1 million. The factors related to the financial position of the delinquent tax fund have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

There was a net increase of $4.6 million (2.9 percent) to general fund revenues (including other financing sources) from the original to the final budget. Property taxes increased by $3.3 million (3.1 percent) due to an increase in the tax base resulting in revenues being higher than projected when the original budget was adopted. Investment income increased $1.1 million (492.3%) to bring expected interest earnings in alignment with projected revenues throughout 2025. Other small increases and decreases in revenue budgets also took place.

There was a net increase of $4.6 million (2.9 percent) between the original and final expenditure budget (including other financing uses and net change in fund balance). General government was decreased by $2.9 million (19.4 percent) for costs allocated to other departments based on adjustments for CAP credits due to increased compensation budgets in internal service funds in alignment with signed labor agreements. Public safety was increased by $3.4 million (4.9%) due to implementation of signed labor agreements as well as funding increased jail food and medical contracts. Other unallocated - central charges increased by $2.3 million (55.8 percent) for increased contributions to the pension fund. In addition, transfers out (other financing uses) was increased $4.4 million (12.3 percent) for non-general fund appropriations related to signed labor agreements. The net change in fund balance decreased $3.1 million for transferring IT assets to the newly created internal service fund ($1.5 million), winter sheltering activities ($1.3 million), and non-structural lump sum payments ($1.1 million) which are offset by increasing contribution to fund balance for unallocated 2025 property tax increases. Other small increases and decreases in expenditure budgets also took place.

Overall, actual general fund revenues, including other financing sources, were slightly less than the final budget. Actual general fund expenditures, including other financing uses, were less than the final budget. Actual revenues exceeded actual expenditures. Finally, the net change in fund balance is a result of a contribution in the amount of $7.0 million which is greater than the budgeted planned contribution of $4.2 million.

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities at December 31, 2025 was $251.9 million (net of accumulated depreciation/amortization), an increase of $18.1 million over last year. This investment in capital assets includes land, buildings, easement property, improvements, and machinery and equipment. The County's business-type activities have a nominal investment in capital assets of $17,179 (net of accumulated depreciation) at December 31, 2025.

Major capital asset events during the current fiscal year included the following:

- Effective January 1, 2021, the County implemented changes to its reporting of leasehold assets as required by Governmental Accounting Standards Board Statement 87, *Leases.* This standard necessitates the County include on its financials all capital assets which it holds either the physical asset itself or the right to use an asset held by another party. Two new leases for a new mail machine and a building lease at 26211 Central Park Boulevard in Southfield were added in the amount of $0.06 million and $2.7 million, respectively, in 2025. Accumulated amortization expense in 2025 related to leased assets was $0.7 million in total. Further detail for these leasehold assets can be found in Note 6 and Note 10 later in this document.

- Effective January 1, 2023, the County implemented changes to its reporting of subscription-based information technology arrangements (SBITAs) as assets as required by Governmental Accounting Standards Board Statement 96, *Subscription-Based Information Technology Arrangements.* This standard necessitates the County include on its financials all SBITAs for which the County has the right-to-use the contracted software as well as any related capital assets. This standard necessitated a fundamental change to how the County recorded its prepaid IT arrangements that fit the criteria. In prior years, they were recorded as prepaid assets and expensed monthly as the contract progressed or were expensed as paid. With GASB 96, any SBITAs must be treated similarly to other capital assets and as such should be recorded in their entirety immediately. $4.5 million in SBITAs were added during the year ($3.7M of which is from the Dell Nutanix network equipment software and the Axon body & dash camera control software) and $0.08 million in SBITAs were disposed during 2025 due to reaching the end of the agreement or were determined to no longer fit the criteria of a SBITA. Accumulated amortization related to the SBITAs was $1.8 million. Further detail for these SBITA assets can be found in Note 6 and Note 11 later in this report.

- Parks and recreation spent $1.6 million on land acquisitions and easements in perpetuity under the Natural Areas Preservation Program for an extension of the Border-to-Border (B2B) Trail and other conservation projects. The land acquisition for the upcoming Eastern County Recreation Center was another $0.6 million. Other major parks capital assets acquired in 2025 include updates to the Meri Lou Murray Rec Center ($1.7 million), replacing the wave generator in Rolling Hills ($135k), a lazy river mechanical overhaul for Rolling Hills ($347k), and Rolling Hills pavement repairs. Initial fees to locate and negotiate the property acquisitions/easements were incurred in 2017 and the full costs will be realized annually in perpetuity when the individual transactions are completed. Construction on several projects on the B2B trail began in 2020 and continues through the current year. The net amount of Parks construction in progress expenses was $1.1 million. The major projects related to segments of the B2B Trail are several connections between Dexter and Ann Arbor (three segments totaling $0.2 million). Other major projects included planning and building for the Eastern County Recreation Center ($0.6 million), a wetland survey of North Staebler Farm park ($92k), and Staebler Farm Blackbird Lodge AV equipment (~$80k).

- Buildings and improvements increased by a net amount of $5.3 million. A total of $9.6 million in new buildings and improvements were added. $4.2 million in depreciation expense was recorded.

- Capital expenses for construction in progress (CIP) projects increased by a net amount of $5.2 million in 2025. There were $17.5 million in additions to CIP projects in 2025; $1.1 million of this was discussed in the above paragraph about Parks and recreation and other major components include a new 800 MHz backup emergency communication system ($4.4 million) and finishing the work on the Saline Courthouse renovations ($1.6 million). $12.3 million in CIP projects completed during 2025. It is expected that new construction projects will continue over the next two years with planned construction of the Eastern Washtenaw Community Recreation Center.

- Improvements other than buildings decreased by a net amount of $0.7 million. This amount also was primarily influenced by the addition of $3.1 million in new assets and the recording of $3.9 million in depreciation expense and a transfer of $2,347,156 of projects from construction and development in progress to completed improvements on fixed assets as discussed above.

Management's Discussion and Analysis

- Machinery and equipment increased in total by $0.9 million. $8.4 million in additions, $1.1 million in loss on disposals, as well as $6.4 million in depreciation expense. The major components of this change were: Fleet vehicles ($2.2 million), some new IT network equipment ($1.1 million), the County phone replacement project ($0.7 million), County computers and peripheral equipment ($0.5 million) and general furniture ($0.4 million). Internal service funds additions included $1.5 million in fleet vehicle purchases. Total depreciation expense was approximately $6.4 million, $1.3 million in fleet assets and $5.1 million in other machinery and equipment.

Washtenaw County's Capital Assets
(net of depreciation and amortization)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 58,698,529	$ 57,271,477	$ -	$ -	$ 58,698,529	$ 57,271,477
Easement property in perpetuity	13,060,699	12,007,862	-	-	13,060,699	12,007,862
Construction in progress	17,494,821	12,325,339	-	-	17,494,821	12,325,339
Buildings and improvements	85,802,924	80,479,229	-	-	85,802,924	80,479,229
Improvements other than buildings	36,953,466	37,670,139	-	-	36,953,466	37,670,139
Machinery and equipment	29,134,226	28,261,099	17,179	22,086	29,151,405	28,283,185
Lease easement property	709,088	742,878	-	-	709,088	742,878
Lease buildings	3,822,132	1,766,207	-	-	3,822,132	1,766,207
Lease equipment	134,697	83,355	-	-	134,697	83,355
Subscription assets	6,052,094	3,119,264	-	-	6,052,094	3,119,264
Total	$ 251,862,676	$ 233,726,849	$ 17,179	$ 22,086	$ 251,879,855	$ 233,748,935

Additional information on the County's capital asset activity may be found in the Capital Assets section (Note 6) of the notes to the financial statements.

Long-term Debt. At December 31, 2025, the County had total bonded debt outstanding of $5.5 million. This entire amount is backed by the full faith and credit of the County.

Washtenaw County's Outstanding Debt
General Obligation

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 5,483,000	$ 8,241,000	$ -	$ -	$ 5,483,000	$ 8,241,000
Delinquent tax notes	-	-	18,435,000	14,400,000	18,435,000	14,400,000
Total	$ 5,483,000	$ 8,241,000	$ 18,435,000	$ 14,400,000	$ 23,918,000	$ 22,641,000

The County’s total general obligation debt increased by $1,277,000 during 2025. The County made principal payments of $2.8 million on its general obligation bonds and $13.9 million on its delinquent tax notes. The County issued $0 in general obligation bonds and issued $17.9 million in new delinquent tax notes during 2025. Debt service requirements for general obligation bonds of $2.8 million and interest of $0.06 million are due during 2026. Principal payments for delinquent tax notes of $6.5 million and interest payments of $0.8 million are also due during 2026.

The County has an “Aaa” rating for general obligation bonds from Moody’s. The County has an “AAA” rating for its general obligation bonds from Standard & Poor’s. Finally, the County has a “F1+” rating for general obligation tax notes and an AA+ for existing general obligation bonds from Fitch.

Management's Discussion and Analysis

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation (i.e., State Equalized Value). The current debt limitation for the County is $3.3 billion which is significantly in excess of the County's outstanding general obligation debt.

Additional information on the County's long-term debt activity may be found in the Bonds, Notes and Other Long-term Liabilities section (Note 9) of the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

The Michigan economy is poised for another round of growth during 2026 and 2027. The following factors were considered in preparing the County's 2026-2029 four-year budget:

- The County implemented the new compensation system for most union and non-union positions outside of public safety unions. Public safety union contracts are settled through 2025. AFSCME 2733 and 3052 are settled through 2028. The remaining contracts are settled through 2027.

- To limit the County's liability to the defined benefit retirement system and retiree healthcare plan, both plans were closed to new hires effective January 1, 2014. New hires enter into a defined contribution pension plan and a retirement health savings plan. Cost-sharing models were negotiated capping the employer and employee contribution rates. This will assist with the long-term cost increases within the pension and retiree healthcare systems, ensure pension funding for retirement and eliminate the long-term legacy costs associated with defined benefit plans.

- The unemployment rate for the County was 3.7 percent as of December 2025. This compares favorably to the state's average unemployment rate of 5.0 percent and the national average rate of 4.4 percent. Employment levels have been persistently high in the recovery from the pandemic and optimism for continued economic growth abounds as the actions taken by the Federal Reserve (The Fed) appear to be cooling inflation without plunging the nation into a recession. However, the rate of 3.7 percent is over a full percentage point higher than the prior December and the trends in jobs data also signaled a slowing national economy. The County is concerned about the underlying economy but feels we are well-positioned to continue to thrive.

- Michigan has two constitutional laws that limit property tax growth to the rate of inflation or a maximum allowable increase in an assessment of 5.0 percent, whichever is smaller. For 2025, the applicable inflation rate was 3.1 percent, and the actual change in taxable value for the year was 5.5 percent. For 2026, the applicable inflation rate was 2.7 percent and the actual change in taxable value for the year was 6.8 percent. As the rate of inflation does not exceed 5.0 percent, the County's L-4029 will reflect a Headlee reduction factor (HRF) for 2025.

- The State of Michigan has returned to fiscal stability and has a budget surplus for its most recent year end. The County's 2026-2029 quadrennial budgets assume that the State of Michigan will continue revenue sharing/county incentive program payments at their full allocated amounts.

- The County has committed to plan future budgets to meet a fund balance goal of at least 29 percent of operating expenditures. The 2026-2029 quadrennial budgets are balanced. Any annual surplus (or deficit) will have options for use (or reductions) recommended as outlined by the adopted budget priorities and principles to be used as decisions about budget allocations are made by Board of Commissioner policy and resolution.

- Overall, financial trends in the region compare favorable in relation to national indices. Analysis of revenue, expenditure, operating position, debt structure, unfunded liabilities, condition of capital plant, and community needs and resources indicators are examined across time to provide a framework for objective investigation.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's fiscal condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Washtenaw County Finance Department, 220 North Main Street, P.O. Box 8645, Ann Arbor, Michigan 48107-8645.

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BASIC FINANCIAL STATEMENTS

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WASHTENAW COUNTY

Statement of Net Position
December 31, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and pooled investments	$ 330,508,792	$ 17,792,845	$ 348,301,637	$ 46,160,037
Receivables, net	104,964,342	15,534,068	120,498,410	31,497,270
Advances to component units	310,500	372,500	683,000	-
Prepaid items and other assets	4,813,378	-	4,813,378	2,748,481
Restricted assets	3,598,183	-	3,598,183	1,632,730
Net OPEB asset	928,977	-	928,977	-
Capital assets not being depreciated	89,254,049	-	89,254,049	33,701,277
Capital assets being depreciated/amortized, net	162,608,627	17,179	162,625,806	388,554,066
Total assets	696,986,848	33,716,592	730,703,440	504,293,861
Deferred outflows of resources				
Deferred pension amounts	12,792,474	-	12,792,474	7,612,649
Deferred OPEB amounts	26,756,531	-	26,756,531	612,120
Deferred charge on refunding	-	-	-	3,495
Total deferred outflows of resources	39,549,005	-	39,549,005	8,228,264
Liabilities				
Accounts payable and accrued liabilities	75,241,172	1,581,128	76,822,300	20,813,766
Advances from primary government	-	-	-	683,000
Accrued interest payable	31,127	51,196	82,323	126,953
Unearned revenue	12,040,820	-	12,040,820	2,190,003
Bonds, notes and other long-term liabilities:				
Due within one year	22,362,988	6,525,067	28,888,055	4,015,860
Due in more than one year	18,171,157	11,999,403	30,170,560	18,108,986
Other noncurrent liabilities due in more than one year:				
Net pension liability	137,947,881	-	137,947,881	35,299,306
Net OPEB liability	-	-	-	2,144,121
Total liabilities	265,795,145	20,156,794	285,951,939	83,381,995
Deferred inflows of resources				
Deferred pension amounts	19,288,770	-	19,288,770	218,447
Deferred OPEB amounts	16,454,799	-	16,454,799	1,484,753
Deferred lease amounts	2,580,557	-	2,580,557	-
Taxes levied for a subsequent period	69,966,778	-	69,966,778	872,763
Deferred gain on refunding	69,979	-	69,979	-
Total deferred inflows of resources	108,360,883	-	108,360,883	2,575,963
Net position				
Net investment in capital assets	231,034,124	17,179	231,051,303	405,332,521
Restricted for:				
Judicial	1,138,057	-	1,138,057	-
Economic development	589,845	-	589,845	-
Public safety	21,238,409	-	21,238,409	-
Public works	238,264	-	238,264	-
Health	27,951,703	-	27,951,703	-
Social services	23,182,965	-	23,182,965	-
Culture and recreation	47,025,371	-	47,025,371	-
Debt service	-	11,509,861	11,509,861	16,185,622
Capital projects	-	-	-	7,775,084
Property foreclosure	-	2,032,758	2,032,758	-
OPEB	928,977	-	928,977	-
Unrestricted	9,052,110	-	9,052,110	(2,729,060)
Total net position	$ 362,379,825	$ 13,559,798	$ 375,939,623	$ 426,564,167

The accompanying notes are an integral part of these financial statements.

Statement of Activities
Year Ended December 31, 2025

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:					
Legislative	$ 1,779,141	$ -	$ -	$ -	$ (1,779,141)
Judicial	43,687,516	2,115,032	18,195,586	-	(23,376,898)
General government	43,953,069	7,177,297	2,992,811	1,099,896	(32,683,065)
Public safety	108,607,412	20,250,457	7,540,092	-	(80,816,863)
Public works	11,458,394	3,289	2,256,096	-	(9,199,009)
Health	187,782,566	4,781,514	160,498,523	-	(22,502,529)
Social services	39,880,026	335,096	23,327,045	-	(16,217,885)
Culture and recreation	23,752,309	5,126,838	1,478,993	-	(17,146,478)
Interest on long-term debt	545,564	-	-	-	(545,564)
Total governmental activities	461,445,997	39,789,523	216,289,146	1,099,896	(204,267,432)
Business-type activities:					
Delinquent tax collection	1,260,852	2,811,339	-	-	1,550,487
Property foreclosure	1,634,581	305,269	-	-	(1,329,312)
Total business-type activities	2,895,433	3,116,608	-	-	221,175
Total primary government	$ 464,341,430	$ 42,906,131	$ 216,289,146	$ 1,099,896	$ (204,046,257)
Component units					
Department of Public Works Projects	$ 1,552,154	$ -	$ -	$ 184,030	$ (1,368,124)
Water Resources Commissioner	6,068,354	123,577	-	7,352,059	1,407,282
Road Commission	60,321,266	-	67,049,692	-	6,728,426
Brownfield Redevelopment Authority	6,931,195	-	43,909	-	(6,887,286)
Total component units	$ 74,872,969	$ 123,577	$ 67,093,601	$ 7,536,089	$ (119,702)

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Statement of Activities
Year Ended December 31, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Changes in net position				
Net (expense) revenue	$ (204,267,432)	$ 221,175	$ (204,046,257)	$ (119,702)
General revenues:				
Property taxes	169,157,065	-	169,157,065	5,625,335
Accommodation taxes restricted for tourism programs	8,848,868	-	8,848,868	-
Excise taxes	5,068,352	-	5,068,352	-
Grants and contributions not restricted to specific programs	20,155,388	-	20,155,388	-
Unrestricted investment earnings	15,688,088	1,449,225	17,137,313	2,488,543
Transfers - internal activities	98,052	(1,554,821)	(1,456,769)	-
Total general revenues and transfers	219,015,813	(105,596)	218,910,217	8,113,878
Change in net position	14,748,381	115,579	14,863,960	7,994,176
Net position beginning of year, as previously reported	347,631,444	13,444,219	361,075,663	410,200,000
Restatements - correction of an error	-	-	-	8,369,991
Net position, beginning of year, as restated	347,631,444	13,444,219	361,075,663	418,569,991
Net position, end of year	$ 362,379,825	$ 13,559,798	$ 375,939,623	$ 426,564,167

concluded.

The accompanying notes are an integral part of these financial statements.

WASHTENAW COUNTY

Balance Sheet - Governmental Funds
December 31, 2025

	General	Community Mental Health (*)	Parks and Recreation	Mental Health/ Public Safety Millage	County Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and pooled investments	$ 80,090,991	$ 32,367,030	$ 48,157,255	$ 3,102,517	$ 51,606,672	$ 89,423,681	$ 304,748,146
Receivables:							
Taxes - current	-	-	14,526,509	19,777,597	-	26,337,360	60,641,466
Taxes - delinquent	221,703	-	-	-	-	-	221,703
Accounts, net	3,656,934	3,007,025	1,584,220	-	-	14,674,244	22,922,423
Leases	259,784	-	-	-	-	2,414,422	2,674,206
Due from other governments	2,452,953	9,657,303	-	-	-	6,042,624	18,152,880
Interfund receivable	-	-	-	-	1,578,395	-	1,578,395
Advances to component units	310,500	-	-	-	-	-	310,500
Prepaid items	20,000	456,451	-	-	-	33,043	509,494
Restricted assets	-	-	-	-	-	3,598,183	3,598,183
Total assets	$ 87,012,865	$ 45,487,809	$ 64,267,984	$ 22,880,114	$ 53,185,067	$ 142,523,557	$ 415,357,396
Liabilities							
Accounts payable	$ 1,182,951	$ 13,381,506	$ 399,734	$ -	$ 1,198,817	$ 7,863,470	$ 24,026,478
Accrued liabilities	4,206,857	2,940,118	289,423	-	4,186	1,958,184	9,398,768
Due to other governments	9,023,796	22,784,840	-	-	-	30,324	31,838,960
Interfund payable	-	-	-	-	-	1,578,395	1,578,395
Unearned revenue	5,000	38,432	-	-	7,500,000	4,497,388	12,040,820
Total liabilities	14,418,604	39,144,896	689,157	-	8,703,003	15,927,761	78,883,421
Deferred inflows of resources							
Unavailable revenue - property taxes	221,703	-	-	-	-	-	221,703
Unavailable revenue - opioid settlement	-	-	-	-	-	9,153,814	9,153,814
Deferred lease amounts	249,696	-	-	-	-	2,258,061	2,507,757
Taxes levied for a subsequent period	-	-	16,760,364	22,818,952	-	30,387,462	69,966,778
Total deferred inflows of resources	471,399	-	16,760,364	22,818,952	-	41,799,337	81,850,052
Fund balances							
Nonspendable:							
Advances to component units	310,500	-	-	-	-	-	310,500
Prepaid items	20,000	456,451	-	-	-	33,043	509,494
Restricted for:							
Judicial	-	-	-	-	-	1,138,057	1,138,057
Economic development	-	-	-	-	-	589,845	589,845
Public safety	-	-	-	61,162	-	20,563,720	20,624,882
Public works	-	-	-	-	-	238,264	238,264
Health	-	5,886,462	-	-	-	12,454,976	18,341,438
Social services	-	-	-	-	-	23,149,997	23,149,997
Culture and recreation	-	-	46,818,463	-	-	-	46,818,463
Committed for:							
Judicial	-	-	-	-	-	231,589	231,589
General government	-	-	-	-	-	10,616,013	10,616,013
Economic development	-	-	-	-	-	289,881	289,881
Public safety	-	-	-	-	-	4,293,759	4,293,759
Public works	-	-	-	-	-	3,731,571	3,731,571
Health	-	-	-	-	-	3,678,465	3,678,465
Social services	-	-	-	-	-	3,787,278	3,787,278
Debt service	-	-	-	-	-	1	1
Capital projects	-	-	-	-	44,482,064	-	44,482,064
Unassigned	71,792,362	-	-	-	-	-	71,792,362
Total fund balances	72,122,862	6,342,913	46,818,463	61,162	44,482,064	84,796,459	254,623,923
Total liabilities, deferred inflows of resources and fund balances	$ 87,012,865	$ 45,487,809	$ 64,267,984	$ 22,880,114	$ 53,185,067	$ 142,523,557	$ 415,357,396

* As of September 30, 2025

The accompanying notes are an integral part of these financial statements.

WASHTENAW COUNTY

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Governmental Activities
December 31, 2025

Fund balances - total governmental funds	$ 254,623,923
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 funds.	
Capital assets not being depreciated	89,254,049
Capital assets being depreciated/amortized, net	162,608,627
Less capital assets reported in internal service funds	(12,699,857)
The focus of governmental funds is on short-term financing. Accordingly, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows of resources in the governmental funds, and thus are not included in the fund balances.	
Deferred inflows of resources for property taxes receivable	221,703
Deferred inflows of resources for opioid settlement	9,153,814
Discounts and premiums on bonds are reported as other financing uses or sources in the governmental funds, whereas they are capitalized and amortized for net position (and netted against bonds payable).	
Bond premiums	(9,497)
Gains and losses on refunding are not reported in the governmental funds, whereas they are capitalized and amortized for net position.	
Deferred gain on refunding	(69,979)
Internal service funds are used by management to charge the costs of certain activities such as insurance worker's compensation, and building occupancy and maintenance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	27,181,009
Certain liabilities, such as bonds and leases payable, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds and other long-term liabilities	(16,757,424)
Less other long-term liabilities reported in internal service funds	2,555,524
Accrued interest on bonds payable	(24,357)
Accrued compensated absences	(23,767,224)
Less compensated absences reported in internal service funds	3,322,982
Certain pension and other postemployment benefit-related amounts, such as the net pension and the net other postemployment benefit liabilities and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(137,947,881)
Deferred outflows of resources related to the net pension liability	12,792,474
Deferred inflows of resources related to the net pension liability	(19,288,770)
Net OPEB asset	928,977
Deferred outflows of resources related to the net OPEB asset	26,756,531
Deferred inflows of resources related to the net OPEB asset	(16,454,799)
Net position of governmental activities	$ 362,379,825

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2025

	General	Community Mental Health (*)	Parks and Recreation	Mental Health/ Public Safety Millage	County Capital Projects
Revenues					
Property taxes	$ 110,647,710	$ -	$ 18,199,420	$ 5,248,678	$ -
Accommodation taxes	-	-	-	-	-
Excise taxes	5,068,352	-	-	-	-
Licenses and permits	607,600	-	-	-	-
Intergovernmental	15,247,978	147,310,749	1,453,990	218,421	100,000
Charges for services	21,627,919	802,697	5,126,838	-	692,910
Fines and forfeits	500,845	-	-	-	-
Investment income	3,123,505	-	3,884,971	38,944	2,047,368
Other	2,506,737	70,315	1,690,812	-	864,949
Total revenues	159,330,646	148,183,761	30,356,031	5,506,043	3,705,227
Expenditures					
Current:					
Legislative	1,651,161	-	-	-	-
Judicial	21,778,166	-	-	-	-
General government	11,597,336	-	-	-	-
Public safety	73,542,019	-	-	5,314,249	-
Public works	124,349	-	-	-	-
Health	-	150,266,040	-	-	-
Social services	618,023	-	-	-	-
Culture and recreation	431,575	-	23,201,684	-	-
Other unallocated	7,233,988	-	-	-	-
Debt service:					
Principal	47,595	-	-	-	932,364
Interest and fiscal charges	8,840	-	-	-	225,951
Capital outlay	-	-	-	-	13,981,897
Total expenditures	117,033,052	150,266,040	23,201,684	5,314,249	15,140,212
Revenues over (under) expenditures	42,297,594	(2,082,279)	7,154,347	191,794	(11,434,985)
Other financing sources (uses)					
Issuance of long-term liabilities	100,560	-	-	-	5,051,137
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in	2,332,907	2,009,622	-	-	11,914,331
Transfers out	(36,211,147)	-	-	(200,422)	(2,862,593)
Total other financing sources (uses)	(33,777,680)	2,009,622	-	(200,422)	14,102,875
Net change in fund balances	8,519,914	(72,657)	7,154,347	(8,628)	2,667,890
Fund balances, beginning of year, as previously reported	65,137,788	6,415,570	39,664,116	69,790	41,814,174
Adjustments - changes within the financial reporting entity	(1,534,840)	-	-	-	-
Fund balances, beginning of year, as adjusted	63,602,948	6,415,570	39,664,116	69,790	41,814,174
Fund balances, end of year	$ 72,122,862	$ 6,342,913	$ 46,818,463	$ 61,162	$ 44,482,064

* Year ended September 30, 2025

The accompanying notes are an integral part of these financial statements.

Formerly Major Funds					
Road Millage	Enhanced Emergency Communication System Millage	Mental Health Millage Operations	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
				$ 35,014,978	$ 169,110,786
				8,848,868	8,848,868
				-	5,068,352
				5,318,102	5,925,702
				60,959,769	225,290,907
				4,766,078	33,016,442
				11,438	512,283
				5,354,826	14,449,614
				7,329,092	12,461,905
				127,603,151	474,684,859
				-	1,651,161
				21,684,073	43,462,239
				22,779,839	34,377,175
				21,357,304	100,213,572
				11,321,114	11,445,463
				32,185,794	182,451,834
				37,918,044	38,536,067
				-	23,633,259
				-	7,233,988
				3,974,607	4,954,566
				236,268	471,059
				-	13,981,897
				151,457,043	462,412,280
				(23,853,892)	12,272,579
				2,833,298	7,984,995
				11,001	11,001
				28,317,837	44,574,697
				(5,856,992)	(45,131,154)
				25,305,144	7,439,539
				1,451,252	19,712,118
$ 58	$ 14,860,066	$ 9,066,577	$ 15,703,757	43,714,749	236,446,645
(58)	(14,860,066)	(9,066,577)	(15,703,757)	39,630,458	(1,534,840)
$ -	$ -	$ -	$ -	83,345,207	234,911,805
				$ 84,796,459	$ 254,623,923

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Reconciliation

Net Change in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
Year Ended December 31, 2025

Net change in fund balances - total governmental funds	$ 19,712,118
Amounts reported for *governmental activities* in the statement of activities are different because:	
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.	
Capital assets purchased/constructed and assets leased	30,674,217
Depreciation/amortization expense	(14,062,570)
Proceeds from sale of capital assets	(11,001)
Loss on disposal of capital assets	(818,373)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.	
Net change in deferred inflows of resources for property taxes receivable	46,279
Net change in deferred inflows of resources for opioid settlement	(973,182)
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases bonds, notes and other long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces bonds, notes and other long-term liabilities in the statement of net position.	
Issuance of bonds, notes and other long-term liabilities	(7,984,995)
Principal payments on bonds, notes and other long-term liabilities	4,954,566
Accrued interest expense on bonds and the amortization of bond discounts, premiums and deferred losses are not recorded by governmental funds, but are reported under interest and fiscal charges for purposes of net position.	
Change in accrued interest payable on long-term debt	11,463
Amortization of premium on bonds	9,498
Amortization of deferred gain on refunding	23,326
Internal service funds are used by management to charge the costs of certain activities such as insurance, workers' compensation, and building occupancy and maintenance to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.	
Net operating loss from governmental activities in internal service funds	(470,909)
Investment income from governmental internal service funds	1,238,474
Interest expense in governmental internal service funds	(118,792)
Net gain on sale of capital assets in governmental internal service funds	109,685
Capital contributions	1,099,896
Transfers in	654,509
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 funds.	
Change in net pension liability and related deferred amounts	(1,557,272)
Change in net OPEB asset and related deferred amounts	(15,890,277)
Change in accrual for compensated absences	(1,898,279)
Change in net position of governmental activities	$ 14,748,381

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 107,694,348	$ 110,986,061	$ 110,647,710	$ (338,351)
Excise taxes	5,231,577	5,192,981	5,068,352	(124,629)
Licenses and permits	452,587	524,813	607,600	82,787
Intergovernmental	15,168,869	15,340,730	15,247,978	(92,752)
Charges for services	24,257,466	24,172,212	21,627,919	(2,544,293)
Fines and forfeits	578,100	578,100	500,845	(77,255)
Investment income	225,705	1,338,959	3,123,505	1,784,546
Other	1,626,379	1,679,379	2,506,737	827,358
Total revenues	155,235,031	159,813,235	159,330,646	(482,589)
Expenditures				
Current:				
Legislative -				
Board of commissioners	2,078,058	2,356,617	1,651,161	(705,456)
Judicial:				
District court	8,074,259	8,148,136	7,965,785	(182,351)
Trial court	13,447,226	13,525,630	13,622,322	96,692
Probation department	214,536	214,536	190,059	(24,477)
Total judicial	21,736,021	21,888,302	21,778,166	(110,136)
General government:				
Building authority	6,900	6,900	-	(6,900)
Clerk / Register	3,362,938	3,420,636	3,312,073	(108,563)
Human resources	2,477,539	2,762,126	2,682,808	(79,318)
Water resources commissioner	5,431,850	5,745,407	5,739,379	(6,028)
Equalization	1,985,150	2,012,446	1,903,529	(108,917)
Finance	3,966,644	3,998,566	3,909,975	(88,591)
Corporation counsel	1,057,664	1,047,916	1,106,814	58,898
Treasurer	2,821,768	2,847,234	2,605,570	(241,664)
Administrator	2,898,196	2,768,306	2,948,300	179,994
Allocated to other departments	(9,019,294)	(12,525,583)	(12,611,112)	(85,529)
Total general government	14,989,355	12,083,954	11,597,336	(486,618)
Public safety:				
Sheriff	61,699,361	65,018,015	64,954,605	(63,410)
Prosecuting attorney	8,581,396	8,676,157	8,587,414	(88,743)
Total public safety	70,280,757	73,694,172	73,542,019	(152,153)

continued…

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Public works	$ 163,110	$ 164,985	$ 124,349	$ (40,636)
Social services	549,288	549,288	618,023	68,735
Culture and recreation - county extension	436,165	436,165	431,575	(4,590)
Other unallocated - central charges	4,192,289	6,534,071	7,233,988	699,917
Debt service:				
Principal	-	25,451	47,595	22,144
Interest and fiscal charges	-	5,894	8,840	2,946
Total debt service	-	31,345	56,435	25,090
Total expenditures	114,425,043	117,738,899	117,033,052	(705,847)
Revenues over expenditures	40,809,988	42,074,336	42,297,594	223,258
Other financing sources (uses)				
Issuance of long-term liabilities	-	23,978	100,560	76,582
Transfers in	2,150,517	2,150,517	2,332,907	182,390
Transfers out	(35,647,581)	(40,038,631)	(36,211,147)	(3,827,484)
Total other financing sources (uses)	(33,497,064)	(37,864,136)	(33,777,680)	4,086,456
Net change in fund balance	7,312,924	4,210,200	8,519,914	4,309,714
Fund balance, beginning of year, as previously reported	65,137,788	65,137,788	65,137,788	-
Changes within the financial reporting entity	(1,534,840)	(1,534,840)	(1,534,840)	-
Fund balances, beginning of year, as adjusted	63,602,948	63,602,948	63,602,948	-
Fund balance, end of year	$ 70,915,872	$ 67,813,148	$ 72,122,862	$ 4,309,714

concluded.

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Community Mental Health Fund
Year Ended September 30, 2025

	Budget Original	Budget Final	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental	$ 128,636,316	$ 135,272,770	$ 147,310,749	$ 12,037,979
Charges for services	833,250	825,000	802,697	(22,303)
Other	1,677,136	1,660,531	70,315	(1,590,216)
Total revenues	131,146,702	137,758,301	148,183,761	10,425,460
Expenditures				
Current -				
Health	131,599,982	140,410,062	150,266,040	9,855,978
Revenues under expenditures	(453,280)	(2,651,761)	(2,082,279)	569,482
Other financing sources				
Transfers in	1,769,278	1,751,761	2,009,622	257,861
Net change in fund balance	1,315,998	(900,000)	(72,657)	827,343
Fund balance, beginning of year	6,415,570	6,415,570	6,415,570	-
Fund balance, end of year	$ 7,731,568	$ 5,515,570	$ 6,342,913	$ 827,343

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Parks and Recreation Fund
Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 16,013,668	$ 16,120,668	$ 18,199,420	$ 2,078,752
Intergovernmental	50,000	50,000	1,453,990	1,403,990
Charges for services	4,388,000	4,488,000	5,126,838	638,838
Investment income	400,000	700,000	3,884,971	3,184,971
Other	35,000	154,000	1,690,812	1,536,812
Total revenues	20,886,668	21,512,668	30,356,031	8,843,363
Expenditures				
Current -				
Culture and recreation	20,484,098	21,077,798	23,201,684	2,123,886
Revenues over expenditures	402,570	434,870	7,154,347	6,719,477
Other financing uses				
Transfers out	(1,200,000)	(2,001,300)	-	(2,001,300)
Net change in fund balance	(797,430)	(1,566,430)	7,154,347	8,720,777
Fund balance, beginning of year	39,664,116	39,664,116	39,664,116	-
Fund balance, end of year	$ 38,866,686	$ 38,097,686	$ 46,818,463	$ 8,720,777

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Mental Health/Public Safety Millage Fund
Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 5,231,417	$ 5,231,417	$ 5,248,678	$ 17,261
Intergovernmental	-	-	218,421	218,421
Investment income	-	-	38,944	38,944
Total revenues	5,231,417	5,231,417	5,506,043	274,626
Expenditures				
Current -				
Public safety	5,231,417	5,231,417	5,314,249	82,832
Revenues over expenditures	-	-	191,794	191,794
Other financing uses				
Transfers out	-	-	(200,422)	200,422
Net change in fund balance	-	-	(8,628)	(8,628)
Fund balance, beginning of year	69,790	69,790	69,790	-
Fund balance, end of year	$ 69,790	$ 69,790	$ 61,162	$ (8,628)

The accompanying notes are an integral part of these financial statements.

Statement of Net Position

Proprietary Funds
December 31, 2025

	Business-type Activities - Enterprise Funds			
	Delinquent Tax Revolving	Property Foreclosure Nonmajor Enterprise Fund	Total	Governmental Activities - Internal Service Funds
Assets				
Current assets:				
Cash and pooled investments	$ 14,538,398	$ 3,254,447	$ 17,792,845	$ 25,760,646
Receivables:				
Delinquent taxes	12,688,446	-	12,688,446	-
Interest and collection fees	1,778,905	-	1,778,905	-
Accounts	-	1,850	1,850	277,451
Due from other governments	795,740	-	795,740	783
Leases	-	-	-	27,478
Prepaid items	-	-	-	4,303,884
Total current assets	29,801,489	3,256,297	33,057,786	30,370,242
Noncurrent assets:				
Advances to component units	372,500	-	372,500	-
Loans receivable	269,127	-	269,127	-
Leases receivable, net	-	-	-	45,952
Capital assets being depreciated/amortized, net	-	17,179	17,179	12,699,857
Total noncurrent assets	641,627	17,179	658,806	12,745,809
Total assets	30,443,116	3,273,476	33,716,592	43,116,051
Liabilities				
Current liabilities:				
Accounts payable	447,059	1,115,521	1,562,580	4,160,608
Accrued liabilities	-	18,548	18,548	474,020
Accrued interest payable	51,196	-	51,196	6,770
Current portion of:				
Other long-term liabilities	-	-	-	1,410,153
Compensated absences	-	25,067	25,067	2,227,955
Claims payable	-	-	-	2,863,781
General obligation notes payable	6,500,000	-	6,500,000	-
Total current liabilities	6,998,255	1,159,136	8,157,391	11,143,287
Noncurrent liabilities:				
Other long-term liabilities, net	-	-	-	1,145,371
Compensated absences, net	-	64,403	64,403	1,095,027
Claims payable, net	-	-	-	2,478,557
General obligation notes payable, net	11,935,000	-	11,935,000	-
Total noncurrent liabilities	11,935,000	64,403	11,999,403	4,718,955
Total liabilities	18,933,255	1,223,539	20,156,794	15,862,242
Deferred inflows of resources				
Deferred lease amounts	-	-	-	72,800
Net position				
Net investment in capital assets	-	17,179	17,179	10,144,333
Restricted for:				
Debt service	11,509,861	-	11,509,861	-
Property foreclosure	-	2,032,758	2,032,758	-
Unrestricted	-	-	-	17,036,676
Total net position	$ 11,509,861	$ 2,049,937	$ 13,559,798	$ 27,181,009

The accompanying notes are an integral part of these financial statements.

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WASHTENAW COUNTY

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds			
	Delinquent Tax Revolving	Property Foreclosure Nonmajor Enterprise Fund	Total	Governmental Activities - Internal Service Funds
Operating revenues				
Charges for services	$ -	$ 305,269	$ 305,269	$ 90,306,009
Interest charges	1,971,570	-	1,971,570	-
Collection fees on taxes	839,769	-	839,769	-
Total operating revenues	2,811,339	305,269	3,116,608	90,306,009
Operating expenses				
Personnel services	64,170	463,528	527,698	12,529,105
Contractual services	37,098	54,481	91,579	5,268,572
Supplies	-	39,993	39,993	1,317,232
Occupancy	-	-	-	5,624,864
Auction expenses	-	1,600	1,600	-
Fees	-	44,550	44,550	-
Title research	-	6,802	6,802	-
Telephone	-	2,110	2,110	1,180,446
Equipment repair and rental	-	-	-	1,291,852
Building repair and rental	-	-	-	181,503
Benefits and insurance premiums	-	-	-	58,650,144
Foreclosure loss	-	926,151	926,151	-
Other	-	90,459	90,459	1,645,253
Depreciation and amortization	-	4,907	4,907	3,087,947
Total operating expenses	101,268	1,634,581	1,735,849	90,776,918
Operating income (loss)	2,710,071	(1,329,312)	1,380,759	(470,909)
Nonoperating revenues (expenses)				
Investment income	1,278,454	170,771	1,449,225	1,238,474
Interest expense and fiscal charges	(1,159,584)	-	(1,159,584)	(118,792)
Gain on sale of capital assets	-	-	-	109,685
Total nonoperating revenues (expenses)	118,870	170,771	289,641	1,229,367
Income (loss) before capital contributions and transfers	2,828,941	(1,158,541)	1,670,400	758,458
Capital contributions	-	-	-	1,099,896
Transfers in	100,000	-	100,000	654,509
Transfers out	(1,654,821)	-	(1,654,821)	-
Change in net position	1,274,120	(1,158,541)	115,579	2,512,863
Net position, beginning of year, as previously reported	10,235,741	3,208,478	13,444,219	22,484,305
Adjustments - changes within the financial reporting entity	-	-	-	2,183,841
Net position, beginning of year, as adjusted	10,235,741	3,208,478	13,444,219	24,668,146
Net position, end of year	$ 11,509,861	$ 2,049,937	$ 13,559,798	$ 27,181,009

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds			
	Delinquent Tax Revolving	Property Foreclosure Nonmajor Enterprise Fund	Total	Governmental Activities - Internal Service Funds
Cash flows from operating activities				
Cash received from customers	$ 22,199,858	$ 303,419	$ 22,503,277	$ -
Cash received from interfund services	-	-	-	90,193,590
Cash payments for delinquent taxes	(21,764,280)	-	(21,764,280)	-
Cash payments to employees	-	(446,637)	(446,637)	(12,178,080)
Cash payments to suppliers	(101,268)	(57,667)	(158,935)	(72,091,914)
Cash payments for interfund services	-	-	-	(117,177)
Net cash from operating activities	334,310	(200,885)	133,425	5,806,419
Cash flows from noncapital financing activities				
Transfers in	100,000	-	100,000	654,509
Transfers out	(1,654,821)	-	(1,654,821)	-
Proceeds from issuance of long-term debt	17,935,000	-	17,935,000	-
Principal paid on long-term debt	(13,900,000)	-	(13,900,000)	-
Interest paid on long-term debt	(1,174,842)	-	(1,174,842)	-
Net cash from noncapital financing activities	1,305,337	-	1,305,337	654,509
Cash flows from capital and related financing activities				
Proceeds from sale of equipment	-	-	-	346,694
Payments for equipment acquisitions	-	-	-	(3,957,020)
Principal paid on long-term debt and other long-term liabilities	-	-	-	(1,346,972)
Interest paid on long-term debt and other long-term liabilities	-	-	-	(112,046)
Net cash from capital and related financing activities	-	-	-	(5,069,344)
Cash flows from investing activities				
Investment income	1,278,454	170,771	1,449,225	1,238,474
Change in cash and pooled investments	2,918,101	(30,114)	2,887,987	2,630,058
Cash and pooled investments, beginning of year	11,620,297	3,284,561	14,904,858	23,130,588
Cash and pooled investments, end of year	$ 14,538,398	$ 3,254,447	$ 17,792,845	$ 25,760,646

continued…

WASHTENAW COUNTY

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds			
	Delinquent Tax Revolving	Property Foreclosure Nonmajor Enterprise Fund	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities				
Operating income (loss)	$ 2,710,071	$ (1,329,312)	$ 1,380,759	$ (470,909)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	-	4,907	4,907	3,087,947
Changes in assets and liabilities:				
Receivables:				
Delinquent taxes	(2,175,668)	-	(2,175,668)	-
Interest and collection fees	(256,373)	-	(256,373)	-
Accounts	-	(1,850)	(1,850)	(120,805)
Due from other governments	269,979	-	269,979	10
Leases	-	-	-	(58,558)
Prepaid items	-	-	-	642,752
Advances to component units	74,500	-	74,500	-
Loans receivable	(63,829)	-	(63,829)	-
Accounts payable	(224,370)	1,108,479	884,109	1,622,778
Accrued liabilities	-	3,428	3,428	83,696
Claims payable	-	-	-	700,513
Accrued compensated absences	-	13,463	13,463	260,489
Deferred lease amounts	-	-	-	58,506
Net cash from operating activities	$ 334,310	$ (200,885)	$ 133,425	$ 5,806,419
Noncash capital financing activities				
Addition of lease and subscription assets	$ -	$ -	$ -	$ 621,594
Addition of lease and subscription liabilities	-	-	-	(621,594)
Total noncash capital financing activities	$ -	$ -	$ -	$ -

concluded.

The accompanying notes are an integral part of these financial statements.

Statement of Fiduciary Net Position

Fiduciary Funds
December 31, 2025

	Pension and OPEB Trust Funds	Custodial Fund
Assets		
Cash and pooled investments	$ -	$ 6,316,247
Investments, at fair value:		
Equity securities and funds	294,808,706	-
Fixed income securities and funds	139,175,480	-
Other investments	136,554,220	-
Money market funds	54,405,192	-
Accounts receivable	311,547	279,084
Accrued interest and dividends	585,476	-
Total assets	625,840,621	6,595,331
Liabilities		
Accounts payable	408,507	-
Accrued liabilities	220,223	-
Undistributed receipts	-	3,209,602
Total liabilities	628,730	3,209,602
Net position		
Restricted for:		
Pensions	410,274,322	-
Other postemployment benefits	214,937,569	-
Individuals, organizations and other governments	-	3,385,729
Total net position	$ 625,211,891	$ 3,385,729

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary Net Position

Fiduciary Funds
Year Ended December 31, 2025

	Pension and OPEB Trust Funds	Custodial Fund
Additions		
Investment income:		
From investing activities:		
Net appreciation in fair value of investments	$ 68,480,729	$ -
Interest and dividends	14,081,439	168,168
Total investment income	82,562,168	168,168
Less: investment expenses	(1,294,513)	-
Total net investment income	81,267,655	168,168
Contributions:		
Employer	28,590,084	-
Employees	7,255,664	-
Employees - rollover	144,615	-
Total contributions	35,990,363	-
Taxes collected for other governments	-	172,433,191
Other additions	4,305	2,718,022
Total additions	117,262,323	175,319,381
Deductions		
Participant benefits	46,409,000	-
Administrative expenses	760,863	-
Participant refunds	364,282	-
Payments of taxes to other governments	-	172,433,193
Other deductions	-	2,798,448
Total deductions	47,534,145	175,231,641
Total net change in net position	69,728,178	87,740
Net position, beginning of year	555,483,713	3,297,989
Net position, end of year	$ 625,211,891	$ 3,385,729

The accompanying notes are an integral part of these financial statements.

Combining Statement of Net Position

Discretely Presented Component Units
December 31, 2025

	Department of Public Works Projects	Water Resources Commissioner	Road Commission	Brownfield Redevelopment Authority	Total
Assets					
Cash and pooled investments	$ 1,804,017	$ 15,892,079	$ 26,610,513	$ 1,853,428	$ 46,160,037
Receivables, net	2,415,633	18,448,748	9,969,656	663,233	31,497,270
Prepaid items and other assets	-	-	2,748,481	-	2,748,481
Restricted assets	-	1,632,730	-	-	1,632,730
Capital assets not being depreciated	-	476,413	33,224,864	-	33,701,277
Capital assets being depreciated, net	-	51,525,036	337,029,030	-	388,554,066
Total assets	4,219,650	87,975,006	409,582,544	2,516,661	504,293,861
Deferred outflows of resources					
Deferred pension amounts	-	-	7,612,649	-	7,612,649
Deferred OPEB amounts	-	-	612,120	-	612,120
Deferred charge on refunding	1,681	1,814	-	-	3,495
Total deferred outflows of resources	1,681	1,814	8,224,769	-	8,228,264
Liabilities					
Accounts payable and accrued liabilities	35,619	11,426,592	9,346,010	5,545	20,813,766
Advances from primary government	30,000	653,000	-	-	683,000
Accrued interest payable	8,258	78,766	39,929	-	126,953
Unearned revenue	-	-	2,190,003	-	2,190,003
Bonds, notes and other long-term liabilities:					
Due within one year	1,425,000	1,661,839	929,021	-	4,015,860
Due in more than one year	415,000	14,038,153	3,655,833	-	18,108,986
Other noncurrent liabilities due in more than one year:					
Net pension liability	-	-	35,299,306	-	35,299,306
Net OPEB liability	-	-	2,144,121	-	2,144,121
Total liabilities	1,913,877	27,858,350	53,604,223	5,545	83,381,995
Deferred inflows of resources					
Deferred pension amounts	-	-	218,447	-	218,447
Deferred OPEB amounts	-	-	1,484,753	-	1,484,753
Taxes levied for a subsequent period	-	-	-	872,763	872,763
Total deferred inflows of resources	-	-	1,703,200	872,763	2,575,963
Net position					
Net investment in capital assets	-	38,658,627	366,673,894	-	405,332,521
Restricted for:					
Debt service	690,737	15,494,885	-	-	16,185,622
Capital projects	1,616,717	6,158,367	-	-	7,775,084
Unrestricted (deficit)	-	(193,409)	(4,174,004)	1,638,353	(2,729,060)
Total net position	$ 2,307,454	$ 60,118,470	$ 362,499,890	$ 1,638,353	$ 426,564,167

The accompanying notes are an integral part of these financial statements.

WASHTENAW COUNTY

Combining Statement of Activities
Discretely Presented Component Units
Year Ended December 31, 2025

	Department of Public Works Projects	Water Resources Commissioner	Road Commission	Brownfield Redevelopment Authority	Total
Expenses					
Public works	$ 1,552,154	$ 6,068,354	$ -	$ 6,931,195	$ 14,551,703
Highways and streets	-	-	60,321,266	-	60,321,266
Total expenses	1,552,154	6,068,354	60,321,266	6,931,195	74,872,969
Program revenues					
Charges for services	-	123,577	-	-	123,577
Operating grants and contributions	-	-	67,049,692	43,909	67,093,601
Capital grants and contributions	184,030	7,352,059	-	-	7,536,089
Total program revenues	184,030	7,475,636	67,049,692	43,909	74,753,267
Net program (expense) revenue	(1,368,124)	1,407,282	6,728,426	(6,887,286)	(119,702)
General revenues					
Property taxes	-	-	-	5,625,335	5,625,335
Unrestricted investment income	72,026	745,917	1,511,070	159,530	2,488,543
Total general revenues	72,026	745,917	1,511,070	5,784,865	8,113,878
Change in net position	(1,296,098)	2,153,199	8,239,496	(1,102,421)	7,994,176
Net position, beginning of year, as previously reported	5,224,206	47,974,626	354,260,394	2,740,774	410,200,000
Restatements - correction of an error	(1,620,654)	9,990,645	-	-	8,369,991
Net position, beginning of year, as restated	3,603,552	57,965,271	354,260,394	2,740,774	418,569,991
Net position, end of year	$ 2,307,454	$ 60,118,470	$ 362,499,890	$ 1,638,353	$ 426,564,167

The accompanying notes are an integral part of these financial statements.

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NOTES TO FINANCIAL STATEMENTS

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Index - Notes to the Financial Statements

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washtenaw County, Michigan (the "County" or "government") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

Reporting Entity

Washtenaw County is a municipal corporation governed by a nine-member commission and administered by an appointed county administrator. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. The blended and discretely presented component units have December 31 year ends.

Blended Component Unit

The *Washtenaw County Building Authority* is governed by a five-member board appointed by the Board of Commissioners. The Building Authority is reported as if it was part of the primary government because its sole purpose is to finance and construct the County's public buildings. There was no financial activity for the Building Authority for the year ended December 31, 2025.

Discretely Presented Component Units

The *Washtenaw County Department of Public Works Projects* is managed by the Board of Public Works, a seven-member board appointed by the County Board of Commissioners. The Board of Public Works is responsible for administering various public works construction projects and the associated debt service funds on behalf of local units of government within the County under the provisions of Act 185, Public Acts of 1957, as amended. All of the Board of Public Works' contractual agreements, including bond issuances, require County Board of Commissioners' approval. The full faith and credit of the County is given for the long-term debt of these projects.

Each of the drainage districts included in the financial statements of the *Washtenaw County Water Resources Commissioner* are separate legal entities with the power to contract; to sue and to be sued; and to hold, manage and dispose of real and personal property. The Statutory Drain Board consists of the Water Resources Commissioner, the Chair of the County Board of Commissioners, and one other member of the Board of Commissioners. The Water Resources Commissioner is responsible for the construction and maintenance of storm drains within the County. The full faith and credit of the County is often given for the long-term debt of the drainage districts.

The *Washtenaw County Road Commission* is responsible for the maintenance and construction of the county road system in Washtenaw County. It is governed by a three-member board appointed by the County Board of Commissioners. The Road Commission may not issue debt or levy a tax without the approval of the County Board of Commissioners. The Road Commission deposits its receipts with and has investments through the County.

Notes to Financial Statements

The *Washtenaw County Brownfield Redevelopment Authority (WCBRA)* is governed by a nine-member board appointed by the Washtenaw County Board of Commissioners. Its purpose is to encourage and support the redevelopment of under-utilized and environmentally contaminated properties in partnership with 23 member communities in Washtenaw County. The WCBRA is currently administered by the Office of Community and Economic Development, whose budget is approved by the County Board of Commissioners. No separate financial report was issued.

Complete financial statements for each of the discretely presented component units, except the WCBRA as mentioned above, can be obtained directly from their respective administrative offices, as follows:

Department of Public Works or Water Resources Commissioner	Road Commission
705 North Zeeb Road	555 North Zeeb Road
Ann Arbor, MI 48107	Ann Arbor, MI 48106

Fiduciary Component Units

The *Employees' Retirement System* (the System) is a single-employer defined benefit contributory retirement plan which provides pension, death and disability benefits covering certain full-time employees of Washtenaw County. The System is included as a fiduciary component unit of the County because: (1) the System is a legally separate entity; (2) the County Board of Commissioners appoints a voting majority of the Retirement Commission; and (3) the County makes contributions to the System on behalf of its participants. Plan amendments are under the authority of County Ordinances. Changes in required contributions are subject to collective bargaining agreements and approval by the Washtenaw County Board of Commissioners.

The Washtenaw County Voluntary Employees Beneficiary Association (VEBA) is a single-employer defined benefit postemployment healthcare plan established and administered by Washtenaw County to provide medical and healthcare benefits for retirees and their beneficiaries. Eligible participants include any retirees who receive pension benefits under one of the County's pension plans. The VEBA is funded through a trust agreement established pursuant to Section 501(c)(9) of the Internal Revenue Code which allows for the formation of such a plan. The VEBA is included as a fiduciary component unit of the County because: (1) the VEBA is a legally separate entity; (2) the County Board of Commissioners appoints a voting majority of the trustees; and (3) the County makes contributions to the VEBA on behalf of its participants. VEBA provisions are established and may be amended by the Washtenaw County Board of Commissioners, subject to the County's various collective bargaining agreements.

The *Washtenaw County Defined Contribution Plan* (WCDC) is a defined contribution pension plan established and administered by the County to provide benefits at retirement to all regular employees of the County hired on or after January 1, 2014. WCDC is included as a fiduciary component unit of the County because: (1) WCDC is a legally separate entity; (2) WCDC is governed by the County's Board of Commissioners; and (3) the County makes contributions to WCDC on behalf of its participants.

The *Washtenaw County Retirement Health Savings Plan* (RHS) is a retiree health and welfare benefits plan including a post-employment health reimbursement arrangement, with a tax exempt VEBA (Voluntary Employees Beneficiary Association) trust organized under Internal Revenue Code section 501 (c)(9). The Plan is established and administered by the County to provide benefits at retirement to all regular employees of the County hired on or after January 1, 2014. RHS is included as a fiduciary component unit of the County because: (1) RHS is a legally separate entity; (2) RHS is governed by the County's Board of Commissioners; and (3) the County makes contributions to RHS on behalf of its participants.

Complete financial statements for each of the fiduciary component units can be obtained from the Washtenaw County Finance Department.

Funds with Another Year End

The community mental health, public health, child care, friend of the court, indigent defense, prosecuting attorney grants, and community corrections funds (special revenue funds of the County) as well as some other specific grants related to the district court, secondary road patrol, community violence prevention, substance use prevention, and road safety programs are reported on a September 30 year end in order to enhance the value of this document to certain readers and users.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Separate financial statements are provided for the governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants which use one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, state revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

The *community mental health special revenue fund* accounts for the activities of delivering an array of mental health services to residents. Its major source of funding for the contractual services it provides is intergovernmental revenues from the Community Mental Health Partnership of Southeast Michigan.

The *parks and recreation special revenue fund* accounts for the operations of the County-owned parks and recreational facilities and for the millage approved by County voters for the purchase of natural areas within the County. Its major source of funding is from voter-approved millages and from fees collected from visitors to the various parks.

The *mental health/public safety millage special revenue fund* accounts for the revenues and expenditures resulting from the voter-approved millage for the joint services provided by the mental health and public safety areas of the government. These monies will be used for three distinct purposes: 1) 38% of the millage to fund mental health crisis, stabilization, and prevention efforts; 2) 38% to fund public safety efforts to ensure continued operations and greater cooperation with the mental health community and; 3) 24% to be distributed to local governmental entities within the County which maintain their own police force (currently Ann Arbor, Chelsea, Milan, Saline, Ypsilanti, Pittsfield Township, and Northfield Township) to support these efforts at the local level as well.

The *county capital projects fund* accounts for the construction of County buildings as well as renovation/small construction projects performed on existing County facilities and the purchase of capital equipment. Bond proceeds are often used to finance these projects.

The government reports the following major proprietary fund:

The *delinquent tax revolving enterprise fund* accounts for the County's annual purchase of delinquent real property taxes from each of the local taxing units within the County and the ultimate collection from the property owners of the delinquent taxes with penalty and interest. The fund also accounts for the County's issuance of debt (to provide cash flow for the purchase of the taxes) and for the resulting debt service payments.

Additionally, the government reports the following fund types:

The *special revenue funds* account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

The *debt service fund* accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term general obligation debt of governmental funds not being financed by proprietary funds.

The *enterprise fund* accounts for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The *internal service funds* account for operations that provide services (such as community mental health (CMH) group homes, information technology, facilities management, fleet, payroll fringe benefits, general services, insurance, phone services, workers compensation and severance benefits) to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

The *custodial fund* accounts for assets held by the County in a custodial capacity for other governments and entities. Primarily, this fund includes undistributed collections and withholdings such as state education taxes, current property taxes, state jail booking fees, state real estate transfer taxes, and library penal fines.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

Deposits and Investments

The County Treasurer maintains a cash management pool that is used by all funds and component units of the government, except for the pension and other employee benefit trust funds. In addition to their participation in the cash management pool, certain funds and component units also have separate checking accounts. The cash management pool has the general characteristics of a demand deposit account in that deposits and withdrawals may be made at any time without prior notice or penalty. Accordingly, each fund's portion of this pool, along with any amounts in separate demand deposit accounts, is reported as "cash and pooled investments."

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less.

Investments are stated at fair value, which is determined as follows: (a) short-term investments are reported at cost, which approximates fair value; (b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; (c) investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the governing body, with the assistance of a valuation service; and (d) cash deposits are reported at carrying amounts which reasonably approximates fair value.

State statutes authorize the County to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers acceptances, and mutual funds composed of otherwise legal investments (except those with a fluctuating per share value). The Michigan Public Employee Retirement System Investment Act, Public Act 314 of 1965, as amended, authorizes the Employees' Retirement System, the Voluntary Employees' Beneficiary Association, the Defined Contribution Plan, and the Retirement Health Savings Plan to invest in stocks, government and corporate securities, mortgages, real estate, and various other investment instruments, including mutual funds and collective investment trust funds, subject to certain limitations.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other 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."

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectible amounts.

Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For the County, infrastructure exists in the Water Resources Commissioner and Road Commission component units. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of two years. Capital assets are defined by the Road Commission as assets with an initial, individual cost of more than $500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life, are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the primary government and component units, except for the Road Commission, are depreciated/amortized using the straight-line method over the useful life of the assets as follows:

Buildings and improvements	5 to 50 years
Improvements other than buildings	5 to 50 years
Drain infrastructure	50 years
Equipment (computer, office and vehicles)	2.5 to 20 years

For the Road Commission, capital assets are depreciated using the straight-line method over the following useful lives:

Roads	5 to 30 years
Buildings	40 to 60 years
Machinery and equipment	5 to 20 years
Other infrastructure	15 to 50 years

Leases

Lessee. The County is a lessee for noncancellable leases of easement property, buildings and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements. The County recognizes lease liabilities with an initial, annual value of $5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor. The County is a lessor for noncancellable leases of land and buildings. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary fund and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The County uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITA)

The County has noncancellable subscription-based information technology arrangements. The County recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide and proprietary fund financial statements. The County recognizes subscription liabilities with an initial, annual value of $5,000 or more.

At the commencement of a subscription, the County initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the County determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) subscription term, and (3) subscription payments. The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for SBITAs. The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price (if applicable) that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension and other postemployment benefit plans as well as for the deferred charge on refunding. A deferred refunding charge results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Compensated Absences

The County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, five types of leave qualify for liability recognition for compensated absences – vacation, sick, compensatory, longevity and parental. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term 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 are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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 on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has five types of items that qualify for reporting in this category. The first one is the deferred pension and other postemployment benefit inflows amount reported in the statement of net position. Deferred pension and other postemployment benefit inflows result when there is a change in total pension and other postemployment benefit liabilities due to differences between expected and actual experience, changes in actuarial assumptions, or differences between expected and actual investment returns. The amount is deferred and amortized over the average expected remaining service lives of all employees or five years, depending on the type of change. The second one is the deferred gain on refunding reported in the government-wide statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from property taxes and other receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods. Finally, the statements of net position and governmental funds balance sheets report deferred inflows related to leases. The amounts are deferred and amortized over the remaining life of the lease.

Fund Balances

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of the resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, the Board of Commissioners. A formal resolution of the Board of Commissioners is required to establish, modify or rescind a fund balance commitment. Assigned fund balance is reported for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Assignments, if any, will be authorized by the Board of Commissioners; however, no such authorizations have yet been made. Unassigned fund balance is the residual classification used for a general fund. In governmental funds, other than the general fund, it is not appropriate to report a positive unassigned fund balance amount. When expenditures incurred for specific purposes in the other governmental funds exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When the County incurs an expenditure for purposes for which various fund balance classifications can be used, it is the County's policy to use restricted fund balance first, then committed, assigned, and finally unassigned fund balance, if any.

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability, net other postemployment benefit liability (asset), deferred outflows of resources and deferred inflows of resources related to pension and other postemployment benefit plans, and pension and other postemployment benefit expenses, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. Budgets are not required for debt service and capital projects funds. All annual appropriations lapse at year-end.

The County has utilized a rolling quadrennial budget since 2013 to improve the efficiency of the overall budgeting process. The first year of the quadrennial budget is prepared for approval and adoption, and the second through fourth years are based on information currently available. Annually the budget is amended during the year to reflect necessary revisions as economic conditions warrant. Necessary changes are brought back to the Board of Commissioners prior to the beginning of the fiscal year for final adoption.

The County Administrator submits a proposed budget to the Board of Commissioners before September 15. The budget includes proposed expenditures and the means of financing them. Public hearings are held to obtain taxpayer comments. The budget is adopted no later than December 31 through a Board of Commissioners resolution.

The appropriated budget is prepared by fund, function and department. The County's department heads may make limited transfers of appropriations within a department. Transfers of appropriations between departments require approval by the Board of Commissioners or County Administrator, depending on the dollar value of the transfers. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level for the general fund and the function level for special revenue funds. Supplemental budgetary appropriations were made during the year, but were not material for purposes of these disclosures.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances are recorded in the amount of the outstanding purchase orders and contracts at the time the purchase orders and contracts are issued. The encumbrances are liquidated when the goods or services are received. Unliquidated encumbrances at the end of the year are not carried forward to the next year, therefore, there are no encumbrances to disclose as of year end.

Notes to Financial Statements

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. Excess of expenditures or transfers out over appropriations in individual funds are as follows:

	Final Budget	Actual	Excess
General fund			
Judicial - trial court	$ 13,525,630	$ 13,622,322	$ 96,692
General government:			
Corporation council	1,047,916	1,106,814	58,898
Administrator	2,768,306	2,948,300	179,994
Social services	549,288	618,023	68,735
Other unallocated - central charges	6,534,071	7,233,988	699,917
Debt service:			
Principal	25,451	47,595	22,144
Interest and fiscal charges	5,894	8,840	2,946
Community mental health fund			
Health	140,410,062	150,266,040	9,855,978
Parks and recreation fund			
Culture and recreation	21,077,798	23,201,684	2,123,886
Mental health/public safety millage fund			
Public safety	5,231,417	5,314,249	82,832
Transfers out	-	200,422	200,422
Nonmajor special revenue funds			
Accommodation ordinance tax - general government	8,428,437	9,569,678	1,141,241
ARPA - transfers out	-	550,000	550,000
Building services - public safety	1,996,484	2,158,974	162,490
Child care:			
Principal	-	23,573	23,573
Interest and fiscal charges	-	1,423	1,423
HIDTA grant:			
Public safety	2,209,287	4,493,037	2,283,750
Principal	-	244,411	244,411
Interest and fiscal charges	-	59,422	59,422
Inmate concessions - public safety	500,000	786,452	286,452
Mental health millage operations - health	8,283,076	11,540,287	3,257,211
Opioid - transfers out	-	47,117	47,117
Other special revenue funds - general government	263,080	541,846	278,766
Public health:			
Principal	-	21,706	21,706
Interest and fiscal charges	-	13,169	13,169
Public works solid waste program - public works	1,501,901	1,547,152	45,251
Sheriff's grants:			
Principal	-	44,156	44,156
Interest and fiscal charges	-	167	167

These excesses over appropriations were funded by available fund balance.

4. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposits and investments as of December 31, 2025:

	Primary Government	Component Units	Total
Statement of Net Position			
Cash and pooled investments	$ 348,301,637	$ 46,160,037	$ 394,461,674
Restricted assets	3,598,183	1,632,730	5,230,913
Statement of Fiduciary Net Position			
Cash and pooled investments	6,316,247	-	6,316,247
Investments	624,943,598	-	624,943,598
Total	$ 983,159,665	$ 47,792,767	$ 1,030,952,432

Deposits and Investments	
Bank deposits (checking accounts and certificates of deposit)	$ 47,316,486
Restricted cash held by Wayne County	1,632,730
Investments in securities, mutual funds and similar vehicles:	
Treasurer’s investments	332,705,110
Park's investments	14,143,577
Employees' retirement system	351,691,656
Voluntary employees' beneficiary association	198,116,724
Defined contribution plan	58,411,932
Retirement health savings plan	16,723,286
Cash on hand	44,822
Net effect of funds with different fiscal year ends	10,166,109
Total	$ 1,030,952,432

Bank Deposits and Treasurer’s Investments

Custodial Credit Risk - Deposits. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. The federal government provides $250,000 of FDIC insurance per customer. The County had $38,188,747 of insured deposits through this coverage. At December 31, 2025, of the County’s total bank balance of $64,391,708 (total book balance was $47,316,486), $26,202,961 was exposed to custodial credit risk as it was uninsured and uncollateralized.

In accordance with the County’s investment policy and State law, all deposits are uncollateralized, held in the County’s name, and evidenced by a safekeeping receipt. Due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to obtain FDIC insurance for all bank deposits. The County evaluates each financial institution 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 - Investments. Following is a summary of the Treasurer's investments as of December 31, 2025:

U.S. agencies	$ 61,586,379
U.S. treasuries	153,006,643
Michigan municipal bonds and notes	43,296,977
Money market 2a7-like investment pools	54,436,958
Michigan CLASS government investment pool	20,378,153
Total	$ 332,705,110

Investments are exposed to custodial credit risk if the securities are uninsured, unregistered or held by a counterparty or its agent but not in the government's name. In accordance with the County's investment policy, all investments are held in the name of the County and are evidenced by a safekeeping receipt confirmation, and thus not exposed to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy and State law require that commercial paper be rated in the top two ratings by at least two nationally recognized statistical rating organizations (NRSRO); investments in local government tax notes must be rated in the top two ratings by one NRSRO. Ratings are not required for U.S. treasuries or certain money market funds.

As of December 31, 2025, all of the County's investments in securities of U.S. agencies were rated AA by Standard & Poor's (S&P) and Aa1 by Moody's, with the exception of investments in securities of Federal Agricultural Mortgage Corporation, which are not rated. All of the County's investments in money market 2a7-like investment pools and the local government investment pool are rated AAAm by S&P. The County's investments in Michigan municipal bonds and notes are rated in the top tier by at least one rating agency.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy requires diversification by security type and institution, but does not place a fixed percentage limit for any one issuer. At December 31, 2025, the Treasurer's investments had greater than 5% of its total investment portfolio concentrated as follows:

	Issuer	% of Portfolio
U.S. treasuries	U.S. Treasury	45.99%
Money market	Huntington securities	15.95%
U.S. agencies	Federal Home Loan Bank	8.00%
U.S. agencies	Federal Farm Credit Bank	7.00%
Local government investment pool	Michigan CLASS	6.12%

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of investments. The County'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 County to manage this risk by purchasing a mix of short and long-term investments. This laddering approach also matches investment maturities to projected cash flow needs.

As of December 31, 2025, maturities of the County's debt securities were as follows:

		Investment maturities (fair value by years)		
	Fair Value	Less Than 1	1 - 5	6 - 10
U.S. agencies	$ 61,586,379	$ 15,213,912	$ 46,372,467	$ -
U.S. treasuries	153,006,643	88,014,410	64,992,233	-
Michigan municipal bonds and notes	43,296,977	3,853,964	38,339,299	1,103,714
Total	$ 257,889,999	$ 107,082,286	$ 149,703,999	$ 1,103,714

Fair Value Measurement. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The County uses a subscription pricing service, Interactive Data Pricing and Reference Data, LLC, whose methodology uses a blend of Level 1 and Level 2 inputs. Accordingly, the County categorizes any investments measured with blended inputs at the lowest level of the blended inputs. Any investments not priced by the pricing service are valued using Level 2 inputs, which utilize a present value technique using published market interest rates.

The money market 2a7-like investment pools are valued at published fair value per share (unit) for the fund. The underlying investments of the pools are reported at fair value and classified at Level 2.

Investments in Entities that Calculate Net Asset Value per Share. The County holds shares in Michigan CLASS whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient.

At year end, the net asset value of the County's investment in Michigan CLASS government investment pool was $20,378,153. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high grade commercial paper (rated 'A1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

The County had the following recurring fair value measurements as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
U.S. agencies	$ -	$ 61,586,379	$ -	$ 61,586,379
U.S. treasuries	-	153,006,643	-	153,006,643
Michigan municipal bonds and notes	-	43,296,977	-	43,296,977
Money market 2a7-like investment pools	-	54,436,958	-	54,436,958
Total investments at fair value	$ -	$ 312,326,957	$ -	312,326,957
Investments measured at the net asset value (NAV)				
Michigan CLASS government investment pool				20,378,153
Total investments				$ 332,705,110

Parks Natural Areas Maintenance Fund

The Board of Commissioners authorized the establishment of a special revenue fund, with funds from the Natural Areas Preservation Program millage, for the perpetual operation, maintenance (stewardship) and enforcement of Washtenaw County Parks nature preserves and conservation easements acquired through the Natural Area Preservation Program millage. The Board passed an investment policy, separate from the County's Cash Investment Pool, utilizing the State law which allows the special revenue fund monies to be invested in the same manner as the other assets under Public Act 314 of 1965.

Custodial Credit Risk. Investments are exposed to custodial credit risk if the securities are uninsured, unregistered or held by a counterparty or its agent but not in the government's name. In accordance with the Parks investment policy, all investments are held in the name of the County and are evidenced by a safekeeping receipt confirmation, and thus not exposed to custodial credit risk. Following is a summary of the Parks investment holdings as of December 31, 2025:

Exchange traded funds	$ 10,253,331
Mutual funds	1,985,532
Foreign bonds	661,063
Corporate bonds	447,504
Money market funds	796,147
Total	$ 14,143,577

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Parks investment policy and State law require that corporate and municipal bonds will be investment grade or better by a standard national rating service at the time of purchase. U.S. treasury and agencies are considered to have minimal credit risk and are therefore exempt from credit rating limitations. Money market mutual funds and taxable securities will be rated within the highest two classifications by a standard rating service at the time of purchase.

The foreign bonds are rated A to AAA by S&P. The corporate bonds are rated A to BBB by S&P. The ETF bond fund, ETF equity funds, and mutual funds are not rated but the underlying securities are of investment grade.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Parks investment policy and State law require investments in individual stocks and bonds, excluding U.S. treasuries and agencies, exchange-traded funds and mutual funds, of any one company will not exceed 5% of the portfolio. As of December 31, 2025, the Parks investment portfolio is in compliance with these requirements.

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of investments. The Parks investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The fixed income portion of the Fund is in an ETF bond fund to manage interest rate risk.

		Investment maturities (fair value by years)		
	Fair Value	**Less Than 1**	**1 - 5**	**6 - 10**
Foreign bonds	$ 661,063	$ -	$ 465,683	$ 195,380
Corporate bonds	447,504	-	-	447,504
Total	$ 1,108,567	$ -	$ 465,683	$ 642,884

Fair Value Measurement. Parks categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Parks used the market pricing provided by the custodian.

Notes to Financial Statements

Parks had the following fair value measurements as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Exchange traded funds	$ -	$ 10,253,331	$ -	$ 10,253,331
Mutual funds	-	1,985,532	-	1,985,532
Foreign bonds	-	661,063	-	661,063
Corporate bonds	-	447,504	-	447,504
Money market funds	-	796,147	-	796,147
Total investments at fair value	$ -	$ 14,143,577	$ -	$ 14,143,577

Employees’ Retirement System (the "System") Investments

The System's policy in regard to the allocation of invested assets is established and may be amended by its Board of Trustees. The policy pursues an investment strategy that protects the financial health of the System and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. System assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the System may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the System will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

The adopted asset allocation policy as of December 31, 2025, is as follows:

	Target Allocation	Allocation Range
Equities		
Domestic equities - large cap	22.5%	10.0% to 40.0%
Domestic equities - small to mid cap	10.0%	5.0% to 15.0%
International equities	19.5%	9.5% to 29.5%
	52.0%	24.5% to 84.5%
Fixed income	31.0%	16.0% to 46.0%
Other investments		
Real estate	14.0%	5.0% to 28.0%
Private credit	3.0%	0.0% to 6.0%
Cash	0.0%	<=5.0%
	17.0%	0.0% to 39.0%
Total	100.0%	

The System's investments are primarily held in a bank administered trust fund. Following is a summary of those investments as of December 31, 2025:

Equity securities and funds	
Exchange-traded and closed end funds	$ 165,807,287
Fixed income securities and funds	
Bond mutual funds	28,369,728
Corporate and other bonds	20,348,674
Commingled fixed income funds	26,459,728
U.S. treasuries	14,569,445
U.S. agencies	14,097,950
	103,845,525
Other investments	
Infrastructure funds limited partnership	11,160,930
Real estate investment trusts	20,231,749
	31,392,679
Money market funds	50,646,165
Total investments	$ 351,691,656

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System's investment policy provides that 70% of its investments in fixed income securities be limited to those rated BBB or better by a nationally recognized statistical rating organization, except for United States treasury securities which are explicitly guaranteed by the U.S. government and not considered to have credit risk.

As of December 31, 2025, $14,097,950 of the System's investments in securities of U.S. agencies were rated AA+, by Standard & Poor's.

The System's investments in bond mutual funds, corporate and other bonds, and commingled fixed income funds were rated by Standard & Poor's as follows:

AAA	$ 2,132,376
AA	26,797,522
A	32,160,841
B	72,670
BB	809,534
BBB	11,229,252
Not rated	1,975,935
	$ 75,178,130

As of December 31, 2025, the System's investments in money market funds were rated AAA by Standard & Poor's; real estate investment trusts and infrastructure funds limited partnerships were not rated.

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The System's investment policy requires that securities be held in trust by a third-party institution in the System's name or its nominee custodian's name or in bearer form. Although uninsured and unregistered, the System's investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department or agent in the System's name. Short-term investments in money market funds and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer. At December 31, 2025, the System's investment policy requires that no more than: 55.0% of its assets be invested in domestic equities, 29.5% in international equities, 28.0% in real estate, 46.0% in fixed income securities, and 6% in private credit. At December 31, 2025, the System's investment portfolio was not concentrated.

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 System's investment policy requires that no more than: 20% of its assets be invested in foreign securities, 5% of outstanding foreign securities in any one issue, or 5% of its assets in any one issuer.

As of December 31, 2025, maturities of the System's exposure to foreign currency risk is as follows:

	Currency	Fair Value in US Dollars
Electricity Distribution Systems	Swedish Krona	$ 4,085,874
Sea Port Infrastructure	Pound Sterling	1,651,529
Motorway Service Areas on the German Autobahn Network	Euro	813,123
Oil Product Transportation Pipeline and Storage Network	Euro	1,145,764
Sea Port Infrastructure	Australian Dollar	1,271,672
Railway Transportation-railcar leasing	Euro	2,192,968
		$ 11,160,930

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The System's investment policy requires a maximum term to maturity of 30 years for any single fixed income security and a maximum weighted average portfolio maturity of 10 years.

Notes to Financial Statements

As of December 31, 2025, maturities of the System's fixed income securities were as follows:

		Investment maturities (fair value by years)			
	Fair Value	Less Than 1	1 - 5	6 - 10	Over 10
Bond mutual funds	$ 28,369,728	$ -	$ 11,739,707	$ 16,630,021	$ -
Corporate and other bonds	20,348,674	465,647	11,251,424	5,187,411	3,444,192
Commingled fixed income funds	26,459,728	-	-	26,459,728	-
U.S. treasuries	14,569,445	546,185	10,479,625	3,250,999	292,636
U.S. agencies	14,097,950	-	-	67,330	14,030,620
Total	$ 103,845,525	$ 1,011,832	$ 33,470,756	$ 51,595,489	$ 17,767,448

Money market funds have a rolling maturity date of less than sixty days as of December 31, 2025. $20,052,724 of the corporate securities are callable at December 31, 2025.

The System's portfolio of U.S. agencies and corporate securities includes certain mortgage pass-through asset-backed securities and variable-rate securities. The fair value of these investments was summarized as follows at December 31, 2025:

Mortgage pass-through asset-backed securities	$ 14,097,950
Variable-rate securities	4,221,000

The System invested in mortgage pass-through asset-backed securities issued by Fannie Mae (Federal National Mortgage Association) and Freddie Mac (Federal Home Loan Mortgage Corporation), in order to reduce the fair value sensitivity of its fixed-income portfolio to changes in interest rates. These securities are sensitive to increased mortgage prepayments that may result from decreasing interest rates and thus, decreasing the fair value of these investments.

A variable-rate investment's coupon amount enhances or amplifies the effects of interest rate changes by greater than a one-to-one basis. The multiplier makes the fair value of these investments highly sensitive to interest rate changes. As of December 31, 2025, the System held 26 variable-rate investments with a fair value of $4,221,000. The coupon rates for these investments range from 1.95% to 10.94%; the benchmark indexes include Federal Reserve U.S. H.15 Treasury Note Constant Maturity Five Year, LIBOR (London Interbank Offered Rate) USD Three Month, SOFR (Secured Overnight Financing Rate), SOFR 30-Day Average Rate; CME (Chicago Mercantile Exchange) SOFR 1M; and CME (Chicago Mercantile Exchange) SOFR 3M; the reset frequency is monthly, quarterly, every five years, or once during the life of the security; the coupon payment frequency is monthly or semiannual; there is no coupon multiplier and the floating spread is the benchmark index, plus 0.89% to 7.06%, with no cap or floor. $4,102,532 of the variable securities have a floating period toward the end of their maturity.

Notes to Financial Statements

Rate of Return. For the year ended December 31, 2025, the annual money-weighted rate of return on system investments, net of investment expenses, was 13.49%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Fair Value Measurements. The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles as previously described. These levels are determined by the System's management review of the type and substance of investments held by the System. Level 2 inputs use one of the following valuation techniques depending on the investment: a) traditional net asset valuation (dividing the asset value by the number of units owned), b) matrix pricing technique (relying on the securities' relationship to other benchmark quoted securities instead of exclusively on quoted prices for specific securities), or c) quoted market prices for similar assets in active markets or quoted prices for identical or similar assets in markets that are not active.

The System had the following recurring fair value measurements as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Equity securities and funds				
Exchange-traded and closed end funds	$ 165,807,287	$ -	$ -	$ 165,807,287
Fixed income securities and funds				
Bond mutual funds	28,369,728	-	-	28,369,728
Corporate and other bonds	-	20,348,674	-	20,348,674
Commingled fixed income funds	-	26,459,728	-	26,459,728
U.S. treasuries	-	14,569,445	-	14,569,445
U.S. agencies	-	14,097,950	-	14,097,950
Other investments				
Real estate investment trusts	-	-	20,231,749	20,231,749
Money market funds	-	50,646,165	-	50,646,165
Total investments at fair value	$ 194,177,015	$ 126,121,962	$ 20,231,749	340,530,726
Investments measured at the net asset value (NAV)				
Infrastructure funds limited partnership				11,160,930
Total investments				$ 351,691,656

Infrastructure Funds Limited Partnership. This type includes investments in six foreign infrastructure funds (one electricity distribution system located in Sweden, two seaport facilities located in the United Kingdom and Australia, one motorway service areas network located in Germany, one oil product transportation pipeline and storage facilities network located in Spain, and one railway transportation-railcar leasing company located in Germany). The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. There is a 15 year lock up on each asset. Upon the 15th anniversary, the portfolio investments may be liquidated. Beginning after the 3rd anniversary of the final closing, a limited partner may either: a) transfer its interests to another qualified party or b) upon the affirmative vote of the fund partners holding at least 75% of aggregate commitments, have the investments liquidated. Beginning after the 5th anniversary of the final closing, a limited partner may have the investments liquidated if: a) there is an affirmative vote of fund partners holding at least 75% of aggregate commitments or b) the net internal rate of return on a three year rolling basis has been less than 6.3%. Distributions from each fund will be received as the underlying assets of the funds are liquidated. At year-end, the System had $4.15 million in unfunded commitments. There are no material changes to the limited partnership funds' fair value of investments during the fourth quarter of 2025.

Voluntary Employees' Beneficiary Association (VEBA) Investments

The VEBA's policy in regard to the allocation of invested assets is established and may be amended by its Board of Trustees. The policy pursues an investment strategy that protects the financial health of the VEBA and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. VEBA assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the VEBA may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the VEBA will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

The adopted asset allocation policy as of December 31, 2025, is as follows:

	Target Allocation	Allocation Range
Equities		
Domestic equities - large cap	30%	0% to 65%
Domestic equities - small to mid cap	9%	0% to 15%
International equities	17%	0% to 30%
Emerging markets equities	3%	0% to 6%
	59%	
Fixed income	20%	10% to 100%
Other investments		
Real estate investment trusts (REITs)	3%	0% to 6%
Private real estate	3%	0% to 6%
Private credit	4%	0% to 8%
Absolute return assets	2%	0% to 4%
Hedge funds	3%	0% to 6%
Infrastructure	2%	0% to 4%
Private equities	2%	0% to 4%
Equity return assets	2%	0% to 4%
Cash	0%	0% to 10%
	21%	
Total investments	100%	

The VEBA's investments were held by an independent investment management company. Following is a summary of its investments as of December 31, 2025:

Equity securities and funds	
Common stock	$ 53,263,088
Exchange-traded and closed end funds	75,738,331
	129,001,419
Fixed income securities and funds	
Bond mutual funds	16,264,320
Corporate securities	7,027,008
U.S. agencies	6,072,865
U.S. treasuries	5,965,762
	35,329,955
Other investments	
Hedge funds limited partnership	10,217,246
Infrastructure funds limited partnership	3,504,626
Multi-strategy limited partnership	566
Real estate exchange-traded fund	5,042,072
Real estate investment fund	5,019,198
Comingled funds-private credit	6,242,615
	30,026,323
Money market funds	3,759,027
Total investments	$ 198,116,724

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The VEBA's investment policy provides that fixed income investments be rated A1 (or equivalent) or better by a nationally recognized statistical rating organization, except for United States treasury securities which are explicitly guaranteed by the U.S. government and not considered to have credit risk.

As of December 31, 2025, $6,072,865 of the VEBA's investments in securities of U.S. agencies were rated AA+ by Standard & Poor's.

The VEBA's investments in bond mutual funds and corporate securities were rated by Standard & Poor's as follows at December 31:

AA	$ 204,942
A	10,488,912
BB	46,810
BBB	5,055,973
Not rated	7,494,691
	$ 23,291,328

The VEBA's investments in money market funds were rated AAA by Standard & Poor's at December 31, 2025.

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the VEBA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The VEBA's investment policy does not address custodial credit risk. Although uninsured and unregistered, the VEBA's investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department in the VEBA's name. Short-term investments in money market funds and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the VEBA's investment in a single issuer. The VEBA's investment policy requires that no more than ten percent of its assets be invested in money market funds or short-term U.S. treasuries, no more than five percent in any one issuer and no more than twenty percent in any one industry. At December 31, 2025, the VEBA's investment portfolio was not concentrated.

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 VEBA's investment policy requires that no more than: 35% of its assets be invested in foreign securities, 5% of outstanding foreign securities in any one issue, or 5% of its assets in any one issuer.

As of December 31, 2025, maturities of the VEBA's exposure to foreign currency risk is as follows:

	Currency	Fair Value in US Dollars
Electricity Distribution Systems	Swedish Krona	$ 1,282,999
Sea Port Infrastructure	Pound Sterling	518,594
Motorway Service Areas on the German Autobahn Network	Euro	255,327
Oil Product Transportation Pipeline and Storage Network	Euro	359,780
Sea Port Infrastructure	Australian Dollar	399,316
Railway Transportation-railcar leasing	Euro	688,610
		$ 3,504,626

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The VEBA's investment policy provides that the weighted average maturity of its fixed income portfolio may not exceed 10 years.

Notes to Financial Statements

As of December 31, 2025, maturities of the VEBA's direct investments in debt securities were as follows:

		Investment maturities (fair value by years)			
	Fair Value	Less Than 1	1 - 5	6 - 10	Over 10
Corporate securities	$ 7,027,008	$ 224,606	$ 2,800,916	$ 2,892,883	$ 1,108,603
U.S. agencies	6,072,865	-	-	-	6,072,865
U.S. treasuries	5,965,762	327,450	4,605,739	810,320	222,253
Total	$ 19,065,635	$ 552,056	$ 7,406,655	$ 3,703,203	$ 7,403,721

At December 31, 2025, the effective maturity of the VEBA's fixed income and bond mutual funds are as follows:

	Average Maturity (Years)
Bond mutual funds	
Blackrock Strategic Inc OPP I (BSIIX) Bond Mutual	6.51
Allspring Managed Account Core Bond Mutual	8.38

Money market funds have a rolling maturity date of less than sixty days as of December 31, 2025, $6,806,246 of the corporate securities are callable at December 31, 2025.

The VEBA's portfolio of U.S. agencies and corporate securities includes certain mortgage pass-through asset-backed securities and variable-rate securities. The fair value of these investments was summarized as follows at December 31:

	Fair Value
Mortgage pass-through asset-backed securities	$ 6,072,865
Variable-rate securities	1,572,219

The VEBA invests in mortgage pass-through asset-backed securities issued by Fannie Mae (Federal National Mortgage Association) and Freddie Mac (Federal Home Loan Mortgage Corporation), in order to reduce the fair value sensitivity of its fixed-income portfolio to changes in interest rates. These securities are sensitive to increased mortgage prepayments that may result from decreasing interest rates, thus decreasing the fair value of these investments.

A variable-rate investment's coupon amount enhances or amplifies the effects of interest rate changes by greater than a one-to-one basis. The multiplier makes the fair value of these investments highly sensitive to interest rate changes. As of December 31, 2025, the VEBA held seven variable-rate investments with a fair value of $1,572,219. The coupon rates for these investments range from 2.49% to 5.83%; the benchmark indexes are SOFRATE (Secured Overnight Financing Rate), Federal Reserve US H.15 Treasury Note Constant Maturity 5 Year, and CME Term SOFR 3M (CME: Chicago Mercantile Exchange); the reset frequency is quarterly, every 5 years, or once during the life of the security; the coupon payment frequency is quarterly or semiannual; there is no coupon multiplier and the floating spread is the benchmark index, plus .95% to 3.168%, with no cap or floor. All of the variable-rate securities have a floating period at the end of their maturity.

Rate of Return. At December 31, 2025, the annual money-weighted rate of return on VEBA investments, net of investment expenses, was 15.50 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Fair Value Measurements. The VEBA categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles as previously described. These levels are determined by the VEBA's management review of the type and substance of investments held by the VEBA. Level 2 inputs use one of the following valuation techniques depending on the investment: a) traditional net asset valuation (dividing the asset value by the number of units owned), b) matrix pricing technique (relying on the securities' relationship to other benchmark quoted securities instead of exclusively on quoted prices for specific securities), or c) quoted market prices for similar assets in active markets or quoted prices for identical or similar assets in markets that are not active.

The VEBA had the following recurring fair value measurements as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Equity securities and funds				
Common stock	$ 53,263,088	$ -	$ -	$ 53,263,088
Exchange-traded and closed end funds	75,738,331	-	-	75,738,331
Fixed income securities and funds				
Bond mutual funds	16,264,320	-	-	16,264,320
Corporate securities	-	7,027,008	-	7,027,008
U.S. agencies	-	6,072,865	-	6,072,865
U.S. treasuries	-	5,965,762	-	5,965,762
Other investments				
Multi-strategy limited partnership	-	566	-	566
Real estate exchange-traded fund	5,042,072	-	-	5,042,072
Money market funds	-	3,759,027	-	3,759,027
Total investments at fair value	$ 150,307,811	$ 22,825,228	$ -	173,133,039
Investments measured at the net asset value (NAV)				
Hedge funds limited partnership				10,217,246
Infrastructure funds limited partnership				3,504,626
Real estate investment funds				5,019,198
Blackstone private credit fund				6,242,615
Total investments measured at NAV				24,983,685
Total investments				$ 198,116,724

Hedge funds limited partnership. This type invests in 25-30 core hedge funds (core hedge funds are those with allocations of 1% or greater) that pursue multiple strategies to diversify risks and reduce volatility. The hedge fund's composite portfolio for this type includes investments in approximately 30% long/short equity, 21% equity special situations, 19% event-driven/distressed credit, 24% asset-backed securities, and 21% global macro. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. A quarterly 25% investor level gate has been imposed by the hedge fund manager, and a full year-end redemption is allowed. At December 31, 2025, the hedge funds limited partnership has no unfunded commitments.

Notes to Financial Statements

Infrastructure funds limited partnership. This type includes investments in six foreign infrastructure funds (one electricity distribution systems located in Sweden, two seaport facilities located in the United Kingdom and Australia, one motorway service areas network located in Germany, one oil product transportation pipeline and storage facilities network located in Spain, and one railway transportation-railcar leasing company located in Germany). The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Association's ownership interest in partners' capital. There is a 15 year lock up on each asset. Upon the 15th anniversary, the portfolio investments may be liquidated. Beginning after the 3rd anniversary of the final closing, a limited partner may either: a) transfer its interests to another qualified party or b) upon the affirmative vote of the fund partners holding at least 75% of aggregate commitments, have the investments liquidated. Beginning after the 5th anniversary of the final closing, a limited partner may have the investments liquidated if: a) there is an affirmative vote of fund partners holding at least 75% of aggregate commitments or b) the net internal rate of return on a three year rolling basis has been less than 6.3%. Distributions from each fund will be received as the underlying assets of the funds are liquidated. At year-end, the Association had $1.33 million in unfunded commitments. There are no material changes to the limited partnership funds' fair value of investments during the fourth quarter of 2025.

Real estate investment fund. This type includes open-ended commingled real estate investment funds that invest primarily in domestic office, retail, senior living, multi-family, hotel, industrial, and healthcare real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Distributions from each fund will be received as the underlying investments of the funds are liquidated. The underlying assets of the funds are currently being liquidated and are reinvested quarterly into the Association through the Dividend Reinvestment Program (DRIP). There is no lock-out period. The Association is fully called. At December 31, 2025, the real estate investment funds have no unfunded commitments.

Blackstone private credit fund. This type is a non-publicly traded business development company that primarily invests in private credit such as private senior secured loans which are typically floating rate in nature with the goal of generating high current income. At December 31, 2025, the blackstone private credit fund has no unfunded commitments.

Notes to Financial Statements

Defined Contribution Plan Investments

The Plan's investments were held by an independent investment management company. Following is a summary of its investments as of December 31, 2025:

Self Directed Brokerage Account and Cash Management Funds	
Empower Self Directed Brokerage Account-Money Funds	$ 10,394
Empower Self Directed Brokerage Account-Common Stock	2,964
Empower Forfeitures Holding Account Cash	152,017
Empower Self Directed Brokerage Account-Mutual Funds	297,672
Collective Investment Trust Funds	
Stable Value:	
New York Life Ins Anchor Account IV	164,147
Fixed income funds:	
AM1 Core Fixed Income Class 1	212,597
AM1 Income Class 1	81,925
Equity stock funds:	
Mid Cap Growth R1 (BlackRock MCG)	52,210
AM1 Domestic Equity Class 1	2,040,694
AM1 International Equity Class 1	722,708
Asset allocation funds:	
AM1 Portfolio Diversifiers Class 1	187,310
Great Gray Trust American Funds 2010 I	15,105
Great Gray Trust American Funds 2015 I	217,808
Great Gray Trust American Funds 2020 I	105,737
Great Gray Trust American Funds 2025 I	885,745
Great Gray Trust American Funds 2030 I	2,447,238
Great Gray Trust American Funds 2035 I	3,041,838
Great Gray Trust American Funds 2040 I	5,552,806
Great Gray Trust American Funds 2045 I	6,281,456
Great Gray Trust American Funds 2050 I	10,160,586
Great Gray Trust American Funds 2055 I	10,494,977
Great Gray Trust American Funds 2060 I	11,902,440

continued...

Mutual funds		
Real estate funds -		
American Century Real Estate R6	$	66,403
Fixed income funds:		
PIMCO Income Institutional		133,078
Allspring Core Plus Bond R6		102,822
Equity stock funds:		
iShares MSCI Total International Index K		590,338
MFS International Diversification R6		85,399
iShares Russell Small/Mid-Cap Index K		564,027
MFS New Discovery R6		111,812
Allspring Special Small Cap Value R6		14,234
Allspring Special Mid Cap Value R6		76,368
iShares S&P 500 Index K		1,196,482
JP Morgan Large Cap Growth R6		227,720
JP Morgan Equity Income R6		212,875
Total investments	$	58,411,932

concluded.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2025, the Plan's fixed income funds are rated by Standard & Poor's as follows:

	Rating
Fixed income collective investment trust funds:	
AM1 Core Fixed Income Class 1	A
AM1 Income Class 1	BBB
Fixed income mutual funds:	
PIMCO Income Institutional	A+
Allspring Core Plus Bond R6	AA-

The Plan's investment policy does not address credit risk.

Notes to Financial Statements

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Short-term investments in money market funds and open-end mutual funds, if any, are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form. At December 31, 2025, the Plan's fixed income mutual funds were open-end mutual funds. Accordingly, the Plan's investments are not exposed to custodial credit risk.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At December 31, 2025, the effective maturity of the Plan's fixed income funds are as follows:

	Average maturity (in years)
Fixed income collective investment trust funds	
AM1 Core Fixed Income Class 1	8.65
AM1 Income Class 1	7.42
Fixed income mutual funds	
PIMCO Income Institutional	7.35
Allspring Core Plus Bond R6	10.46

Fair Value Measurements. The Plan categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles as previously described. These levels are determined by the management's review of the type and substance of investments held by the Plan. At December 31, 2025, all of the Plan's investments were determined to be Level 1 as fair value was determined based on quoted prices in active markets for identical assets.

Retirement Health Savings Plan Investments

The Plan's investments were held by an independent investment management company. Following is a summary of its investments as of December 31, 2025:

Mutual funds		
Real estate funds -		
American Century Real Estate Fund R6	$	932
Fixed income funds:		
PIMCO Income Institutional		4,502
Target date funds:		
American Funds 2015 Target Date Retirement Income R5		96,296
American Funds 2020 Target Date Retirement Income R5		58,353
American Funds 2025 Target Date Retirement Income R5		483,904
American Funds 2030 Target Date Retirement R5		800,240
American Funds 2035 Target Date Retirement R5		1,207,694
American Funds 2040 Target Date Retirement R5		1,587,122
American Funds 2045 Target Date Retirement R5		2,276,902
American Funds 2050 Target Date Retirement R5		2,850,366
American Funds 2055 Target Date Retirement R5		3,035,439
American Funds 2060 Target Date Retirement R5		2,757,354
American Funds 2065 Target Date Retirement R5		1,107,723
Equity stock funds:		
Allspring Core Plus Bond R6		9,195
Allspring Special Mid-Cap Value R6		1,849
iShares MSCI Total International Index K		44,128
iShares Russell Small/Mid-Cap Index K		41,380
iShares S&P 500 Index K		126,767
JP Morgan Equity Income Fund R6		9,902
MFS ® International Diversification R6		807
MFS ® New Discovery R6		20,649
Collective investment trust funds		
Cash and cash management funds -		
Standard Stable Asset Fund II		149,570
Equity stock funds-		
Large Cap Growth Fund II Class R1		52,212
Total investments	$	16,723,286

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2025, the Plan's fixed income mutual fund, PIMCO Income Institutional, was rated A+ by Standard & Poor's. The County's investment policy does not address credit risk.

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Short-term investments in money market funds and open-end mutual funds, if any, are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form. At December 31, 2025 the Plan's fixed income mutual funds were open-end mutual funds. Accordingly, the Plan's investments were not exposed to custodial credit risk. The County's investment policy does not address custodial credit risk.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At December 31, 2025, the effective maturity of the Plan's fixed income mutual fund, PIMCO Income Institutional, is 7.51 years.

Fair Value Measurements. The Plan categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles as previously described. These levels are determined by the management's review of the type and substance of investments held by the Plan. At December 31, 2025, all of the Plan's investments were determined to be Level 1 as fair value was determined based on quoted prices in active markets for identical assets.

5. RECEIVABLES

Receivables in the governmental and business-type activities of the primary government, as well as the discretely presented component units are as follows:

	Governmental Activities	Business-type Activities	Component Units
Taxes - current	$ 60,641,466	$ -	$ 663,233
Taxes - delinquent	221,703	12,688,446	-
Interest and collection fees	-	1,778,905	-
Accounts	26,865,685	1,850	10,112,427
Leases	2,747,636	-	-
Due from other governments	18,153,663	795,740	10,105
Loans	-	269,127	-
Special assessments	-	-	18,871,505
Installment sales	-	-	1,840,000
Less: allowance for doubtful accounts	(3,665,811)	-	-
	$ 104,964,342	$ 15,534,068	$ 31,497,270
Amount not expected to be collected within one year	$ 10,795,143	$ 269,127	$ 14,653,137

6. CAPITAL ASSETS

Primary Government. Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	$ 57,271,477	$ 1,228,056	$ (299)	$ 199,295	$ 58,698,529
Easement property in perpetuity	12,007,862	1,150	-	1,051,687	13,060,699
Construction in progress	12,325,339	17,500,154	-	(12,330,672)	17,494,821
	81,604,678	18,729,360	(299)	(11,079,690)	89,254,049
Capital assets being depreciated/amortized:					
Buildings and improvements	170,980,092	3,685,798	-	5,933,250	180,599,140
Improvements other than buildings	82,134,169	820,723	-	2,347,156	85,302,048
Machinery and equipment	70,065,976	5,791,362	(8,712,769)	2,577,549	69,722,118
Lease easement property (Note 10)	931,658	-	-	-	931,658
Lease buildings (Note 10)	2,326,974	2,740,374	-	-	5,067,348
Lease equipment (Note 10)	107,170	60,312	-	-	167,482
Subscription assets (Note 11)	3,646,258	4,524,798	(87,873)	221,735	8,304,918
	330,192,297	17,623,367	(8,800,642)	11,079,690	350,094,712
Less accumulated depreciation/amortization for:					
Buildings and improvements	(90,500,863)	(4,284,629)	-	(10,724)	(94,796,216)
Improvements other than buildings	(44,464,030)	(3,884,552)	-	-	(48,348,582)
Machinery and equipment	(41,804,877)	(6,429,700)	7,646,685	-	(40,587,892)
Lease easement property (Note 10)	(188,780)	(44,514)	-	10,724	(222,570)
Lease buildings (Note 10)	(560,767)	(684,449)	-	-	(1,245,216)
Lease equipment (Note 10)	(23,815)	(8,970)	-	-	(32,785)
Subscription assets (Note 11)	(526,994)	(1,813,703)	87,873	-	(2,252,824)
	(178,070,126)	(17,150,517)	7,734,558	-	(187,486,085)
Total capital assets being depreciated/amortized, net	152,122,171	472,850	(1,066,084)	11,079,690	162,608,627
Governmental activities capital assets, net	$ 233,726,849	$ 19,202,210	$ (1,066,383)	$ -	$ 251,862,676

At December 31, 2025, the County's governmental activities had estimated commitments for parks and recreation projects of approximately $3.3 million.

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Business-type activities					
Capital assets being depreciated -					
Machinery and equipment	$ 63,375	$ -	$ -	$ -	$ 63,375
Less accumulated depreciation for -					
Machinery and equipment	(41,289)	(4,907)	-	-	(46,196)
Business-type activities capital assets, net	$ 22,086	$ (4,907)	$ -	$ -	$ 17,179

Depreciation/amortization expense was charged to activities of the primary government as follows:

Governmental activities	
Legislative	$ 14,057
Judicial	1,705,886
General government	2,071,040
Public safety	5,151,045
Health	1,034,634
Social services	509,006
Culture and recreation	3,576,902
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	3,087,947
Total depreciation expense - governmental activities	$ 17,150,517
Business-type activities	$ 4,907

Discretely Presented Component Units

Water Resources Commissioner. Capital asset activity of the Water Resources Commissioner for the year ended December 31, 2025 was as follows:

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Capital assets not being depreciated -					
Construction in progress	$ 195,193	$ 311,243	$ -	$ (30,023)	$ 476,413
Capital assets being depreciated:					
Infrastructure	76,275,637	-	-	30,023	76,305,660
Machinery and equipment	1,070,279	229,458	-	-	1,299,737
	77,345,916	229,458	-	30,023	77,605,397
Less accumulated depreciation for:					
Infrastructure	(23,998,208)	(1,525,513)	-	-	(25,523,721)
Machinery and equipment	(429,468)	(127,172)	-	-	(556,640)
	(24,427,676)	(1,652,685)	-	-	(26,080,361)
Total capital assets being depreciated, net	52,918,240	(1,423,227)	-	30,023	51,525,036
Water Resources Commissioner capital assets, net	$ 53,113,433	$ (1,111,984)	$ -	$ -	$ 52,001,449

At December 31, 2025, the Water Resources Commissioner had outstanding commitments through construction contracts of approximately $13.6 million in relation to the construction and improvement of various drain infrastructure.

Road Commission. Capital asset activity for the Road Commission for the year ended December 31, 2025 was as follows:

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Capital assets not being depreciated -					
Land and land improvements	$ 32,700,395	$ 524,469	$ -	$ -	$ 33,224,864
Capital assets being depreciated:					
Buildings and storage bins	29,725,027	552,339	-	-	30,277,366
Road equipment	32,344,327	3,097,152	(1,030,990)	-	34,410,489
Other equipment	4,394,050	407,768	-	-	4,801,818
Brine wells and gravel pits	136,386	-	-	-	136,386
Infrastructure	587,579,012	35,577,860	(19,033,005)	-	604,123,867
	654,178,802	39,635,119	(20,063,995)	-	673,749,926
Less accumulated depreciation for:					
Buildings and storage bins	(11,208,463)	(885,417)	-	-	(12,093,880)
Road equipment	(24,604,817)	(2,931,252)	1,027,973	-	(26,508,096)
Other equipment	(3,336,387)	(235,833)	-	-	(3,572,220)
Brine wells and gravel pits	(136,386)	-	-	-	(136,386)
Infrastructure	(282,713,169)	(30,730,150)	19,033,005	-	(294,410,314)
	(321,999,222)	(34,782,652)	20,060,978	-	(336,720,896)
Total capital assets being depreciated, net	332,179,580	4,852,467	(3,017)	-	337,029,030
Road Commission capital assets, net	$ 364,879,975	$ 5,376,936	$ (3,017)	$ -	$ 370,253,894

7. PAYABLES

Accounts payable and accrued liabilities in the governmental and business-type activities of the primary government, as well as the discretely presented component units are as follows:

	Governmental Activities	Business-type Activities	Component Units
Accounts payable	$ 28,187,086	$ 1,562,580	$ 8,080,327
Accrued liabilities	9,872,788	18,548	215,034
Due to other governments	31,838,960	-	8,271,930
Claims payable	5,342,338	-	-
Advances from other governments	-	-	4,246,475
Total	$ 75,241,172	$ 1,581,128	$ 20,813,766

Notes to Financial Statements

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A summary of interfund receivables and payables at year-end is as follows:

	Receivable	Payable
Interfund receivable/payable		
County capital projects fund	$ 1,578,395	$ -
Nonmajor governmental funds	-	1,578,395
Totals	$ 1,578,395	$ 1,578,395

Interfund receivables/payables represent short-term working capital loans for funds with negative cash balances in the County's cash and investment pool as of year end.

A summary of interfund transfers for the year ended December 31, 2025, is as follows:

	Transfers In						
	General	Community Mental Health	County Capital Projects	Nonmajor Governmental	Delinquent Tax Revolving	Internal Service	Totals
Transfers Out							
General fund	$ -	$ 2,298,047	$ 8,176,135	$ 24,982,456	$ 100,000	$ 654,509	$ 36,211,147
Mental health/public safety millage fund	100,211	-	-	100,211	-	-	200,422
County capital projects	-	-	-	2,862,593	-	-	2,862,593
Nonmajor governmental	2,077,875	-	3,182,000	597,117	-	-	5,856,992
Delinquent tax revolving	154,821	-	1,500,000	-	-	-	1,654,821
Timing	-	(288,425)	(943,804)	(224,540)	-	-	(1,456,769)
	$ 2,332,907	$ 2,009,622	$ 11,914,331	$ 28,317,837	$ 100,000	$ 654,509	$ 45,329,206

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

Major transfers under category 1 described above, include supporting operations of the child care fund ($4.2 million); social programs funded by the Office of Economic Development ($5.4 million); public health operations ($7.0 million); and friend of the court fund ($3.0 million). Category 2 specifically only refers to the transfers from the mental health public safety millage to the general fund and the mental health millage operations funds per the language of the voted millage. Finally, category 3 specifically refers to transfers from county capital projects in the amount of $2.9 million for debt service on existing bond issues of the County.

Total transfers in for the primary government as shown in the accompanying financial statements were $45,329,206 and total transfers out were $46,785,975. The difference between these amounts, $1,456,769, is attributable to transactions with September 30 year-end funds. As such, this is reported as an uneliminated internal balance in the statement of activities.

9. BONDS, NOTES AND OTHER LONG-TERM LIABILITIES

Primary Government

General Obligation Bonds and Notes - The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are issued for governmental activities. The original amount of general obligation bonds issued in prior years still outstanding at year end was $16,175,000. The County issues general obligation notes to provide monies for the purchase of the delinquent taxes receivable from local units of government. The original amount of general obligation tax notes issued in prior years still outstanding at year end was $25,400,000. General obligation tax notes totaling $17,935,000 were issued during the current year.

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the government. Bonds are generally issued as 15 to 20-year serial bonds with varying amounts of principal maturing each year. Notes are generally issued with a nine-month due maturity. General obligation bonds and notes currently outstanding are as follows:

	Interest Rates	Amount
Purpose		
Governmental activities	3.00%	$ 750,000
Governmental activities - refunding	1.425	4,733,000
Business-type activities	4.74 - 5.65%	18,435,000
		$ 23,918,000

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

	Governmental Activities		Business-type Activities	
Year Ended December 31,	Principal	Interest	Principal	Interest
2026	$ 2,751,000	$ 64,438	$ 6,500,000	$ 771,922
2027	2,028,000	24,482	11,935,000	565,719
2028	704,000	5,016	-	-
	$ 5,483,000	$ 93,936	$ 18,435,000	$ 1,337,641

Installment Purchase Agreements – In prior years, the County entered into four installment purchase agreements for financing the acquisition of information and technology computer equipment, a mail machine, and County-wide emergency communication equipment. The original amount of installment purchase agreements issued in prior years still outstanding at year end was $8,647,427. Installment purchase agreements currently outstanding are as follows:

	Interest Rates	Amount
Purpose		
Governmental activities	1.67 - 5.20%	$ 1,867,078

Annual debt service requirements to maturity for installment purchase agreements are as follows:

Year Ended December 31,	Principal	Interest
2026	$ 1,048,677	$ 67,293
2027	274,556	41,023
2028	288,342	27,237
2029	255,503	12,754
	$ 1,867,078	$ 148,307

Component Units

Department of Public Works Projects. General obligation bonds are issued by the County to finance construction projects managed and administered by the Department of Public Works. All of these bonds are direct obligations, and pledge the full faith and credit, of the County and the associated municipalities and/or authorities. The bonds are issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year through April 1, 2028 and bear interest at varying rates from 1.625% to 2.85%. Such bonds currently outstanding are summarized as follows:

	Interest Rates	Amount
Purpose		
General obligation	1.625 - 2.70%	$ 845,000
General obligation - refunding	2.85%	995,000
		$ 1,840,000

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

Year Ended December 31,	Principal	Interest
2026	$ 1,425,000	$ 25,626
2027	205,000	5,078
2028	210,000	1,706
	$ 1,840,000	$ 32,410

Water Resources Commissioner. General obligation drain improvement bonds and notes are issued to finance certain drainage district construction projects. The original amount of general obligation bonds and notes still outstanding as of year end was $28,708,487.

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

	Interest Rates	Amount
General obligation	1.625 - 5.07%	$ 15,585,371

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

Year Ended December 31,	Principal	Interest
2026	$ 1,648,962	$ 450,016
2027	1,594,652	402,903
2028	1,627,374	356,218
2029	1,677,374	308,434
2030	1,567,374	260,663
2031-2035	5,251,311	724,348
2036-2040	1,635,478	251,021
2041-2045	582,846	58,357
	$ 15,585,371	$ 2,811,960

Road Commission. Following is a summary of debt currently outstanding:

	Interest Rates	Amount
Purpose		
Installment obligations	2.39 - 5.50%	$ 2,480,000
General obligation	0.75 - 3.25%	1,100,000
		$ 3,580,000

Annual principal and interest maturities as of December 31, 2025 are as follows:

	Direct Borrowings and Direct		Other Debt	
Year Ended December 31,	Principal	Interest	Principal	Interest
2026	$ 310,000	$ 129,054	$ 550,000	$ 16,161
2027	310,000	111,767	550,000	5,385
2028	310,000	94,763	-	-
2029	310,000	77,193	-	-
2030	310,000	59,906	-	-
2031-2033	930,000	76,379	-	-
	$ 2,480,000	$ 549,062	$ 1,100,000	$ 21,546

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	$ 8,241,000	$ -	$ (2,758,000)	$ 5,483,000	$ 2,751,000
Installment purchase agreements	1,566,336	1,325,323	(1,024,581)	1,867,078	1,048,677
Lease liabilities (Note 10)	2,693,088	2,800,686	(637,940)	4,855,834	696,845
Subscription liabilities (Note 11)	1,951,949	4,480,580	(1,881,017)	4,551,512	1,837,782
Deferred amounts for - Issuance premiums	18,995	-	(9,498)	9,497	9,497
Compensated absences*	21,608,456	2,158,768	-	23,767,224	16,019,187
Total governmental activities	$ 36,079,824	$ 10,765,357	$ (6,311,036)	$ 40,534,145	$ 22,362,988
Business-type activities					
Direct borrowings and direct placements - Delinquent tax notes	$ 14,400,000	$ 17,935,000	$ (13,900,000)	$ 18,435,000	$ 6,500,000
Compensated absences*	76,007	13,463	-	89,470	25,067
Total business-type activities	$ 14,476,007	$ 17,948,463	$ (13,900,000)	$ 18,524,470	$ 6,525,067
Component units					
Department of Public Works					
General obligation bonds	$ 3,260,000	$ -	$ (1,420,000)	$ 1,840,000	$ 1,425,000
Deferred amounts for - Issuance premiums	1,536	-	(1,536)	-	-
Total Department of Public Works	$ 3,261,536	$ -	$ (1,421,536)	$ 1,840,000	$ 1,425,000

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Water Resources Commissioner					
General obligation bonds	$ 14,289,739	$ 2,818,632	$ (1,523,000)	$ 15,585,371	$ 1,648,962
Deferred amounts for:					
Issuance discounts	(13,201)	-	2,479	(10,722)	(1,892)
Issuance premiums	9,825	124,327	(8,809)	125,343	14,769
Total Water Resources Commissioner	$ 14,286,363	$ 2,942,959	$ (1,529,330)	$ 15,699,992	$ 1,661,839
Road Commission					
Bonds and contracts payable:					
Direct borrowings and direct placements - Installment obligations	$ 2,844,175	$ -	$ (364,175)	$ 2,480,000	$ 310,000
Other debt	1,651,000	-	(551,000)	1,100,000	550,000
Compensated absences*	955,736	49,118	-	1,004,854	69,021
Total Road Commission	$ 5,450,911	$ 49,118	$ (915,175)	$ 4,584,854	$ 929,021

Internal service funds predominantly serve the governmental funds; accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year end, $3,322,982 of internal service funds compensated absences are included in the above amounts.

* The change in compensated absences above is a net change for the year.

Legal debt limit - State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation (i.e., State Equalized Value). The current debt limit for the County is $3.3 billion.

10. LEASES

Lessee - The County is involved in ten agreements as a lessee that qualify as long-term lease agreements. Below is a summary of the nature of these agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the County will not own the assets at the end of the contract terms and the noncancelable terms of the agreements surpass one year.

Notes to Financial Statements

The right-to-use asset and the related activity are included in Note 6, Capital Assets. The lease liability and related activity are presented in Note 9, Bonds, Notes and Other Long-term Liabilities.

	Remaining Term of Agreements
Asset Type	
Easement property	10 to 44 years
Buildings	4 to 9 years
Equipment	5 to 13 years

The net present value of future minimum payments as of December 31, 2025, were as follows:

Year Ended December 31,	Principal	Interest
2026	$ 696,845	$ 96,736
2027	730,409	81,488
2028	765,422	65,433
2029	420,504	51,807
2030	400,742	42,800
2031-2035	1,465,855	87,314
2036-2040	60,189	25,485
2041-2045	48,413	20,287
2046-2050	59,805	74,895
2051-2055	72,394	8,306
2056-2060	78,137	33,063
2061-2065	-	-
2066-2070	57,119	12,881
Total	$ 4,855,834	$ 600,495

Lessor - The County is involved in eight agreements as a lessor that qualify as long-term lease agreements. Below is a summary of these agreements. These agreements qualify as long-term lease agreements as the County will not surrender control of the asset at the end of the term and the noncancelable term of the agreement surpasses one year. Total lease revenue for the year ended December 31, 2025 was $280,564.

	Remaining Term of Agreements
Asset Type	
Land	1 to 15 years
Buildings	< 1 to 3 years

11. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County is involved in eleven arrangements that qualify as long-term subscription-based information technology arrangements ("SBITA"). Below is a summary of the nature of these arrangements. These arrangements qualify as intangible, right-to-use subscription assets as the County has the control of the right to use another party's IT software and the noncancelable term of the arrangement surpasses one year. The present values are discounted using their inferred rate or an interest rate equal to a 10-year treasury note at the time of start to simulate the County's incremental borrowing rate.

The right-to-use asset and the related activity are included in Note 6, Capital Assets. The subscription liability and related activity are presented in Note 9, Bonds, Notes and Other Long-term Liabilities.

	Remaining Term of Arrangements
Asset Type	
Subscription assets	< 1 to 5 years

The net present value of future minimum payments as of December 31, 2025, were as follows:

Year Ended December 31,	Principal	Interest
2026	$ 1,837,782	$ 193,134
2027	937,914	117,817
2028	871,110	75,346
2029	896,702	38,509
2030	8,004	316
Total	$ 4,551,512	$ 425,122

12. NET INVESTMENT IN CAPITAL ASSETS

Following is a summary of the net investment in capital assets as of December 31, 2025:

	Governmental Activities	Business-type Activities	Component Units
Capital assets			
Capital assets not being depreciated	$ 89,254,049	$ -	$ 33,701,277
Capital assets being depreciated/amortized, net	162,608,627	17,179	388,554,066
Total capital assets	251,862,676	17,179	422,255,343
Related debt			
General obligation bonds and notes	5,483,000	-	16,685,371
Installment purchase agreements	1,867,078	-	2,480,000
Lease liabilities	4,855,834	-	-
Subscription liabilities	4,551,512	-	-
Issuance discounts	-	-	(10,722)
Issuance premiums	9,497	-	125,343
Refunding gain	69,979	-	-
Deferred charge on refunding	-	-	(1,814)
Unspent bond proceeds	-	-	(2,355,356)
Construction related payables	3,991,652	-	-
Total related debt	20,828,552	-	16,922,822
Net investment in capital assets	$ 231,034,124	$ 17,179	$ 405,332,521

13. OTHER INFORMATION

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established internal service funds to account for and finance its uninsured risks of loss. Under this program, the internal service funds provide coverage up to a maximum of $750,000 for each general liability, police liability or auto liability claim, and up to $250,000 for a property claim. The internal service funds also provide coverage up to $750,000 for any settlement, with all attorney fees being covered under the insurance policy for public officials and employee liability claims, up to $600,000 for each worker’s compensation claim, and up to $250,000 for each professional liability claim. The County purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss.

All funds of the County participate in the program and make payments to the internal service funds based on rates established to fund estimated actual liabilities. The total claims liability of $5,342,338 reported in the funds at December 31, 2025, is based on the requirements that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County has estimated its ultimate liability based upon estimates of known claims and actuarial based computations of incurred but not reported claims. The claims liability is presented at its net present value using an annual discount rate of 6%.

The County is aware of certain potential claims for wrongful incarceration which may result in settlements and/or judgments for which the general fund will be the primary funding source. While the County considers it probable that a claim will be asserted and there is a possibility that the outcome will be unfavorable, the County does not believe an estimate of the possible range of loss can be made given current facts and circumstances.

Changes in the funds' claims liability amount for the past two years were:

	2025	2024
Balance at the beginning of year	$ 4,641,825	$ 4,380,107
Current year claims and changes in estimates	42,872,846	36,510,809
Claims paid	(42,172,333)	(36,249,091)
Balance at end of year	$ 5,342,338	$ 4,641,825
Amounts due within one year	$ 2,863,781	$ 2,513,312

Component units participate in the County's self-insurance program, except for the Road Commission, which purchases commercial insurance for health care claims and participates in the Michigan County Road Commission Self-Insurance Pool for claims relating to property loss, torts, and errors and omissions. The Michigan County Road Commission Self-Insurance Pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantor agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

In addition, the County is aware of pending litigation before the United States Supreme Court, *Pung v. Isabella County,* in which the plaintiff asserts that proceeds from tax-foreclosed property sales should be based on the fair market value of the property rather than the auction sale price. A ruling in favor of the plaintiff could have a significant financial impact on counties throughout the State of Michigan.

Based on preliminary estimates, the County's potential exposure related to similar claims for the years 2013 through 2025 could be approximately $25.6 million. Oral arguments were heard on February 25, 2026, and based on discussions with management and legal counsel, the Court appeared skeptical of the plaintiff's position. A decision is expected by June 30, 2026.

At this time, the likelihood of an unfavorable outcome is not considered probable; therefore, no liability has been recorded in the accompanying financial statements. The County will continue to monitor this matter and evaluate the need for recognition or additional disclosure as more information becomes available.

Property Taxes

County general operating property taxes are levied annually on July 1 (the lien date) to fund operations for the current year. The property taxes are due in full within nine months (prior to March 1), at which time uncollected taxes became delinquent. The assessed value of real and personal property is established by the local units, accepted by the County and equalized under State statute at approximately 50% of the current estimated market value. In March 1994, Michigan voters approved Proposal A which requires property taxes to be levied based on the taxable value of the underlying property. Annual increases in taxable value are limited to the lesser of 5% or the rate of inflation. Taxable value reverts to 50% of true cash value when the property is sold. Taxable value is determined by using such factors as equalized, assessed and capped values, along with a value change multiplier.

The taxable value of real and personal property for the July 1, 2025 general operating levy was $24.5 billion. The general operating tax rate for this levy was at the maximum rate of 4.3351 mills, as adjusted by the Headlee Amendment to the State of Michigan Constitution. The County also had voter approved taxes of 0.4629 mills for parks and recreation purposes, 0.2464 mills for purchase of selected natural areas in the County, 0.1902 mills for enhancements to emergency communications system, 0.0996 mills for veterans relief purposes, 0.9657 for mental health and public safety, a restored millage of 0.4981 for road repair and maintenance and 0.4981 for older persons' services, which are levied annually on December 1 (the lien date).

By agreement with various taxing authorities, the County purchases at face value the real property taxes returned delinquent each March 1 and records a corresponding delinquent taxes receivable. These receivables ($12.7 million at December 31, 2025, not including accrued interest and collection fees) are pledged to a bank for payment of the notes payable; the subsequent collection of the receivables, interest and collection fees thereon, and investment earnings are used to extinguish the debt.

Jointly Governed Organizations

The **Aerotropolis Development Corporation (ADC)** was created by an intergovernmental agreement under the Urban Cooperation Act (P.A. 7 of 1967). The creation of the ADC is an exciting initiative being implemented by Washtenaw County, Detroit Renaissance, Wayne County, Wayne County Airport Authority, leading business executives in Michigan, and the following seven local communities surrounding Detroit Metropolitan and Willow Run airports: the cities of Belleville, Romulus and Ypsilanti, and the townships of Huron, Taylor, Van Buren and Ypsilanti. The Aerotropolis is a proposed airport-focused, multi-jurisdictional economic development effort encompassing approximately 60,000 acres of land in Wayne and Washtenaw counties. The concept involves the clustering of air-commerce linked business adjacent to and surrounding the airports. As vested stakeholders, all participating entities have embraced the regional collaboration necessary for member governments to work as partners to attract businesses, to create jobs, to master plan, and to work cooperatively to build a better future for the region and the State of Michigan.

The County has no significant influence over the management of the ADC. The agreement includes financial support from local governments and businesses. Therefore, the ADC is not included in the County's financial report. Separate financial statements for the ADC may be obtained by writing to the Aerotropolis Development Corporation, 600 Randolph, Third Floor, Detroit, Michigan 48226.

Notes to Financial Statements

The **Livingston and Washtenaw Narcotics Enforcement Team** (LAWNET) was organized to create a cooperative team of narcotics investigators made up of personnel from municipal, county, state, and federal law enforcement agencies within Livingston and Washtenaw counties for the purpose of combining their efforts toward the enforcement of narcotic and controlled substance laws in the State of Michigan. The participating entities include the Michigan Department of State Police, Livingston County, Washtenaw County, City of Ann Arbor, City of Brighton, City of Fowlerville, City of Howell, City of Milan, City of Saline, City of Ypsilanti, Eastern Michigan University, Green Oak Township, Northfield Township and Pittsfield Township. Participating entities are required to make an annual contribution or else assign a qualified law enforcement officer to LAWNET. Washtenaw County serves as the fiduciary for LAWNET monies. The LAWNET Command Board is made up of the administrative heads, or their representatives, of the police agencies of the participating entities and the prosecuting attorneys from Washtenaw and Livingston counties.

Separate financial statements for LAWNET may be obtained by writing to the Washtenaw County Finance Department, 220 North Main Street, Ann Arbor, Michigan 48104 or by calling (734) 222-6750.

The **Washtenaw Central Dispatch and Technology Authority (WCDTA**) was originally established to provide centralized public safety dispatching for law enforcement; fire and emergency medical services to the Sheriff's Department; the Michigan State Police; Northfield Township Police; Huron Valley Ambulance; the townships of Ann Arbor, Augusta, Manchester, Northfield, Salem, Scio and Superior; and Dexter Area Fire Department. The organization is governed by a 12-member board.

There was no financial activity for the WCDTA for the year ended December 31, 2025. Public safety dispatching services for the Sheriff's Department, Northfield Township Police and the Michigan State Police were provided by the County during 2025.

The County has no significant influence over the management of WCDTA. Therefore, WCDTA is not included in the County's financial report.

The **Washtenaw County 800 MHz Communications Consortium** (the Consortium) was formed to provide for the governance and management of a public safety/public service communications system that delivers reliable, interoperable wireless communications throughout Washtenaw County. The county and cities of Ann Arbor, Milan, and Saline are charter members of the Consortium. The Consortium is governed by a board made up of representatives from all member agencies, including: the City of Ann Abor, Ann Arbor Township, Augusta Township, Chelsea Area Fire Department, Chelsea City, Concordia University, Dexter Area Fire Department, Eastern Michigan University, University of Michigan, Huron-Clinton Metro Parks, Huron Valley Ambulance, Manchester Township, Milan Area Fire Department, City of Milan, Northfield Township, Pittsfield Township, Salem Township, Saline Area Fire Department, Scio Township, Superior Township, Survival Flight, Washtenaw Community College, Washtenaw County Road Commission, City of Ypsilanti, and Ypsilanti Township.

The County has no significant influence over the management of the Consortium. Financial accountability is limited to the extent of any appropriated operating grant. Therefore, the Consortium is not included in the County's financial report. Separate financial statements for the Consortium may be obtained by writing to the Washtenaw County Finance Department, 220 North Main Street, Ann Arbor, Michigan 48107 or by calling (734) 222-6750.

The **Washtenaw Educational Telecommunications System Consortium** (the Consortium) was formed by an agreement between Washtenaw County, Eastern Michigan University, Merit Networks and Fiber Link LLC. The purpose of the Consortium is to share telecommunications resources related to the County's fiber network construction and the sharing of recurring costs related to the ongoing maintenance and repair of the fiber network. The Consortium agreement is for a period of five years with the option to renew, and also permits other governmental partners to be included in the future, which may further reduce operating and maintenance costs. The Consortium agreement holds no monetary value. However, this agreement will enable the County and its partners to recognize reductions in operational costs for shared and common areas.

The **Washtenaw Urban County** was created by a formal cooperation agreement between the County, Cities of Ann Arbor and Ypsilanti and the following townships: Ann Arbor, Bridgewater, Northfield, Pittsfield, Salem, Scio, Superior, York and Ypsilanti. The Urban County jurisdictions receive HOME (Home Investment Partnership Program) funds, CDBG (Community Development Block Grant), CDBG NSP (Neighborhood Stabilization Program), and ESG (Emergency Shelter Grant) funds for use in those jurisdictions to address community development, human services, housing and homelessness needs. The chairperson of the Washtenaw County Board of Commissioners and the chief elected officials of the eleven jurisdictions participating in the Urban County have joined together to form the Urban County Executive Committee. The Urban County Executive Committee serves as the decision-making body for those funds. As a recipient of HOME, CDBG and ESG funds, the Washtenaw Urban County is required to submit a 5-year Consolidated Plan as well as an Annual Action Plan to the U.S. Department of Housing and Urban Development.

Financial information may be obtained by writing to the Washtenaw County Finance Department, 220 North Main Street, Ann Arbor, Michigan 48107 or by calling (734) 222-6750.

The **Washtenaw County Hazardous Materials Response Team Authority** (WCHMRTA) is managed by an 11-member board composed of a representative from each of the five enabling jurisdictions (Washtenaw County, City of Ann Arbor, City of Ypsilanti, Pittsfield Township and Ypsilanti Township) appointed by their governing bodies, three representatives appointed by the Mutual Aid Association, and one member each from the Criminal Justice Association, Washtenaw County Public Health Department, and Huron Valley Ambulance. A Technical Advisory Committee supports the Board. The WCHMRTA was formed to develop and manage a county-wide hazardous material response team. The Washtenaw County Board of Commissioners approves the operating budget and the Authority has delegated fiscal powers to the County, however the County has no significant influence over the management of WCHMRTA. Therefore, WCHMRTA is not included in the County's financial report.

The **Community Mental Health Partnership of Southeast Michigan** (CMHPSM) serves as the prepaid inpatient health plan for the four-county region of Lenawee, Livingston, Monroe and Washtenaw. Michigan Department of Health and Human Services contracts with CMHPSM for the provision of Medicaid behavioral health services (both mental health and substance use) within the region. CMHPSM delegates the provision of mental health services to Washtenaw County Community Mental Health, the community mental health services provider for Washtenaw County. CMHPSM is governed by a 13-member board made up of three members from each county as well as a representative from the Substance Use Disorder Oversight Policy Board. Therefore, CMHPSM is not included in the County's financial report.

The **Washtenaw Regional Resource Management Authority** (WRRMA) serves as a regional solid-waste authority for the several jurisdictions located within Washtenaw County, including the cities of Dexter, Saline, and Ypsilanti, as well as the townships of Ann Arbor, Pittsfield, Scio, and Ypsilanti, representing a combined population of around 150,000. WRRMA was formed to address regional solid waste issues including recycling education and outreach, difficult to dispose of materials, and regional processing with the aim of decreasing the cost of materials collection and providing a cohesive message to residents. Washtenaw County has entered a three -and-a-half-year contract, through December 31, 2026, with an option to extend for two more years to provide support for meeting coordination, education, outreach and marketing as well as administrative support during the initial stages of this new authority. Washtenaw County will support WRRMA during the term of this contract, after which the WRRMA is expected to operate as an entirely autonomous unit without County operational support. Washtenaw County does not have significant influence over management of the WRRMA and its activities related to WRRMA are limited to financial and administrative support during its inception. Currently, WRRMA and its related activities are included in the fiduciary fund statements of the County's financial report.

14. PENSION AND OTHER POSTEMPLOYMENT BENEFITS

The County provides pension and postemployment health care benefits to eligible employees through four County administered plans – Employees' Retirement System (ERS), Voluntary Employees' Beneficiary Association (VEBA), Defined Contribution Plan (WCDC) and Retirement Health Savings Plan (RHS) – and a separate plan through the Municipal Employees' Retirement System of Michigan (MERS).

County Administered Plans – Plan Descriptions, Funding Policies and Other Disclosures

The County issues publicly available financial reports for the four County administered plans that include financial statements and required supplementary information, as applicable. This financial report may be obtained by writing to Washtenaw County Finance Department, 220 North Main Street, Ann Arbor, Michigan 48107 or by calling (734) 222-6750.

Employees' Retirement System (ERS)

General Information About the Plan

Plan description. The Washtenaw County Employees' Retirement System (the "System") is a single-employer defined benefit contributory retirement plan which provides pension, death and disability benefits covering certain full-time employees of Washtenaw County (the "County"). The Municipal Employees' Retirement System of Michigan, a separate defined benefit plan, covers Sheriff's Department employees hired on or after January 1, 1989.

The System is governed by the Retirement Commission of the Washtenaw County Employees' Retirement System. The seven-member board is either elected or appointed in accordance with the System Ordinance. Two members are county commissioners appointed by the Washtenaw County Board of Commissioners. Two members, who are active employees employed in County union positions with no more than one member from a single County department, are elected as determined by the Retirement Commission. One member, who is an active employee employed in a County union or non-union position with no more than one commissioner from a single County department, is elected by all members of the System. The County Administrator and County Chief Financial Officer are standing members. All elected terms are three years.

Administration. Administrative costs are financed through investment earnings.

Investment allocation policy. The System's policy in regard to the allocation of invested assets is established and may be amended by its Board of Trustees. The policy pursues an investment strategy that protects the financial health of the System and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. System assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the System may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the System will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

Benefits Provided. The System provides retirement, disability, and death benefits. Retirement benefits for non-Sheriff members are calculated as total service times 2 percent of final average compensation. Total service equals the sum of age and service years, which must be 75 (minimum age 50 or 55 depending on hire date), or 60 with 8 years of service. Final average compensation is the average compensation of the highest 3 years of the last 10. Retirement benefits for Sheriff members are calculated as total service times 2.5 percent of final average compensation. Total service equals 20 years of service regardless of age, or age 55 with 10 years of service. Final average compensation is the average compensation of the highest 3 years of the last 10. The maximum County-financed portion for both groups is 75% of final average compensation.

As of January 1, 2014, the System was closed to new participants.

Benefits. Deferred members may retire at age 60 with 8 or 10 years of service depending on date of hire. Deferred retirement benefits are determined in the same manner as regular retirement benefits, but based upon service and final average compensation at termination date. All plan members are eligible for non-duty death in service benefits after 20 years of service, or at age 60 with 10 years of service. These benefits are determined in the same manner as regular retirement benefits, but actuarially reduced in accordance with a 100 percent joint and survivor election. In addition, all plan members are eligible for duty related death in service benefits which are payable upon expiration of worker's compensation to the survivors of a member who died in the line of duty. The benefits are equal to the worker's compensation payments to the spouse, children under age 18, and dependent parents. All plan members are eligible for non-duty disability benefits after 10 or more years of service and for duty related disability benefits upon hire. Non-duty disability retirement benefits are determined in the same manner as retirement benefits. Duty disability retirement benefits for non-Sheriff members are calculated in the same way as regular retirement benefits, but with additional service credited from date of disability to age 60. Maximum County-financed portion shall not exceed the excess of a) 70 percent of final average compensation or b) worker's compensation payments. Duty disability retirement benefits for Sheriff members are computed as 75 percent of final average compensation less worker's compensation. Post-retirement lump sum death benefits for non-Sheriff members equal $2,000 ($3,500 for supervisors) or $7,500 depending on retirement date. Death benefits for Sheriff members equal $2,000. A plan member who leaves County service may withdraw his or her contributions plus any accumulated interest. A withdrawal may reduce or even eliminate any future benefit payable under a deferred vested retirement.

Contributions. For the year ended December 31, 2025 participating non-Sheriff department members are required to contribute 8.0% of their annual compensation to the System for pension benefits. There were no participating Sheriff department members at December 31, 2025. The County contributes such additional amounts, as necessary, based on an actuarial determination, to provide assets sufficient to pay for member benefits. The County's contribution for the non-Sheriff department members for the year ended December 31, 2025, represents 21.89% of annual covered payroll. The County did not contribute for the Sheriff department members as the System had sufficient assets to pay for Sheriff member benefits.

Employees covered by benefit terms. At December 31, 2025, plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	1,037
Terminated employees entitled to but not yet receiving benefits	122
Vested active employees	346
Total membership	1,505

Reserves. In accordance with the System policy, the County establishes reserves for various purposes. The reserves are adjusted annually based on recommendations from the County's actuaries. The policy for creating and adjusting reserves was established and can be amended by the System Board of Trustees. A summary of the reserves at December 31, 2025 is as follows:

	Balance
Reserve / Group	
Employees' reserve fund	$ 58,797,257
Retirement reserve fund	293,217,150
	$ 352,014,407

Net pension liability. The County's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024 (rolled forward to December 31, 2025).

Actuarial assumptions. The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.5 to 8.5 percent, including inflation and 1.00% productivity
Investment rate of return	6.75 percent, net of pension plan investment expense, including inflation

Mortality rates for active members were based on the Pub-2010 General Employees Amount-Weighted Mortality Tables projected with the Scale MP-2019. Mortality rates for retirees were based on the General Retirees Amount-Weighted Mortality Tables projected with Scale MP-2019. Mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivors Amount-Weighted Mortality Tables projected with Scale MP-2019. Mortality rates for disabled members were based on the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Tables projected with Scale MP-2019. All deaths are assumed to be non-duty related. This assumption is used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study conducted in 2020. The next assumption review is scheduled to be completed in conjunction with the December 31, 2025 actuarial valuation.

Long-term expected rate of return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2025 (see the discussion of the System's investment allocation policy) are summarized in the following table:

	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Equities			
Domestic equities - large cap	22.50%	6.10%	1.37%
Domestic equities - small to mid cap	10.00%	5.80%	0.58%
International equities	19.50%	5.00%	0.98%
Fixed income	31.00%	1.40%	0.43%
Other investments			
Private real estate	10.00%	4.30%	0.43%
Real estate investment trusts	4.00%	3.60%	0.14%
Private credit	3.00%	5.60%	0.17%
Cash	0.00%	0.80%	0.00%
	100.00%		4.10%
Inflation expectation			2.50%
Risk adjustments			0.15%
Investment rate of return			6.75%

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Notes to Financial Statements

Changes in the net pension liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2024	$ 424,642,292	$ 317,675,046	$ 106,967,246
Changes for the year:			
Service cost	4,056,632	-	4,056,632
Interest	27,808,687	-	27,808,687
Differences between expected and actual experience	11,749,042	-	11,749,042
Employer contributions	-	18,944,800	(18,944,800)
Employee contributions	-	2,761,938	(2,761,938)
Net investment income	-	42,435,576	(42,435,576)
Benefit payments, including refunds of employee contributions	(29,380,129)	(29,380,129)	-
Administrative expense	-	(422,824)	422,824
Other changes	(120,721)	-	(120,721)
Net changes	14,113,511	34,339,361	(20,225,850)
Balances at December 31, 2025	$ 438,755,803	$ 352,014,407	$ 86,741,396

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 6.75%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
County's net pension liability	$ 132,173,288	$ 86,741,396	$ 48,186,879

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial statements.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2025, the County recognized pension expense of $17,087,410. At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 3,810,498	$ -	$ 3,810,498
Net difference between projected and actual earnings on pension plan investments	-	12,352,725	(12,352,725)
Total	$ 3,810,498	$ 12,352,725	$ (8,542,227)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2026	$ 9,075,042
2027	(7,885,993)
2028	(5,478,123)
2029	(4,253,153)
Total	$ (8,542,227)

Payable to the pension plan. At December 31, 2025, the County had no amounts payable for contributions to the pension plan.

For the governmental activities, the net pension liability is generally liquidated by the general fund.

Voluntary Employees' Beneficiary Association (VEBA)

Plan description. The Washtenaw County Voluntary Employees' Beneficiary Association (the "VEBA") is a single-employer defined benefit postemployment healthcare plan established and administered by Washtenaw County to provide medical and healthcare benefits for retirees and their beneficiaries. Eligible participants include any retirees who receive pension benefits under one of the County's pension plans. Plan provisions are established and may be amended by the Washtenaw County Board of Commissioners, subject to the County's various collective bargaining agreements. The VEBA is funded by a trust agreement established pursuant to Section 501(c)(9) of the Internal Revenue Code which allows for the formation of a VEBA.

As a result of collective bargaining agreements, effective January 1, 2014, Washtenaw County established a new 401(a) defined contribution plan, administered by a third-party financial institution, for its employees. As of January 1, 2014, the VEBA is closed to new participants. Beginning January 1, 2014, Washtenaw County began a new retirement health savings plan, administered by a third-party financial institution, for postemployment healthcare benefits. Most retirees from the new defined contribution plan will be eligible for these benefits.

The VEBA is governed by a five-member board of trustees that is appointed in accordance with the Trust Agreement. One member, who is an active employee and is not a county commissioner, is appointed by the Retirement Commission of the Washtenaw County Employees' Retirement System (WCERS). One member, who is an active employee and is not a county commissioner, is appointed by the Washtenaw County Deputy Sheriffs Association (WCDSA) from among the participants of the Municipal Employees' Retirement System (MERS). One member is a county commissioner appointed by the Retirement Commission. The County Human Resources Director and the County Chief Financial Officer are standing members. The term of office for the Retirement Commission's representative is two years (appointed every odd-numbered year); the term of office for the MERS representative is based on a term of the WCDSA's choice; the Retirement Commission's county commission representative is appointed annually.

Subject to certain age and length of service requirements, eligible participants receive the same or comparable medical insurance coverage under the VEBA as was in effect at the time of their employment. At such time that participants become Medicare eligible, the benefits under the VEBA change to Medicare Advantage coverage.

Contributions. Employer and employee contribution requirements are established by the Washtenaw County Board of Commissioners. For 2025, employee contributions were not required. Employer contributions for 2025 were intended to be at a level that exceeds the current cost of benefits and, therefore, build the trust for purposes of paying future benefits, but not necessarily at the actuarially determined rate. The actual contribution rate for COAM members was 0.85%. The employer contributed a flat dollar amount of $125 each pay for POAM and general members. The 0.85% rate was equal to the actuarial rate. The employer contributed an additional amount of $1,108,790 during 2025. In the event that trust assets are not sufficient to pay for benefits, the employer is required to contribute the additional amounts necessary to provide the benefits. For 2025, no additional contributions were required nor were any benefits paid directly by the employer on a pay-as-you-go basis.

Employees covered by benefit terms. At December 31, 2025, plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	1,620
Terminated employees entitled to but not yet receiving benefits	56
Active participants	409
Total membership	2,085

Net OPEB asset. The County's net OPEB asset was measured as of December 31, 2025, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2024 (rolled forward to December 31, 2025).

Actuarial assumptions. The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.75% net of OPEB plan investment expense, including price inflation
Projected salary increases	8.5% to 3.5%, including price inflation
Healthcare cost trend rate	Pre-Medicare 7.00% initial, 4.50% ultimate; post-Medicare 4.50% initial, 4.50% ultimate
Inflation rate	2.5%

Mortality rates were based on the Headcount-weighted Pub-2010 General Employee, General Retiree and General Contingent Survivors Mortality Tables for active employees, retirees and beneficiaries, respectively, projected with mortality improvement scale MP-2019 on a fully generational basis. The disabled mortality rates were based on Headcount-weighted Pub-2010 General Disabled Mortality Tables, projected with mortality improvement scale MP-2019 on a fully generational basis.

The actuarial assumptions used in the December 31, 2024 valuation was based on the results of an actuarial experience study conducted in 2020. The next assumption review is scheduled to be completed in conjunction with the December 31, 2025, actuarial valuation. There were no changes in benefit provisions.

Long-term expected rate of return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of December 31, 2025 (see the discussion of the VEBA's investment allocation policy) are summarized in the following table:

	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Equities			
Domestic equities - large cap	30.00%	6.10%	1.83%
Domestic equities - small to mid cap	9.00%	5.80%	0.52%
International equities	17.00%	5.00%	0.85%
Emerging markets equities	3.00%	6.00%	0.18%
Fixed Income	20.00%	1.40%	0.28%
Other investments			
Real estate investment trusts (REITs)	3.00%	3.60%	0.11%
Private real estate	3.00%	4.30%	0.13%
Private credit	4.00%	5.60%	0.22%
Absolute return assets	2.00%	2.90%	0.06%
Hedge funds	3.00%	3.60%	0.11%
Infrastructure	2.00%	5.30%	0.11%
Private equities	2.00%	9.50%	0.19%
Equity return assets	2.00%	4.80%	0.10%
Cash	0.00%	0.80%	0.00%
	100.00%		4.69%
Inflation expectation			2.50%
Risk adjustments			-0.44%
Investment rate of return			6.75%

Discount rate. The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Asset. The components of the change in the net OPEB asset are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Asset (a) - (b)
Balances at December 31, 2024	$ 149,369,025	$ 182,517,635	$ (33,148,610)
Changes for the year:			
Service cost	1,432,845	-	1,432,845
Interest	9,222,802	-	9,222,802
Differences between expected and actual experience	56,106,193	-	56,106,193
Changes in assumptions	(4,545,071)	-	(4,545,071)
Employer contributions	-	2,580,983	(2,580,983)
Benefit payments, including refunds of employee contributions	(14,044,272)	(14,044,272)	-
Net investment income	-	27,489,797	(27,489,797)
Administrative expense	-	(201,440)	201,440
Other changes	(123,491)	4,305	(127,796)
Net changes	48,049,006	15,829,373	32,219,633
Balances at December 31, 2025	$ 197,418,031	$ 198,347,008	$ (928,977)

The changes in assumptions include updating the rates of healthcare assumptions used to project per capita costs and premiums.

Sensitivity of the net OPEB asset to changes in the discount rate. The following presents the net OPEB (asset) liability of the County, calculated using the discount rate of 6.75 percent, as well as what the County's net OPEB (asset) liability would be if it were calculated using a discount rate that is 1% lower (5.75 percent) or 1% higher (7.75 percent) than the current rate:

	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County's net OPEB (asset) liability	$ 18,837,852	$ (928,977)	$ (17,639,971)

Sensitivity of the net OPEB (asset) liability to changes in the healthcare cost trend rates. The following presents the net OPEB (asset) liability of the County at December 31, 2025, calculated using the current healthcare cost trend rates, as well as what the County's net OPEB (asset) liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
County's net OPEB (asset) liability	$ (20,737,351)	$ (928,977)	$ 22,579,163

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued VEBA financial statements.

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB. For the year ended December 31, 2025, the County recognized OPEB expense of $18,471,263. At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 26,576,619	$ 1,471,808	$ 25,104,811
Difference in assumptions	179,912	2,152,928	(1,973,016)
Net difference between projected and actual earnings on OPEB plan investments	-	12,830,063	(12,830,063)
	$ 26,756,531	$ 16,454,799	$ 10,301,732

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Amount
2026	$ 24,993,630
2027	(7,272,382)
2028	(4,306,806)
2029	(3,112,710)
Total	$ 10,301,732

Payable to the OPEB plan. At December 31, 2025, the County had no amounts payable for contributions to the OPEB plan.

Defined Contribution Plan (WCDC)

The Washtenaw County Defined Contribution Pension Plan (the "Plan") is a defined contribution pension plan established and administered by the County to provide benefits at retirement to all regular employees of the County hired on or after January 1, 2014. Plan members are required to contribute 7.5% of covered salary. The County is required to match the plan member contributions. Plan provisions and contribution requirements are established and may be amended by the Washtenaw County Board of Commissioners, subject to the County's various collective bargaining agreements. The employer and employee contributions totaled $4,493,726 each for the year ended December 31, 2025. At December 31, 2025, there were 1,241 active plan members.

Retirement Health Savings Plan (RHS)

The Washtenaw County Retirement Health Savings Plan (RHS or the "Plan") is a retiree health and welfare benefits plan including a postemployment health reimbursement arrangement, with a tax exempt VEBA (Voluntary Employees Beneficiary Association) trust organized under Internal Revenue Code section 501 (c)(9). The Plan is established and administered by the County to provide benefits at retirement to all regular employees of the County hired on or after January 1, 2014. Plan members are not required to contribute to the Plan. The County is required to contribute a flat dollar amount per pay period for each member based on years of service. Plan provisions and contribution requirements are established and may be amended by the Washtenaw County Board of Commissioners, subject to the County's various collective bargaining agreements. The employer contributions totaled $2,570,575 for the year ended December 31, 2025. As of December 31, 2025, there were 1,130 active members.

County Administered Plans – Summary of Significant Accounting Policies

The financial statements of ERS, VEBA, WCDC and RHS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Plan investments are reported at fair value. 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. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of applicable boards, with the assistance of a valuation service.

Municipal Employees' Retirement System of Michigan

General Information About the Plan

Plan Description. The County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The County participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers ranging from 2.5% to 2.75%. Participants vesting requirements range from 8 to 10 years. Normal retirement age is 60 with early retirement at age 50 with 25 years of service, or age 55 with 15 years of service, depending on division/bargaining unit.

Employees Covered by Benefit Terms. At the December 31, 2024 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	208
Inactive employees entitled to but not yet receiving benefits	182
Active employees	285
Total membership	675

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In addition, the employer may establish contribution rates to be paid by its covered employees.

Employer and employee contribution rates, by division/bargaining unit, were as follows for the year ended December 31, 2025:

Division/Bargaining Unit	Employer Contribution	Employee Contribution	Status
01 - Non-Un	0.00%	5.00%	Open
02 - ShrfPOAM	29.14%	8.00%	Open
03 - COAM	31.74%	9.00%	Open
21 - HIDTA	21.32%	0.00%	Open

Net Pension Liability. The County's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions. The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	6.93%, net of investment and administrative expense including inflation

The base mortality tables used are constructed as described below and are based on amount weighted sex distinct rates and incorporate fully generational mortality:

- Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120
- Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120
- Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of the most recent actuarial experience study of 2019-2023.

Long-term expected rate of return. The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.00%	4.50%	2.70%
Global fixed income	20.00%	2.00%	0.40%
Private investments	20.00%	7.00%	1.40%
	100.00%		4.50%
Inflation			2.50%
Dedicated gains adjustment			-0.07%
Administrative expenses netted above			0.25%
Investment rate of return			7.18%

In February 2022, the MERS Retirement Board adopted a Dedicated Gains Policy. The purpose of the Policy is to automatically reduce the assumed rate of investment return for annual actuarial valuation purposes if the plan year's market value of investment income exceeds the expected investment income. In the first year of implementation, all excess investment income was used for this purpose, which resulted in current year excess gains for use in lowering the assumed rate of investment return, as reflected above.

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2025 was 7.18%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2024	$ 202,240,354	$ 140,859,618	$ 61,380,736
Changes for the year:			
Service cost	4,828,187	-	4,828,187
Interest	14,307,578	-	14,307,578
Differences between expected and actual experience	4,736,652	-	4,736,652
Changes in assumptions	(125,955)	-	(125,955)
Employer contributions	-	8,999,011	(8,999,011)
Employee contributions	-	2,467,886	(2,467,886)
Net investment income	-	21,905,426	(21,905,426)
Benefit payments, including refunds of employee contributions	(10,769,105)	(10,769,105)	-
Administrative expense	-	(287,358)	287,358
Other changes	(835,748)	-	(835,748)
Net changes	12,141,609	22,315,860	(10,174,251)
Balances at December 31, 2025	$ 214,381,963	$ 163,175,478	$ 51,206,485

Changes in assumptions. A 5-year experience study analyzing historical experience from 2019 through 2023 was completed in February 2025. The experience study recommended updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, and termination rates.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.18%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.18%) or 1% higher (8.18%) than the current rate:

	1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
County's net pension liability	$ 79,522,467	$ 51,206,485	$ 28,067,030

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2025, the County recognized pension expense of $12,413,668. The County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 6,473,731	$ -	$ 6,473,731
Changes in assumptions	2,508,245	94,466	2,413,779
Net difference between projected and actual earnings on pension plan investments	-	6,841,579	(6,841,579)
Total	$ 8,981,976	$ 6,936,045	$ 2,045,931

Amounts reported as pension-related deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2026	$ 6,145,309
2027	(896,107)
2028	(847,876)
2029	(2,355,395)
Total	$ 2,045,931

Payable to the pension plan. At December 31, 2025, the County had no amounts payable for contributions to the pension plan.

For the governmental activities, the net pension liability is generally liquidated by the general fund.

Total Pension/OPEB Expense for Primary Government

Following is a summary of the aggregate amount of pension expense for the year ended December 31, 2025:

Plan	Amount
ERS	$ 17,087,410
MERS	12,413,668
	$ 29,501,078

The aggregate amount of OPEB expense for the year ended December 31, 2025 is $18,471,263.

Road Commission – Pension Plan

General Information About the Plan

Plan description. The Road Commission participates in MERS, an agent multiple-employer defined benefit pension plan that covers all employees of the Road Commission. The Road Commission’s MERS plan is separate from that of the County’s. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by accessing the MERS website at www.mersofmichigan.com.

Retirement benefits changed for all employee groups hired after various dates in 2012. Retirement benefits for employees hired prior to 2012 are calculated at 2.25 percent of the employee's final three year average salary times the employee's years of service. Normal retirement age is 60 with early retirement at 55 with 25 years of service. Vesting period is eight years. Retirement benefits for employees hired subsequent to 2012 are calculated as 1.5 percent of the employee's final three year average salary times the employee's years of service. Normal retirement age is 60. There is no provision for early retirement without a reduction of benefits. Vesting period is eight years.

For employees hired prior to 2012, benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are 2.5 percent, noncompounding.

Contributions. For the year ended December 31, 2025, the average active employee contribution rate was 3.0 - 5.0 percent of annual pay for employees and the Road Commission's average contribution rate was 40.10 percent of annual payroll.

Employees covered by benefit terms. At the December 31, 2024 measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	146
Inactive employees entitled to but not yet receiving benefits	23
Active employees	127
Total membership	296

Net pension liability. The Road Commission's net pension liability was determined using a measure of the total pension liability and the pension net position as of December 31, 2024. The December 31, 2024 total pension liability was determined by an actuarial valuation performed as of that date.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.0 - 9.7 percent
Investment rate of return	7.18 percent, net of investment expense
Mortality	Pub-2010

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period from January 1, 2019 through December 31, 2023.

Long-term expected rate of return. The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate
Global equity	60.00%	4.50%	2.70%
Global fixed income	20.00%	2.16%	0.43%
Private investments	20.00%	6.50%	1.30%
	100.00%		4.43%
Inflation			2.50%
Administrative expenses netted above			0.25%
Investment rate of return			7.18%

Notes to Financial Statements

Discount rate. The discount rate used to measure the total pension liability was 7.18 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Road Commission contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balances at December 31, 2024	$ 87,739,078	$ 52,071,815	$ 35,667,263
Changes for the year:			
Service cost	951,973	-	951,973
Interest	6,149,939	-	6,149,939
Change in benefits	86,736	-	86,736
Differences between expected and actual experience	1,048,026	-	1,048,026
Changes in assumptions	(291,263)	-	(291,263)
Employer contributions	-	4,006,655	(4,006,655)
Employee contributions	-	552,928	(552,928)
Net investment income	-	3,868,798	(3,868,798)
Benefit payments, including refunds of employee contributions	(5,122,637)	(5,122,637)	-
Administrative expense	-	(115,013)	115,013
Net changes	2,822,774	3,190,731	(367,957)
Balances at December 31, 2025	$ 90,561,852	$ 55,262,546	$ 35,299,306

In the 2024 valuation, the mortality improvement scale was updated from MP-2019 to MP-2021.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the Road Commission, calculated using the discount rate of 7.18%, as well as what the Road Commission's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.18%) or 1% higher (8.18%) than the current rate:

	1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
Road Commission's net pension liability	$ 46,255,558	$ 35,299,306	$ 26,154,325

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

Pension expense and deferred outflows of resources related to pensions. For the year ended December 31, 2025, the Road Commission recognized pension expense of $4,709,223. At December 31, 2025, the Road Commission reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 917,650	$ -	$ 917,650
Changes in assumptions	342,046	218,447	123,599
Net difference between projected and actual earnings on pension plan investments	1,726,268	-	1,726,268
	2,985,964	218,447	2,767,517
Contributions subsequent to measurement date	4,626,685	-	4,626,685
Total	$ 7,612,649	$ 218,447	$ 7,394,202

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2026	$ 1,335,384
2027	1,682,237
2028	(219,227)
2029	(30,877)
Total	$ 2,767,517

Complete disclosures and required supplementary information regarding the Road Commission's MERS pension plan are presented in the Road Commission's financial report.

Road Commission – Other Postemployment Benefits Plan

This is a single-employer defined postemployment benefit plan administered by the Board of County Road Commissioners. The plan provides healthcare, dental, and death benefits to all full-time employees hired prior to January 1, 2012 upon retirement, in accordance with labor contracts. Benefits are provided through the Road Commission's self-insurance program and the full cost of benefits is covered by the plan.

For the year ended December 31, 2025, the Road Commission contributed $1,976,737. Employees are not required to contribute to the plan.

Employees covered by benefit terms. At December 31, 2024, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	134
Active plan members	33
Total membership	167

Net OPEB liability. The Road Commission's net OPEB liability was measured as of December 31, 2025.

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of December 31, 2024 (and rolled forward to December 31, 2025, the measurement date), using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.00%
Projected salary increases	3.0-9.7%
Healthcare cost trend rate	Initial trend of 7.75% gradually decreasing to an ultimate trend rate of 3.5% in year 14
Inflation rate	2.5%
Mortality	Pub-2010

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2023.

Long-term expected rate of return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of December 31, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equities	60.00%	4.50%
Global fixed income	20.00%	2.16%
Private investments	20.00%	6.50%

Discount rate. The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Road Commission contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability. The components of the change in the net OPEB liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2024	$ 26,455,718	$ 22,215,448	$ 4,240,270
Changes for the year:			
Service cost	113,764	-	113,764
Interest	1,799,188	-	1,799,188
Differences between expected and actual experience	1,051,943	-	1,051,943
Changes in assumptions	531,949	-	531,949
Contributions - employer	-	1,976,737	(1,976,737)
Net investment income	-	3,669,329	(3,669,329)
Benefit payments, including refunds	(1,619,831)	(1,619,831)	-
Administrative expense	-	(53,073)	53,073
Net changes	1,877,013	3,973,162	(2,096,149)
Balances at December 31, 2025	$ 28,332,731	$ 26,188,610	$ 2,144,121

The changes in assumptions in the December 31, 2024 valuation were the healthcare cost trend rate was reset to 7.75 percent, decreasing 0.25 or 0.5 percent per year to an ultimate rate of 3.5 percent after 14 years, for beneficiaries under the age of 65 and a rate of 6.5 percent, decreasing 0.25 percent per year to an ultimate rate of 3.5 percent after 14 years, for beneficiaries over age 65.

Sensitivity of the net OPEB (asset) liability to changes in the discount rate. The following presents the net OPEB (asset) liability of the Road Commission, calculated using the discount rate of 7.00 percent, as well as what the County's net OPEB (asset) liability would be if it were calculated using a discount rate that is 1% lower (6.00 percent) or 1% higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
Road Commission's net OPEB (asset) liability	$ 5,209,734	$ 2,144,121	$ (442,457)

Sensitivity of the net OPEB (asset) liability to changes in the healthcare cost trend rates. The following presents the net OPEB (asset) liability of the Road Commission, calculated using the healthcare cost trend rate of 7.75 percent down to 3.5 percent for pre-65 beneficiaries and 6.5 percent down to 3.5 percent for post-65 beneficiaries, as well as what the Road Commission's net OPEB (asset) liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	1% Lower	Current Healthcare Cost Trend Rate	1% Higher
Road Commission's net OPEB (asset) liability	$ (481,655)	$ 2,144,121	$ 5,244,726

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Plan financial statements.

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB. For the year ended December 31, 2025, the Road Commission recognized OPEB expense of $1,182,240. At December 31, 2025, the Road Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 407,908	$ -	$ 407,908
Changes in assumptions	204,212	-	204,212
Net difference between projected and actual earnings on OPEB plan investments	-	1,484,753	(1,484,753)
Total	$ 612,120	$ 1,484,753	$ (872,633)

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Amount
2026	$ 671,866
2027	(647,033)
2028	(476,742)
2029	(420,724)
Total	$ (872,633)

Complete disclosures and required supplementary information regarding the Road Commission’s single-employer healthcare plan are presented in the Road Commission’s financial report.

15. TAX ABATEMENTS

The County received reduced property tax revenues during 2025 as a result of industrial facilities tax exemptions (IFT's) and brownfield redevelopment agreements entered into by cities, villages, townships, and authorities within the County.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50% of the millage rate applicable to other real and personal property in the County. The abatements amounted to approximately $506,000 in reduced County tax revenues for 2025.

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. The abatements amounted to approximately $818,000 in reduced County tax revenues for 2025.

16. OPIOID SETTLEMENT

The County is part of various nationwide Opioid settlements reached by states and local political subdivisions against pharmaceutical distributors, manufacturers, and pharmacies. The terms of the settlements vary by entity; however, the County received installments beginning in 2023 and expects to receive future installments through 2038. The County currently expects the total amount of the settlement to be $16,364,397. Settlement payments received during the year ended December 31, 2025 were $1,009,289. The total receivable for all of the settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2025 of 3%. The net present value of the combined settlement payments to be received as of December 31, 2025 is $9,153,814.

Additional settlements with other pharmacies and manufacturers may be forthcoming as well. However, as of December 31, 2025, the amounts to be allocated to and collected by the County were not able to be determined, and as such, no amounts have been reported related to these settlements in the financial statements.

Notes to Financial Statements

17. ADJUSTMENTS/RESTATEMENTS TO BEGINNING FUND BALANCE/NET POSITION

For the year ended, the County had the following adjustments/restatements to beginning fund balance/net position:

	Road Millage	Enhanced Emergency Communication System Millage	Mental Health Millage Operations	ARPA	Nonmajor Governmental Funds
Fund balances, beginning of year, as previously reported	$ 58	$ 14,860,066	$ 9,066,577	$ 15,703,757	$ 43,714,749
Adjustments - changes within the financial reporting entity	(58)	(14,860,066)	(9,066,577)	(15,703,757)	39,630,458
Fund balances, beginning of year, as adjusted	$ -	$ -	$ -	$ -	$ 83,345,207

The County previously reported the road millage, enhanced emergency communication system millage, mental health millage operations, and ARPA special revenue funds as major. These funds no longer meet the quantitative threshold for major funds in accordance with GAAP.

	General	Information Technology
Net position, beginning of year, as previously reported	$ 65,137,788	$ -
Adjustments - changes within the financial reporting entity	(1,534,840)	2,183,841
Net position, beginning of year, as adjusted	$ 63,602,948	$ 2,183,841

Operations of the information technology services department were transferred from the County's general fund into a newly established information technology internal service fund. The transfer included net balances of $649,001, which were previously reported only in governmental activities.

	Department of Public Works Projects	Water Resources Commissioner
Net position, beginning of year, as previously reported	$ 5,224,206	$ 47,974,626
Restatements - correction of an error	(1,620,654)	9,990,645
Net position, beginning of year, as adjusted	$ 3,603,552	$ 57,965,271

The County overstated special assessments receivable in the Department of Public Works Projects component unit and understated special assessments receivable in the Water Resources Commissioner component unit in prior years.

Notes to Financial Statements

18. FUND BALANCES

Following is a summary of the composition of fund balances as of December 31, 2025:

	General	Community Mental Health	Parks and Recreation	Mental Health/ Public Safety Millage	County Capital Projects	Nonmajor Governmental Funds	Total
Nonspendable:							
Advances to component units	$ 310,500	$ -	$ -	$ -	$ -	$ -	$ 310,500
Prepaid items	20,000	456,451	-	-	-	33,043	509,494
Total nonspendable	330,500	456,451	-	-	-	33,043	819,994
Restricted for:							
Judicial -							
Indigent defense	-	-	-	-	-	1,138,057	1,138,057
Economic development:							
Tourism and convention promotion	-	-	-	-	-	580,545	580,545
Economic development and agriculture	-	-	-	-	-	9,300	9,300
Total economic development	-	-	-	-	-	589,845	589,845
Public safety:							
Emergency communication system and equipment	-	-	-	-	-	12,914,213	12,914,213
Millage operations	-	-	-	61,162	-	-	61,162
Building inspection and safety	-	-	-	-	-	4,832,995	4,832,995
E-911 emergency response	-	-	-	-	-	2,772,403	2,772,403
Drug trafficking investigation	-	-	-	-	-	44,109	44,109
Total public safety	-	-	-	61,162	-	20,563,720	20,624,882
Public works -							
Road construction and maintenance	-	-	-	-	-	238,264	238,264
Health:							
Mental health	-	5,886,462	-	-	-	-	5,886,462
Millage operations	-	-	-	-	-	6,651,951	6,651,951
Opioid	-	-	-	-	-	5,803,025	5,803,025
Total health	-	5,886,462	-	-	-	12,454,976	18,341,438
Social services:							
Community development programs	-	-	-	-	-	8,246,936	8,246,936
Older person's services	-	-	-	-	-	8,276,558	8,276,558
Veterans' programs	-	-	-	-	-	6,626,503	6,626,503
Total social services	-	-	-	-	-	23,149,997	23,149,997
Culture and recreation:							
Park operations and improvements	-	-	13,167,140	-	-	-	13,167,140
Natural area land acquisitions	-	-	28,766,101	-	-	-	28,766,101
Non-motorized trails	-	-	4,885,222	-	-	-	4,885,222
Total culture and recreation	-	-	46,818,463	-	-	-	46,818,463
Total restricted	-	5,886,462	46,818,463	61,162	-	58,134,859	110,900,946

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	General	Community Mental Health	Parks and Recreation	Mental Health/ Public Safety Millage	County Capital Projects	Nonmajor Governmental Funds	Total
Committed for:							
Judicial	$ -	$ -	$ -	$ -	$ -	$ 231,589	$ 231,589
General government	-	-	-	-	-	10,616,013	10,616,013
Economic development	-	-	-	-	-	289,881	289,881
Public safety:							
Alternative to incarceration program	-	-	-	-	-	154,161	154,161
Domestic relations	-	-	-	-	-	270,925	270,925
Law and drug enforcement/training	-	-	-	-	-	3,518,862	3,518,862
Inmate concessions	-	-	-	-	-	349,811	349,811
Total public safety	-	-	-	-	-	4,293,759	4,293,759
Public works:							
Waste reduction and recycling	-	-	-	-	-	3,730,357	3,730,357
Other	-	-	-	-	-	1,214	1,214
Total public works	-	-	-	-	-	3,731,571	3,731,571
Health -							
Public health programs	-	-	-	-	-	3,678,465	3,678,465
Social services:							
Neglected, abused and delinquent youth programs	-	-	-	-	-	2,736,457	2,736,457
Other	-	-	-	-	-	1,050,821	1,050,821
Total social service	-	-	-	-	-	3,787,278	3,787,278
Debt service	-	-	-	-	-	1	1
Capital projects:							
Building upgrade/repair	-	-	-	-	4,308,226	-	4,308,226
Technology	-	-	-	-	4,483,930	-	4,483,930
Reserve	-	-	-	-	35,440,113	-	35,440,113
Special projects	-	-	-	-	249,795	-	249,795
Total capital projects	-	-	-	-	44,482,064	-	44,482,064
Total committed	-	-	-	-	44,482,064	26,628,557	71,110,621
Unassigned	71,792,362	-	-	-	-	-	71,792,362
Total fund balances	$ 72,122,862	$ 6,342,913	$ 46,818,463	$ 61,162	$ 44,482,064	$ 84,796,459	$ 254,623,923

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REQUIRED SUPPLEMENTARY INFORMATION

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WASHTENAW COUNTY

Required Supplementary Information

Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ended December 31,			
	2025	2024	2023	2022
Total pension liability				
Service cost	$ 4,056,632	$ 4,090,827	$ 4,323,724	$ 4,519,160
Interest	27,808,687	27,483,668	26,876,144	26,365,474
Differences between expected and actual experience	11,749,042	325,651	6,245,145	4,804,609
Changes in assumptions	-	-	-	-
Benefit payments, including refunds of member contributions	(29,380,129)	(28,383,192)	(28,504,119)	(27,755,587)
Other changes	(120,721)	-	-	-
Net change in total pension liability	14,113,511	3,516,954	8,940,894	7,933,656
Total pension liability, beginning of year	424,642,292	421,125,338	412,184,444	404,250,788
Total pension liability, end of year	438,755,803	424,642,292	421,125,338	412,184,444
Plan fiduciary net position				
Employer contributions	18,944,800	17,621,562	16,089,016	14,499,759
Employee contributions	2,761,938	2,672,104	2,686,396	2,717,966
Net investment income (loss)	42,435,576	26,094,116	30,576,471	(43,558,346)
Benefit payments, including refunds of employee contributions	(29,380,129)	(28,383,192)	(28,504,119)	(27,755,587)
Administrative expense	(422,824)	(430,269)	(473,268)	(526,022)
Other income	-	-	2,653	17,222
Net change in plan fiduciary net position	34,339,361	17,574,321	20,377,149	(54,605,008)
Plan fiduciary net position, beginning of year	317,675,046	300,100,725	279,723,576	334,328,584
Plan fiduciary net position, end of year	352,014,407	317,675,046	300,100,725	279,723,576
County's net pension liability	$ 86,741,396	$ 106,967,246	$ 121,024,613	$ 132,460,868
Plan fiduciary net position as a percentage of total pension liability	80.23%	74.81%	71.26%	67.86%
Covered payroll	$ 33,358,131	$ 33,420,458	$ 33,365,830	$ 34,004,163
County's net pension liability as a percentage of covered payroll	260.03%	320.07%	362.72%	389.54%

See notes to required supplementary information.

Fiscal Year Ended December 31,					
2021	2020	2019	2018	2017	2016
$ 4,537,934	$ 5,018,943	$ 5,318,446	$ 5,401,509	$ 5,497,717	$ 5,906,102
26,664,753	26,389,132	26,356,714	25,720,272	25,248,257	23,679,082
744,586	(1,125,573)	(843,270)	2,345,308	83,469	16,258,613
18,384,899	-	-	-	-	-
(27,265,147)	(25,723,471)	(24,859,176)	(24,351,866)	(24,093,492)	(23,489,750)
-	-	-	-	-	-
23,067,025	4,559,031	5,972,714	9,115,223	6,735,951	22,354,047
381,183,763	376,624,732	370,652,018	361,536,795	354,800,844	332,446,797
404,250,788	381,183,763	376,624,732	370,652,018	361,536,795	354,800,844
10,973,521	10,335,439	10,214,636	9,565,911	9,367,571	8,110,236
2,899,024	3,151,662	3,466,330	3,487,854	3,940,128	3,869,088
42,571,869	29,978,734	45,921,392	(13,808,798)	38,647,650	19,741,722
(27,265,147)	(25,723,471)	(24,859,176)	(24,351,866)	(24,093,492)	(23,489,750)
(485,733)	(490,776)	(502,278)	(521,971)	(527,440)	(507,575)
1,984	6,316	45,492	-	-	-
28,695,518	17,257,904	34,286,396	(25,628,870)	27,334,417	7,723,721
305,633,066	288,375,162	254,088,766	279,717,636	252,383,219	244,659,498
334,328,584	305,633,066	288,375,162	254,088,766	279,717,636	252,383,219
$ 69,922,204	$ 75,550,697	$ 88,249,570	$ 116,563,252	$ 81,819,159	$ 102,417,625
82.70%	80.18%	76.57%	68.55%	77.37%	71.13%
$ 35,963,294	$ 38,948,887	$ 40,831,296	$ 41,088,440	$ 43,716,744	$ 44,918,801
194.43%	193.97%	216.13%	283.69%	187.16%	228.01%

Required Supplementary Information

Employees' Retirement System

Schedule of Contributions

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2016	$ 8,110,236	$ 8,110,236	$ -	$ 44,918,801	18.06%
2017	9,367,571	9,367,571	-	43,716,744	21.43%
2018	9,565,911	9,565,911	-	41,088,440	23.28%
2019	10,214,636	10,214,636	-	40,831,296	25.02%
2020	10,335,439	10,335,439	-	38,948,887	26.54%
2021	10,973,521	10,973,521	-	35,963,294	30.51%
2022	14,499,759	14,499,759	-	34,004,163	42.64%
2023	16,089,016	16,089,016	-	33,365,830	48.22%
2024	17,621,562	17,621,562	-	33,420,458	52.73%
2025	18,944,800	18,944,800	-	33,358,131	56.79%

See notes to required supplementary information.

Required Supplementary Information

Employees' Retirement System

Schedule of Investment Returns

Fiscal Year Ending December 31,	Annual Return [1]
2016	8.35%
2017	16.05%
2018	-5.03%
2019	18.46%
2020	11.00%
2021	13.85%
2022	-13.74%
2023	11.03%
2024	8.67%
2025	13.49%

(1) Annual money-weighted rate of return expresses investment performance, net of plan investment expense, adjusted for the changing amounts actually invested.

See notes to required supplementary information.

Required Supplementary Information

Voluntary Employees' Beneficiary Association

Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios

	Fiscal Year Ended December 31,			
	2025	**2024**	**2023**	**2022**
Total OPEB liability				
Service cost	$ 1,432,845	$ 1,207,670	$ 1,332,665	$ 1,477,676
Interest	9,222,802	10,086,669	10,432,601	11,702,985
Differences between expected and actual experience	56,106,193	(13,736,878)	(3,528,282)	(21,195,298)
Changes in assumptions	(4,545,071)	1,679,184	(1,843,295)	-
Benefit payments, including refunds of employee contributions	(14,044,272)	(11,319,717)	(10,542,444)	(8,651,618)
Other changes	(123,491)	-	-	-
Net change in total OPEB liability	48,049,006	(12,083,072)	(4,148,755)	(16,666,255)
Total OPEB liability, beginning of year	149,369,025	161,452,097	165,600,852	182,267,107
Total OPEB liability, end of year	197,418,031	149,369,025	161,452,097	165,600,852
Plan fiduciary net position				
Employer contributions	2,580,983	2,523,262	2,428,110	6,650,523
On behalf-federal Medicare Part D subsidy	-	-	-	-
Net investment income (loss)	27,489,797	17,424,235	25,175,917	(32,748,568)
Benefit payments, including refunds of employee contributions	(14,044,272)	(11,319,717)	(10,542,444)	(348,438)
Administrative expense	(201,440)	(392,661)	(320,760)	(8,651,618)
Other income	4,305	2,856	16,999	611
Net change in plan fiduciary net position	15,829,373	8,237,975	16,757,822	(35,097,490)
Plan fiduciary net position, beginning of year	182,517,635	174,279,660	157,521,838	192,619,328
Plan fiduciary net position, end of year	198,347,008	182,517,635	174,279,660	157,521,838
County's net OPEB (asset) liability	$ (928,977)	$ (33,148,610)	$ (12,827,563)	$ 8,079,014
Plan fiduciary net position as a percentage of total OPEB liability	100.47%	122.19%	107.95%	95.12%
Covered payroll	$ 51,257,011	$ 53,139,799	$ 55,362,828	$ 50,390,738
County's net OPEB (asset) liability as a percentage of covered payroll	-1.81%	-62.38%	-23.17%	16.03%

See notes to required supplementary information.

Fiscal Year Ended December 31,				
2021	2020	2019	2018	2017
$ 1,727,505	$ 2,059,425	$ 3,244,750	$ 3,364,665	$ 3,448,539
14,353,209	15,020,385	18,438,443	18,220,604	17,515,459
(32,055,849)	(15,689,311)	(55,809,902)	(6,088,529)	61,460
7,120,737	5,025,293	-	-	-
(9,996,906)	(9,646,867)	(10,741,613)	(11,503,401)	(11,574,498)
-	-	-	-	-
(18,851,304)	(3,231,075)	(44,868,322)	3,993,339	9,450,960
201,118,411	204,349,486	249,217,808	245,224,469	235,773,509
182,267,107	201,118,411	204,349,486	249,217,808	245,224,469
9,405,153	10,378,359	12,100,335	11,223,504	10,501,156
-	20,024	27,828	318,699	425,088
25,995,953	20,236,383	24,487,807	(6,834,307)	16,274,768
(9,996,906)	(9,646,867)	(10,741,613)	(11,503,401)	(11,574,498)
(314,232)	(265,252)	(173,868)	(235,360)	(275,782)
3,120	864	1,255	-	-
25,093,088	20,723,511	25,701,744	(7,030,865)	15,350,732
167,526,240	146,802,729	121,100,985	128,131,850	112,781,118
192,619,328	167,526,240	146,802,729	121,100,985	128,131,850
$ (10,352,221)	$ 33,592,171	$ 57,546,757	$ 128,116,823	$ 117,092,619
105.68%	83.30%	71.84%	48.59%	52.25%
$ 53,362,265	$ 57,293,334	$ 61,293,625	$ 62,368,840	$ 65,871,257
-19.40%	58.63%	93.89%	205.42%	177.76%

Required Supplementary Information

Voluntary Employees' Beneficiary Association

Schedule of Contributions

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2017	$ 10,501,156	$ 10,501,156	$ -	$ 65,871,257	15.94%
2018	11,223,504	11,223,504	-	62,368,840	18.00%
2019	12,100,335	12,100,335	-	61,293,625	19.74%
2020	10,378,359	10,378,359	-	57,293,334	18.11%
2021	9,405,153	9,405,153	-	53,362,265	17.63%
2022	6,650,523	6,650,523	-	50,390,738	13.20%
2023	2,428,110	2,428,110	-	55,362,828	4.39%
2024	2,523,262	2,523,262	-	53,139,799	4.75%
2025	2,580,983	2,580,983	-	51,257,011	5.04%

See notes to required supplementary information.

Required Supplementary Information

Voluntary Employees' Beneficiary Association

Schedule of Investment Returns

Fiscal Year Ending December 31,	Annual Return [1]
2016	5.62%
2017	14.95%
2018	-5.34%
2019	20.25%
2020	11.48%
2021	15.76%
2022	-16.96%
2023	16.20%
2024	9.98%
2025	15.50%

[1] Annual money-weighted rate of return expresses investment performance, net of plan investment expense, adjusted for the changing amounts actually invested.

See notes to required supplementary information.

Required Supplementary Information

Municipal Employees' Retirement System of Michigan

Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ended December 31,			
	2025	2024	2023	2022
Total pension liability				
Service cost	$ 4,828,187	$ 4,519,637	$ 4,378,187	$ 3,926,072
Interest	14,307,578	13,623,847	12,899,967	11,490,515
Differences between expected and actual experience	4,736,652	471,227	4,385,595	4,421,335
Changes in assumptions	(125,955)	1,695,312	-	7,455,286
Benefit payments, including refunds of member contributions	(10,769,105)	(9,545,136)	(8,918,633)	(8,204,328)
Other changes	(835,748)	(784,452)	(685,995)	482,933
Net change in total pension liability	12,141,609	9,980,435	12,059,121	19,571,813
Total pension liability, beginning of year	202,240,354	192,259,919	180,200,798	160,628,985
Total pension liability, end of year	214,381,963	202,240,354	192,259,919	180,200,798
Plan fiduciary net position				
Employer contributions	8,999,011	7,917,670	6,379,716	5,890,620
Employee contributions	2,467,886	2,351,612	2,048,034	2,023,754
Net investment income (loss)	21,905,426	9,787,803	13,171,147	(13,742,386)
Benefit payments, including refunds of member contributions	(10,769,105)	(9,545,136)	(8,918,633)	(8,204,328)
Administrative expense	(287,358)	(292,566)	(279,146)	(245,526)
Net change in plan fiduciary net position	22,315,860	10,219,383	12,401,118	(14,277,866)
Plan fiduciary net position, beginning of year	140,859,618	130,640,235	118,239,117	132,516,983
Plan fiduciary net position, end of year	163,175,478	140,859,618	130,640,235	118,239,117
County's net pension liability	$ 51,206,485	$ 61,380,736	$ 61,619,684	$ 61,961,681
Plan fiduciary net position as a percentage of total pension liability	76.11%	69.65%	67.95%	65.62%
Covered payroll	$ 30,740,901	$ 28,151,022	$ 25,579,441	$ 25,143,622
County's net pension liability as a percentage of covered payroll	166.57%	218.04%	240.90%	246.43%

See notes to required supplementary information.

	Fiscal Year Ended December 31,					
	2021	2020	2019	2018	2017	2016
	$ 3,787,620	$ 3,884,103	$ 3,703,277	$ 3,713,551	$ 3,741,464	$ 3,547,497
	11,246,232	10,126,664	9,922,029	8,901,209	8,268,782	7,575,557
	(1,473,195)	2,737,188	1,034,267	332,477	(868,261)	3,390,108
	4,750,219	4,130,223	-	-	-	3,306,604
	(6,689,634)	(5,448,402)	(4,768,746)	(3,833,744)	(2,905,765)	(2,317,372)
	(420,004)	(29,753)	(421,200)	530,200	402,071	(436,153)
	11,201,238	15,400,023	9,469,627	9,643,693	8,638,291	15,066,241
	149,427,747	134,027,724	124,558,097	114,914,404	106,276,113	91,209,872
	160,628,985	149,427,747	134,027,724	124,558,097	114,914,404	106,276,113
	5,126,707	4,500,113	4,089,613	3,811,957	3,740,713	3,066,738
	2,002,563	1,914,288	2,110,166	1,901,576	2,051,237	2,016,415
	16,426,552	13,426,636	12,131,523	(3,659,709)	10,457,956	7,802,910
	(6,689,634)	(5,448,402)	(4,768,746)	(3,833,744)	(2,905,765)	(2,317,372)
	(188,486)	(207,082)	(209,343)	(177,823)	(164,992)	(153,733)
	16,677,702	14,185,553	13,353,213	(1,957,743)	13,179,149	10,414,958
	115,839,281	101,653,728	88,300,515	90,258,258	77,079,109	66,664,151
	132,516,983	115,839,281	101,653,728	88,300,515	90,258,258	77,079,109
	$ 28,112,002	$ 33,588,466	$ 32,373,996	$ 36,257,582	$ 24,656,146	$ 29,197,004
	82.50%	77.52%	75.85%	70.89%	78.54%	72.53%
	$ 24,783,162	$ 23,965,883	$ 24,193,108	$ 23,754,492	$ 23,571,736	$ 22,771,226
	113.43%	140.15%	133.81%	152.63%	104.60%	128.22%

Required Supplementary Information

Municipal Employees' Retirement System of Michigan

Schedule of Contributions

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2016	$ 3,066,738	$ 3,066,738	$ -	$ 22,771,226	13.47%
2017	3,740,713	3,740,713	-	23,571,736	15.87%
2018	3,811,957	3,811,957	-	23,754,492	16.05%
2019	4,089,613	4,089,613	-	24,193,108	16.90%
2020	4,500,113	4,500,113	-	23,965,883	18.78%
2021	5,126,707	5,126,707	-	24,783,162	20.69%
2022	5,890,620	5,890,620	-	25,143,622	23.43%
2023	6,379,716	6,379,716	-	25,579,441	24.94%
2024	7,917,670	7,917,670	-	28,151,022	28.13%
2025	8,999,011	8,999,011	-	30,740,901	29.27%

See notes to required supplementary information.

Notes to Required Supplementary Information

Employees' Retirement System

Notes to Schedule of Changes in Net Pension Liability and Related Ratios

Changes in Assumptions. The significant changes in assumptions for the fiscal year ended December 31, 2021 were primarily related to the decrease in the discount rate used to measure the total pension liability from 7.25% to 6.75%.

Notes to Schedule of Contributions

Notes	Actuarially determined contribution rates are calculated as of December 31 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.
Other information	There were no changes in benefits or other plan provisions since the December 31, 2022 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age actuarial cost method.
Amortization method	General division liabilities funded as a level percent of payroll over a closed period; 16 years for General employees. The last UAAL payment for Sheriff employees was during 2023.
Remaining amortization period	16 years and decreasing for General division.
Inflation	2.50%
Asset valuation method	Market value with 5 year smoothing of gains and losses.
Salary increases	3.5-8.5% including inflation and 1.00% productivity.
Investment rate of return	6.75% net of pension plan investment expense, including inflation
Mortality rates	Based on the Pub-2010 General Employees, Retirees, Contingent Survivors, and Disabled Retirees Amount-Weighted Mortality Tables projected with Scale MP-2019. This assumption is used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement. All deaths are assumed to be non-duty related.

Notes to Required Supplementary Information

Voluntary Employees' Beneficiary Association

Notes to Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios

GASB 75 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Changes in Assumptions. In 2020, the changes in assumptions were primarily related to the assumed initial per capita health care costs and the rates of health care inflation used to project per capita costs which were updated based on recent experience.

In 2021, the changes in assumptions included lowering the assumed investment return from 7.50% to 6.75%, lowering assumed inflation from 3.00% to 2.50%, lowering salary scale increases by 0.5% for all ages, updating mortality tables, decreasing the UAAL amortization assumption from 4.00% to 3.50%, implementing a 15-year layered amortization of experience gains/losses, and other changes related to medical trend rates, per capita costs, and future retirees and their spouses.

In 2023, the changes in assumptions included updating the rates of healthcare assumptions used to project per capita costs and premiums.

In 2024, the changes in assumptions included updating the rates of healthcare assumptions used to project per capita costs and premiums.

In 2025, the changes in assumptions included updating the rates of healthcare assumptions used to project per capita costs and premiums.

Notes to Required Supplementary Information

Notes to Schedule of Contributions

GASB 75 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes	Actuarially determined contribution rates are calculated as of December 31 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.
Other information	There were no changes in benefits or other plan provisions since the December 31, 2023 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age actuarial cost as a percentage of earnings
Amortization method	26 years for the December 31, 2012 valuation, declining by one year for each year thereafter, as a percentage of earnings, with interest at 6.75%. Beginning in fiscal year 2025, additional experience gains or losses will be amortized on a closed 15 year layered basis.
Remaining amortization period	15 years (for determination of funded status)
Asset valuation method	Market value with 5 year smoothing of gains and losses.
Inflation	4.5%
Healthcare cost trend rate	Pre-Medicare 7.00% initial, 4.50% ultimate; post-Medicare 0.00% initial, 4.50% ultimate
Salary increases	8.5% to 3.5%, including price inflation
Investment rate of return	6.75% net of OPEB plan investment expense, including inflation
Mortality rates	Mortality rates were based on the Headcount-weighted Pub-2010 General Employee, General Retiree and General Contingent Survivors Mortality Tables for active employees, retirees and beneficiaries, respectively, projected with mortality improvement scale MP-2019 on a fully generational basis. The disabled mortality rates were based on Headcount-weighted Pub-2010 General Disabled Mortality Tables, projected with mortality improvement scale MP-2019 on a fully generational basis.

Notes to Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plans

Notes to the Schedule of Changes in the Net Pension Liability and Related Ratios

The amounts presented for each fiscal year were determined as of December 31 of the preceding year.

Changes in Assumptions. In 2016, amounts reported as changes of assumptions resulted primarily from adjustments to the mortality table to reflect longer lifetimes, decreases in the assumed rate of return, and changes in asset smoothing.

In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

In 2021, amounts reported as changes of assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.

In 2022, amounts reported as changes of assumptions resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.

In 2024, amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.00% to 6.93%.

In 2025, amounts reported as changes in assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, and termination rates.

Notes to Required Supplementary Information

Notes to Schedule of Contributions

Valuation Date	Actuarially determined contribution rates are calculated as of the December 31 that is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2025, based on the 12/31/2023 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smooth market
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	6.93%, net of investment and administrative expense including inflation
Normal retirement age	Age 60
Mortality	• Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120 • Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120 • Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120

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SUPPLEMENTARY INFORMATION

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds					
	Accommodation Ordinance Tax	Aerial Photo	ARPA	Building Services	Child Care (*)	Community Corrections (*)
Assets						
Cash and pooled investments	$ 630,266	$ 289,881	$ 12,971,985	$ 4,909,100	$ 1,589,482	$ 15,512
Receivables:						
Taxes - current	-	-	-	-	-	-
Accounts, net	392,226	-	-	-	-	204,597
Leases	-	-	-	-	-	-
Due from other governments	-	-	-	-	1,572,828	-
Prepaid items	-	-	-	-	-	-
Restricted assets	-	-	3,598,183	-	-	-
Total assets	$ 1,022,492	$ 289,881	$ 16,570,168	$ 4,909,100	$ 3,162,310	$ 220,109
Liabilities						
Accounts payable	$ 441,458	$ -	$ 2,694,952	$ -	$ 337,536	$ 29,960
Accrued liabilities	489	-	213,429	76,105	160,902	35,988
Due to other governments	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Unearned revenue	-	-	3,598,183	-	-	-
Total liabilities	441,947	-	6,506,564	76,105	498,438	65,948
Deferred inflows of resources						
Unavailable revenue - opioid settlement	-	-	-	-	-	-
Deferred lease amounts	-	-	-	-	-	-
Taxes levied for a subsequent period	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balances						
Nonspendable - prepaid items	-	-	-	-	-	-
Restricted for:						
Judicial	-	-	-	-	-	-
Economic development	580,545	-	-	-	-	-
Public safety	-	-	-	4,832,995	-	-
Public works		-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Committed for:						
Judicial	-	-	-	-	-	-
General government	-	-	10,063,604	-	-	-
Economic development	-	289,881	-	-	-	-
Public safety	-	-	-	-	-	154,161
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	2,663,872	-
Debt service	-	-	-	-	-	-
Total fund balances	580,545	289,881	10,063,604	4,832,995	2,663,872	154,161
Total liabilities, deferred inflows of resources and fund balances	$ 1,022,492	$ 289,881	$ 16,570,168	$ 4,909,100	$ 3,162,310	$ 220,109

* Year ended September 30, 2025

Department of Human Services	E-911	Enhanced Emergency Communication System Millage	Office of Community and Economic Development	Economic Development and Agriculture	Friend of the Court (*)	HIDTA Grant	Homeland Security Grants	Indigent Defense (*)
				Special Revenue Funds				
$ 72,585	$ 2,306,917	$ 14,135,469	$ 6,879,703	$ 9,300	$ -	$ -	$ -	$ 1,368,791
-	-	3,895,308	-	-	-	-	-	-
-	437,973	-	2,231,267	-	-	512,527	20,478	42,678
-	1,139,021	1,275,401	-	-	-	-	-	-
-	-	-	2,917,759	-	1,225,013	60,258	-	-
-	-	17,757	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
$ 72,585	$ 3,883,911	$ 19,323,935	$ 12,028,729	$ 9,300	$ 1,225,013	$ 572,785	$ 20,478	$ 1,411,469
$ -	$ 27,529	$ 705,761	$ 2,667,492	$ -	$ -	$ 569	$ 10,800	$ 9,473
-	10,083	7,719	218,374	-	167,524	34,841	1,118	263,939
-	-	-	-	-	1,822	-	-	-
-	-	-	-	-	829,938	493,266	5,135	-
-	-	-	895,927	-	-	-	-	-
-	37,612	713,480	3,781,793	-	999,284	528,676	17,053	273,412
-	-	-	-	-	-	-	-	-
-	1,073,896	1,184,165	-	-	-	-	-	-
-	-	4,494,320	-	-	-	-	-	-
-	1,073,896	5,678,485	-	-	-	-	-	-
-	-	17,757	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,138,057
-	-	-	-	9,300	-	-	-	-
-	2,772,403	12,914,213	-	-	-	44,109	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	8,246,936	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	225,729	-	3,425	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
72,585	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
72,585	2,772,403	12,931,970	8,246,936	9,300	225,729	44,109	3,425	1,138,057
$ 72,585	$ 3,883,911	$ 19,323,935	$ 12,028,729	$ 9,300	$ 1,225,013	$ 572,785	$ 20,478	$ 1,411,469

continued…

WASHTENAW COUNTY

Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds					
	Inmate Concessions	Mental Health Millage Operations	Older Person's Services	Opioid	Other Special Revenue Funds	Prosecuting Attorney Grants (*)
Assets						
Cash and pooled investments	$ 373,032	$ 6,660,967	$ 10,390,846	$ 5,807,435	$ 1,712,985	$ -
Receivables:						
Taxes - current	-	-	10,201,119	-	-	-
Accounts, net	-	-	-	9,153,814	152,697	107,433
Leases	-	-	-	-	-	-
Due from other governments	-	-	-	-	49,810	216,956
Prepaid items	-	-	-	-	-	-
Restricted assets	-	-	-	-	-	-
Total assets	$ 373,032	$ 6,660,967	$ 20,591,965	$ 14,961,249	$ 1,915,492	$ 324,389
Liabilities						
Accounts payable	$ 23,221	$ -	$ 545,582	$ -	$ 39,575	$ -
Accrued liabilities	-	9,016	-	4,410	41,098	43,862
Due to other governments	-	-	-	-	-	250
Interfund payable	-	-	-	-	-	235,081
Unearned revenue	-	-	-	-	-	-
Total liabilities	23,221	9,016	545,582	4,410	80,673	279,193
Deferred inflows of resources						
Unavailable revenue - opioid settlement	-	-	-	9,153,814	-	-
Deferred lease amounts	-	-	-	-	-	-
Taxes levied for a subsequent period	-	-	11,769,825	-	-	-
Total deferred inflows of resources	-	-	11,769,825	9,153,814	-	-
Fund balances						
Nonspendable - prepaid items	-	-	-	-	-	-
Restricted for:						
Judicial	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health	-	6,651,951	-	5,803,025	-	-
Social services	-	-	8,276,558	-	-	-
Committed for:						
Judicial	-	-	-	-	231,589	-
General government	-	-	-	-	552,409	-
Economic development	-	-	-	-	-	-
Public safety	349,811	-	-	-	-	45,196
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	1,050,821	-
Debt service	-	-	-	-	-	-
Total fund balances	349,811	6,651,951	8,276,558	5,803,025	1,834,819	45,196
Total liabilities, deferred inflows of resources and fund balances	$ 373,032	$ 6,660,967	$ 20,591,965	$ 14,961,249	$ 1,915,492	$ 324,389

* Year ended September 30, 2025

Special Revenue Funds						Debt Service	
Public Health (*)	Public Works Solid Waste Program	Road Millage	Sheriff's Grants	Veterans' Trust	Water Resources Commissioner Grants	County	Total Nonmajor Governmental Funds
$ 3,777,842	$ 3,482,547	$ 1,806,970	$ 3,248,372	$ 6,983,693	$ -	$ 1	$ 89,423,681
-	-	10,201,119	-	2,039,814	-	-	26,337,360
501,608	383,660	-	513,614	-	19,672	-	14,674,244
-	-	-	-	-	-	-	2,414,422
-	-	-	-	-	-	-	6,042,624
11,086	-	-	4,200	-	-	-	33,043
-	-	-	-	-	-	-	3,598,183
$ 4,290,536	$ 3,866,207	$ 12,008,089	$ 3,766,186	$ 9,023,507	$ 19,672	$ 1	$ 142,523,557
$ 153,325	$ 2,113	$ -	$ 166,779	$ 3,862	$ 3,483	$ -	$ 7,863,470
419,291	133,737	-	76,609	39,650	-	-	1,958,184
25,091	-	-	3,161	-	-	-	30,324
-	-	-	-	-	14,975	-	1,578,395
3,278	-	-	-	-	-	-	4,497,388
600,985	135,850	-	246,549	43,512	18,458	-	15,927,761
-	-	-	-	-	-	-	9,153,814
-	-	-	-	-	-	-	2,258,061
-	-	11,769,825	-	2,353,492	-	-	30,387,462
-	-	11,769,825	-	2,353,492	-	-	41,799,337
11,086	-	-	4,200	-	-	-	33,043
-	-	-	-	-	-	-	1,138,057
-	-	-	-	-	-	-	589,845
-	-	-	-	-	-	-	20,563,720
-	-	238,264	-	-	-	-	238,264
-	-	-	-	-	-	-	12,454,976
-	-	-	-	6,626,503	-	-	23,149,997
-	-	-	-	-	-	-	231,589
-	-	-	-	-	-	-	10,616,013
-	-	-	-	-	-	-	289,881
-	-	-	3,515,437	-	-	-	4,293,759
-	3,730,357	-	-	-	1,214	-	3,731,571
3,678,465	-	-	-	-	-	-	3,678,465
-	-	-	-	-	-	-	3,787,278
-	-	-	-	-	-	1	1
3,689,551	3,730,357	238,264	3,519,637	6,626,503	1,214	1	84,796,459
$ 4,290,536	$ 3,866,207	$ 12,008,089	$ 3,766,186	$ 9,023,507	$ 19,672	$ 1	$ 142,523,557

concluded.

WASHTENAW COUNTY

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds					
	Accommodation Ordinance Tax	Aerial Photo	ARPA	Building Services	Child Care (*)	Community Corrections (*)
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	8,848,868	-	-	-	-	-
Licenses and permits	-	-	-	2,409,235	-	-
Intergovernmental	-	-	6,310,282	-	6,303,436	831,764
Charges for services	-	24,540	-	29,220	-	736,230
Fines and forfeits	-	-	-	-	-	-
Investment income	52,265	14,910	1,237,656	251,256	-	-
Other	-	-	-	423	375,854	433
Total revenues	8,901,133	39,450	7,547,938	2,690,134	6,679,290	1,568,427
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	9,569,678	30,224	12,638,091	-	-	-
Public safety	-	-	-	2,158,974	-	2,796,651
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	10,860,291	-
Debt service:						
Principal	-	-	-	-	23,573	-
Interest and fiscal charges	-	-	-	-	1,423	-
Total expenditures	9,569,678	30,224	12,638,091	2,158,974	10,885,287	2,796,651
Revenues over (under) expenditures	(668,545)	9,226	(5,090,153)	531,160	(4,205,997)	(1,228,224)
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	48,768	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	4,157,229	1,372,698
Transfers out	-	-	(550,000)	-	-	-
Total other financing sources (uses)	-	-	(550,000)	-	4,205,997	1,372,698
Net change in fund balances	(668,545)	9,226	(5,640,153)	531,160	-	144,474
Fund balances, beginning of year, as previously reported	1,249,090	280,655	-	4,301,835	2,663,872	9,687
Adjustments - changes within the financial reporting entity	-	-	15,703,757	-	-	-
Fund balances, beginning of year, as adjusted	1,249,090	280,655	15,703,757	4,301,835	2,663,872	9,687
Fund balances, end of year	$ 580,545	$ 289,881	$ 10,063,604	$ 4,832,995	$ 2,663,872	$ 154,161

* Year ended September 30, 2025

Special Revenue Funds								
Department of Human Services	E-911	Enhanced Emergency Communication System Millage	Office of Community and Economic Development	Economic Development and Agriculture	Friend of the Court (*)	HIDTA Grant	Homeland Security Grants	Indigent Defense (*)
$ -	$ -	$ 4,283,796	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	91,637	13,432,922	-	4,749,191	2,037,295	79,106	10,746,333
-	2,434,815	104,638	-	-	190,377	-	-	-
-	-	-	-	-	1,641	-	-	-
-	178,200	839,683	-	-	-	882	-	-
-	134,107	-	3,535,712	-	160	-	-	12,508
-	2,747,122	5,319,754	16,968,634	-	4,941,369	2,038,177	79,106	10,758,841
-	-	-	-	-	7,949,594	-	-	13,381,062
-	-	-	-	-	-	-	-	-
-	400,042	6,319,096	-	-	-	4,493,037	87,681	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
53,706	-	-	21,994,502	-	-	-	-	-
-	-	882,761	-	-	-	244,411	-	-
-	-	45,993	-	-	-	59,422	-	-
53,706	400,042	7,247,850	21,994,502	-	7,949,594	4,796,870	87,681	13,381,062
(53,706)	2,347,080	(1,928,096)	(5,025,868)	-	(3,008,225)	(2,758,693)	(8,575)	(2,622,221)
-	-	-	-	-	-	2,740,374	-	-
-	-	-	-	-	-	-	-	-
54,109	100,419	-	5,360,448	-	3,008,225	-	12,000	3,239,592
-	(2,077,875)	-	-	-	-	-	-	-
54,109	(1,977,456)	-	5,360,448	-	3,008,225	2,740,374	12,000	3,239,592
403	369,624	(1,928,096)	334,580	-	-	(18,319)	3,425	617,371
72,182	2,402,779	-	7,912,356	9,300	225,729	62,428	-	520,686
-	-	14,860,066	-	-	-	-	-	-
72,182	2,402,779	14,860,066	7,912,356	9,300	225,729	62,428	-	520,686
$ 72,585	$ 2,772,403	$ 12,931,970	$ 8,246,936	$ 9,300	$ 225,729	$ 44,109	$ 3,425	$ 1,138,057

continued…

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds					
	Inmate Concessions	Mental Health Millage Operations	Older Person's Services	Opioid	Other Special Revenue Funds	Prosecuting Attorney Grants (*)
Revenues						
Property taxes	$ -	$ 8,254,451	$ 11,223,484	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	149,626	-
Intergovernmental	-	-	-	-	729,198	867,400
Charges for services	-	-	-	1,020,434	3,000	-
Fines and forfeits	-	-	-	-	8,500	-
Investment income	18,240	770,999	468,160	276,080	94,893	-
Other	904,035	-	-	-	15,071	-
Total revenues	922,275	9,025,450	11,691,644	1,296,514	1,000,288	867,400
Expenditures						
Current:						
Judicial	-	-	-	-	353,417	-
General government	-	-	-	-	541,846	-
Public safety	786,452	-	-	-	7,692	1,887,133
Public works	-	-	-	-	-	-
Health	-	11,540,287	-	128,562	-	-
Social services	-	-	3,415,086	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	786,452	11,540,287	3,415,086	128,562	902,955	1,887,133
Revenues over (under) expenditures	135,823	(2,514,837)	8,276,558	1,167,952	97,333	(1,019,733)
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	100,211	-	-	94,193	826,869
Transfers out	-	-	-	(47,117)	(655,000)	-
Total other financing sources (uses)	-	100,211	-	(47,117)	(560,807)	826,869
Net change in fund balances	135,823	(2,414,626)	8,276,558	1,120,835	(463,474)	(192,864)
Fund balances, beginning of year, as previously reported	213,988	-	-	4,682,190	2,298,293	238,060
Changes within the financial reporting entity	-	9,066,577	-	-	-	-
Fund balances, beginning of year, as adjusted	213,988	9,066,577	-	4,682,190	2,298,293	238,060
Fund balances, end of year	$ 349,811	$ 6,651,951	$ 8,276,558	$ 5,803,025	$ 1,834,819	$ 45,196

* Year ended September 30, 2025

Special Revenue Funds						Debt Service	
Public Health (*)	Public Works Solid Waste Program	Road Millage	Sheriff's Grants	Veterans' Trust	Water Resources Commissioner Grants	County	Total Nonmajor Governmental Funds
$ -	$ -	$ 9,008,550	$ -	$ 2,244,697	$ -	$ -	$ 35,014,978
-	-	-	-	-	-	-	8,848,868
2,759,241	-	-	-	-	-	-	5,318,102
12,493,499	106,050	293,273	1,542,120	54,973	291,290	-	60,959,769
199,142	-	-	23,682	-	-	-	4,766,078
-	-	-	1,297	-	-	-	11,438
1,806	177,403	414,377	192,410	365,562	-	44	5,354,826
623,960	1,565,483	-	161,046	300	-	-	7,329,092
16,077,648	1,848,936	9,716,200	1,920,555	2,665,532	291,290	44	127,603,151
-	-	-	-	-	-	-	21,684,073
-	-	-	-	-	-	-	22,779,839
-	-	-	2,420,546	-	-	-	21,357,304
-	1,547,152	9,477,994	-	-	295,968	-	11,321,114
20,516,945	-	-	-	-	-	-	32,185,794
-	-	-	-	1,594,459	-	-	37,918,044
21,706	-	-	44,156	-	-	2,758,000	3,974,607
13,169	-	-	167	-	-	116,094	236,268
20,551,820	1,547,152	9,477,994	2,464,869	1,594,459	295,968	2,874,094	151,457,043
(4,474,172)	301,784	238,206	(544,314)	1,071,073	(4,678)	(2,874,050)	(23,853,892)
-	-	-	44,156	-	-	-	2,833,298
11,001	-	-	-	-	-	-	11,001
6,950,392	-	-	167,403	-	-	2,874,049	28,317,837
(2,500,000)	-	-	(27,000)	-	-	-	(5,856,992)
4,461,393	-	-	184,559	-	-	2,874,049	25,305,144
(12,779)	301,784	238,206	(359,755)	1,071,073	(4,678)	(1)	1,451,252
3,702,330	3,428,573	-	3,879,392	5,555,430	5,892	2	43,714,749
-	-	58	-	-	-	-	39,630,458
3,702,330	3,428,573	58	3,879,392	5,555,430	5,892	2	83,345,207
$ 3,689,551	$ 3,730,357	$ 238,264	$ 3,519,637	$ 6,626,503	$ 1,214	$ 1	$ 84,796,459

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Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Accommodation Ordinance Tax			Aerial Photo		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	8,428,437	8,848,868	420,431	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	66,000	24,540	(41,460)
Fines and forfeits	-	-	-	-	-	-
Investment income	-	52,265	52,265	-	14,910	14,910
Other	-	-	-	-	-	-
Total revenues	8,428,437	8,901,133	472,696	66,000	39,450	(26,550)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	8,428,437	9,569,678	1,141,241	66,000	30,224	(35,776)
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	8,428,437	9,569,678	1,141,241	66,000	30,224	(35,776)
Revenues over (under) expenditures	-	(668,545)	(668,545)	-	9,226	9,226
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	-	(668,545)	(668,545)	-	9,226	9,226
Fund balances, beginning of year	1,249,090	1,249,090	-	280,655	280,655	-
Fund balances, end of year	$ 1,249,090	$ 580,545	$ (668,545)	$ 280,655	$ 289,881	$ 9,226

* Year ended September 30, 2025

continued…

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	ARPA			Building Services		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	1,961,484	2,409,235	447,751
Intergovernmental	75,734,206	6,310,282	(69,423,924)	-	-	-
Charges for services	-	-	-	35,000	29,220	(5,780)
Fines and forfeits	-	-	-	-	-	-
Investment income	-	1,237,656	1,237,656	-	251,256	251,256
Other	-	-	-	-	423	423
Total revenues	75,734,206	7,547,938	(68,186,268)	1,996,484	2,690,134	693,650
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	91,459,124	12,638,091	(78,821,033)	-	-	-
Public safety	-	-	-	1,996,484	2,158,974	162,490
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	91,459,124	12,638,091	(78,821,033)	1,996,484	2,158,974	162,490
Revenues over (under) expenditures	(15,724,918)	(5,090,153)	10,634,765	-	531,160	531,160
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	15,724,918	-	(15,724,918)	-	-	-
Transfers out	-	(550,000)	550,000	-	-	-
Total other financing sources (uses)	15,724,918	(550,000)	(16,274,918)	-	-	-
Net change in fund balances	-	(5,640,153)	(5,640,153)	-	531,160	531,160
Fund balances, beginning of year	15,703,757	15,703,757	-	4,301,835	4,301,835	-
Fund balances, end of year	$ 15,703,757	$ 10,063,604	$ (5,640,153)	$ 4,301,835	$ 4,832,995	$ 531,160

* Year ended September 30, 2025

continued…

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Child Care (*)			Community Corrections (*)		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	10,271,026	6,303,436	(3,967,590)	860,439	831,764	(28,675)
Charges for services	-	-	-	769,000	736,230	(32,770)
Fines and forfeits	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other	-	375,854	375,854	7,500	433	(7,067)
Total revenues	10,271,026	6,679,290	(3,591,736)	1,636,939	1,568,427	(68,512)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	2,909,637	2,796,651	(112,986)
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	14,729,576	10,860,291	(3,869,285)	-	-	-
Debt service:						
Principal	-	23,573	23,573	-	-	-
Interest and fiscal charges	-	1,423	1,423	-	-	-
Total expenditures	14,729,576	10,885,287	(3,844,289)	2,909,637	2,796,651	(112,986)
Revenues over (under) expenditures	(4,458,550)	(4,205,997)	252,553	(1,272,698)	(1,228,224)	44,474
Other financing sources (uses)						
Issuance of long-term liabilities	-	48,768	48,768	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	4,458,550	4,157,229	(301,321)	1,272,698	1,372,698	100,000
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	4,458,550	4,205,997	(252,553)	1,272,698	1,372,698	100,000
Net change in fund balances	-	-	-	-	144,474	144,474
Fund balances, beginning of year	2,663,872	2,663,872	-	9,687	9,687	-
Fund balances, end of year	$ 2,663,872	$ 2,663,872	$ -	$ 9,687	$ 154,161	$ 144,474

* Year ended September 30, 2025

continued…

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Department of Human Services			E-911		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	50,000	-	(50,000)	-	-	-
Charges for services	-	-	-	2,300,000	2,434,815	134,815
Fines and forfeits	-	-	-	-	-	-
Investment income	-	-	-	-	178,200	178,200
Other	-	-	-	55,119	134,107	78,988
Total revenues	50,000	-	(50,000)	2,355,119	2,747,122	392,003
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	468,278	400,042	(68,236)
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	127,151	53,706	(73,445)	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	127,151	53,706	(73,445)	468,278	400,042	(68,236)
Revenues over (under) expenditures	(77,151)	(53,706)	23,445	1,886,841	2,347,080	460,239
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	54,109	54,109	-	206,621	100,419	(106,202)
Transfers out	-	-	-	(2,093,462)	(2,077,875)	(15,587)
Total other financing sources (uses)	54,109	54,109	-	(1,886,841)	(1,977,456)	(90,615)
Net change in fund balances	(23,042)	403	23,445	-	369,624	369,624
Fund balances, beginning of year	72,182	72,182	-	2,402,779	2,402,779	-
Fund balances, end of year	$ 49,140	$ 72,585	$ 23,445	$ 2,402,779	$ 2,772,403	$ 369,624

* Year ended September 30, 2025

continued…

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Enhanced Emergency Communication System Millage			Office of Community and Economic Development		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ 4,295,198	$ 4,283,796	$ (11,402)	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	30,000	91,637	61,637	20,490,202	13,432,922	(7,057,280)
Charges for services	100,692	104,638	3,946	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment income	-	839,683	839,683	-	-	-
Other	-	-	-	1,120,721	3,535,712	2,414,991
Total revenues	4,425,890	5,319,754	893,864	21,610,923	16,968,634	(4,642,289)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	9,239,043	6,319,096	(2,919,947)	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	23,993,465	21,994,502	(1,998,963)
Debt service:						
Principal	1,666,846	882,761	(784,085)	-	-	-
Interest and fiscal charges	133,609	45,993	(87,616)	-	-	-
Total expenditures	11,039,498	7,247,850	(3,791,648)	23,993,465	21,994,502	(1,998,963)
Revenues over (under) expenditures	(6,613,608)	(1,928,096)	4,685,512	(2,382,542)	(5,025,868)	(2,643,326)
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	2,382,542	5,360,448	2,977,906
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	2,382,542	5,360,448	2,977,906
Net change in fund balances	(6,613,608)	(1,928,096)	4,685,512	-	334,580	334,580
Fund balances, beginning of year	14,860,066	14,860,066	-	7,912,356	7,912,356	-
Fund balances, end of year	$ 8,246,458	$ 12,931,970	$ 4,685,512	$ 7,912,356	$ 8,246,936	$ 334,580

* Year ended September 30, 2025

continued…

Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Economic Development and Agriculture			Friend of the Court (*)		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	6,037,842	4,749,191	(1,288,651)
Charges for services	-	-	-	230,682	190,377	(40,305)
Fines and forfeits	-	-	-	-	1,641	1,641
Investment income	-	-	-	-	-	-
Other	-	-	-	-	160	160
Total revenues	-	-	-	6,268,524	4,941,369	(1,327,155)
Expenditures						
Current:						
Judicial	-	-	-	8,410,513	7,949,594	(460,919)
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	8,410,513	7,949,594	(460,919)
Revenues over (under) expenditures	-	-	-	(2,141,989)	(3,008,225)	(866,236)
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	2,141,989	3,008,225	866,236
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	2,141,989	3,008,225	866,236
Net change in fund balances	-	-	-	-	-	-
Fund balances, beginning of year	9,300	9,300	-	225,729	225,729	-
Fund balances, end of year	$ 9,300	$ 9,300	$ -	$ 225,729	$ 225,729	$ -

* Year ended September 30, 2025

continued…

Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	HIDTA Grant			Homeland Security Grants		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,209,287	2,037,295	(171,992)	351,678	79,106	(272,572)
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment income	-	882	882	-	-	-
Other	-	-	-	-	-	-
Total revenues	2,209,287	2,038,177	(171,110)	351,678	79,106	(272,572)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	2,209,287	4,493,037	2,283,750	351,678	87,681	(263,997)
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	244,411	244,411	-	-	-
Interest and fiscal charges	-	59,422	59,422	-	-	-
Total expenditures	2,209,287	4,796,870	2,587,583	351,678	87,681	(263,997)
Revenues over (under) expenditures	-	(2,758,693)	(2,758,693)	-	(8,575)	(8,575)
Other financing sources (uses)						
Issuance of long-term liabilities	-	2,740,374	2,740,374	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	12,000	12,000
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	2,740,374	2,740,374	-	12,000	12,000
Net change in fund balances	-	(18,319)	(18,319)	-	3,425	3,425
Fund balances, beginning of year	62,428	62,428	-	-	-	-
Fund balances, end of year	$ 62,428	$ 44,109	$ (18,319)	$ -	$ 3,425	$ 3,425

* Year ended September 30, 2025

continued...

Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Indigent Defense (*)			Inmate Concessions		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	11,218,144	10,746,333	(471,811)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment income	-	-	-	-	18,240	18,240
Other	-	12,508	12,508	500,000	904,035	404,035
Total revenues	11,218,144	10,758,841	(459,303)	500,000	922,275	422,275
Expenditures						
Current:						
Judicial	14,954,370	13,381,062	(1,573,308)	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	500,000	786,452	286,452
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	14,954,370	13,381,062	(1,573,308)	500,000	786,452	286,452
Revenues over (under) expenditures	(3,736,226)	(2,622,221)	1,114,005	-	135,823	135,823
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	3,736,226	3,239,592	(496,634)	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	3,736,226	3,239,592	(496,634)	-	-	-
Net change in fund balances	-	617,371	617,371	-	135,823	135,823
Fund balances, beginning of year	520,686	520,686	-	213,988	213,988	-
Fund balances, end of year	$ 520,686	$ 1,138,057	$ 617,371	$ 213,988	$ 349,811	$ 135,823

* Year ended September 30, 2025

continued...

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Mental Health Millage Operations			Older Person's Services		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ 8,283,076	$ 8,254,451	$ (28,625)	$ 3,599,999	$ 11,223,484	$ 7,623,485
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment income	-	770,999	770,999	-	468,160	468,160
Other	-	-	-	-	-	-
Total revenues	8,283,076	9,025,450	742,374	3,599,999	11,691,644	8,091,645
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health	8,283,076	11,540,287	3,257,211	-	-	-
Social services	-	-	-	3,599,999	3,415,086	(184,913)
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	8,283,076	11,540,287	3,257,211	3,599,999	3,415,086	(184,913)
Revenues over (under) expenditures	-	(2,514,837)	(2,514,837)	-	8,276,558	8,276,558
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	100,211	100,211	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	100,211	100,211	-	-	-
Net change in fund balances	-	(2,414,626)	(2,414,626)	-	8,276,558	8,276,558
Fund balances, beginning of year	9,066,577	9,066,577	-	-	-	-
Fund balances, end of year	$ 9,066,577	$ 6,651,951	$ (2,414,626)	$ -	$ 8,276,558	$ 8,276,558

* Year ended September 30, 2025

continued...

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Opioid			Other Special Revenue Funds		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	87,310	149,626	62,316
Intergovernmental	-	-	-	1,017,608	729,198	(288,410)
Charges for services	3,072,243	1,020,434	(2,051,809)	95,000	3,000	(92,000)
Fines and forfeits	-	-	-	8,500	8,500	-
Investment income	-	276,080	276,080	-	94,893	94,893
Other	-	-	-	20,800	15,071	(5,729)
Total revenues	3,072,243	1,296,514	(1,775,729)	1,229,218	1,000,288	(228,930)
Expenditures						
Current:						
Judicial	-	-	-	883,538	353,417	(530,121)
General government	-	-	-	263,080	541,846	278,766
Public safety	-	-	-	7,692	7,692	-
Public works	-	-	-	-	-	-
Health	3,072,243	128,562	(2,943,681)	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	3,072,243	128,562	(2,943,681)	1,154,310	902,955	(251,355)
Revenues over (under) expenditures	-	1,167,952	1,167,952	74,908	97,333	22,425
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	12,400	94,193	81,793
Transfers out	-	(47,117)	47,117	(750,000)	(655,000)	(95,000)
Total other financing sources (uses)	-	(47,117)	(47,117)	(737,600)	(560,807)	176,793
Net change in fund balances	-	1,120,835	1,120,835	(662,692)	(463,474)	199,218
Fund balances, beginning of year	4,682,190	4,682,190	-	2,298,293	2,298,293	-
Fund balances, end of year	$ 4,682,190	$ 5,803,025	$ 1,120,835	$ 1,635,601	$ 1,834,819	$ 199,218

* Year ended September 30, 2025

continued…

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Prosecuting Attorney Grants (*)			Public Health (*)		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	2,888,075	2,759,241	(128,834)
Intergovernmental	2,636,159	867,400	(1,768,759)	14,745,687	12,493,499	(2,252,188)
Charges for services	-	-	-	2,199,048	199,142	(1,999,906)
Fines and forfeits	-	-	-	-	-	-
Investment income	-	-	-	-	1,806	1,806
Other	-	-	-	124,443	623,960	499,517
Total revenues	2,636,159	867,400	(1,768,759)	19,957,253	16,077,648	(3,879,605)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	3,336,057	1,887,133	(1,448,924)	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	28,883,423	20,516,945	(8,366,478)
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	21,706	21,706
Interest and fiscal charges	-	-	-	-	13,169	13,169
Total expenditures	3,336,057	1,887,133	(1,448,924)	28,883,423	20,551,820	(8,331,603)
Revenues over (under) expenditures	(699,898)	(1,019,733)	(319,835)	(8,926,170)	(4,474,172)	4,451,998
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	11,001	11,001	-
Transfers in	699,898	826,869	126,971	8,915,169	6,950,392	(1,964,777)
Transfers out	-	-	-	(2,540,000)	(2,500,000)	(40,000)
Total other financing sources (uses)	699,898	826,869	126,971	6,386,170	4,461,393	(1,924,777)
Net change in fund balances	-	(192,864)	(192,864)	(2,540,000)	(12,779)	2,527,221
Fund balances, beginning of year	238,060	238,060	-	3,702,330	3,702,330	-
Fund balances, end of year	$ 238,060	$ 45,196	$ (192,864)	$ 1,162,330	$ 3,689,551	$ 2,527,221

* Year ended September 30, 2025

continued...

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Public Works Solid Waste Program			Road Millage		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ 11,131,535	$ 9,008,550	$ (2,122,985)
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	50,000	106,050	56,050	-	293,273	293,273
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment income	17,000	177,403	160,403	-	414,377	414,377
Other	1,185,303	1,565,483	380,180	-	-	-
Total revenues	1,252,303	1,848,936	596,633	11,131,535	9,716,200	(1,415,335)
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	1,501,901	1,547,152	45,251	11,131,535	9,477,994	(1,653,541)
Health	-	-	-	-	-	-
Social services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,501,901	1,547,152	45,251	11,131,535	9,477,994	(1,653,541)
Revenues over (under) expenditures	(249,598)	301,784	551,382	-	238,206	238,206
Other financing sources (uses)						
Issuance of long-term liabilities	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(249,598)	301,784	551,382	-	238,206	238,206
Fund balances, beginning of year	3,428,573	3,428,573	-	58	58	-
Fund balances, end of year	$ 3,178,975	$ 3,730,357	$ 551,382	$ 58	$ 238,264	$ 238,206

* Year ended September 30, 2025

continued…

WASHTENAW COUNTY

Schedule of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Sheriff's Grants			Veterans' Trust		
	Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues						
Property taxes	$ -	$ -	$ -	$ 2,158,843	$ 2,244,697	$ 85,854
Accommodation taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,989,600	1,542,120	(1,447,480)	-	54,973	54,973
Charges for services	25,000	23,682	(1,318)	-	-	-
Fines and forfeits	17,900	1,297	(16,603)	-	-	-
Investment income	-	192,410	192,410	-	365,562	365,562
Other	361,000	161,046	(199,954)	-	300	300
Total revenues	3,393,500	1,920,555	(1,472,945)	2,158,843	2,665,532	506,689
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	5,123,012	2,420,546	(2,702,466)	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Social services	-	-	-	2,158,843	1,594,459	(564,384)
Debt service:						
Principal	-	44,156	44,156	-	-	-
Interest and fiscal charges	-	167	167	-	-	-
Total expenditures	5,123,012	2,464,869	(2,658,143)	2,158,843	1,594,459	(564,384)
Revenues over (under) expenditures	(1,729,512)	(544,314)	1,185,198	-	1,071,073	1,071,073
Other financing sources (uses)						
Issuance of long-term liabilities	-	44,156	44,156	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	856,240	167,403	(688,837)	-	-	-
Transfers out	(100,000)	(27,000)	(73,000)	-	-	-
Total other financing sources (uses)	756,240	184,559	(571,681)	-	-	-
Net change in fund balances	(973,272)	(359,755)	613,517	-	1,071,073	1,071,073
Fund balances, beginning of year	3,879,392	3,879,392	-	5,555,430	5,555,430	-
Fund balances, end of year	$ 2,906,120	$ 3,519,637	$ 613,517	$ 5,555,430	$ 6,626,503	$ 1,071,073

* Year ended September 30, 2025

continued…

Schedule of Revenues, Expenditures and Changes in Fund Balances
Final Budget and Actual - Nonmajor Special Revenue Funds
Year Ended December 31, 2025

	Water Resources Commissioner Grants		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Property taxes	$ -	$ -	$ -
Accommodation taxes	-	-	-
Licenses and permits	-	-	-
Intergovernmental	1,265,488	291,290	(974,198)
Charges for services	-	-	-
Fines and forfeits	-	-	-
Investment income	-	-	-
Other	-	-	-
Total revenues	1,265,488	291,290	(974,198)
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	1,265,488	295,968	(969,520)
Health	-	-	-
Social services	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	1,265,488	295,968	(969,520)
Revenues over (under) expenditures	-	(4,678)	(4,678)
Other financing sources (uses)			
Issuance of long-term liabilities	-	-	-
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	(4,678)	(4,678)
Fund balances, beginning of year	5,892	5,892	-
Fund balances, end of year	$ 5,892	$ 1,214	$ (4,678)

* Year ended September 30, 2025

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WASHTENAW COUNTY

Combining Statement of Net Position
Internal Service Funds
December 31, 2025

	CMH Group Homes	Facilities Management Revolving	Fleet Management Revolving	Fringe Benefit Revolving	General Services Revolving
Assets					
Current assets:					
Cash and pooled investments	$ 1,061,502	$ 2,066,851	$ 4,632,691	$ 2,911,781	$ 78,787
Accounts receivable	-	16,829	33,513	53,322	-
Due from other governments	-	-	-	-	368
Leases receivable	-	27,478	-	-	-
Prepaid items	-	6,173	37,620	-	102,261
Total current assets	1,061,502	2,117,331	4,703,824	2,965,103	181,416
Noncurrent assets -					
Leases receivable, net	-	45,952	-	-	-
Capital assets being depreciated/amortized, net	1,885,752	1,265,827	6,561,523	-	427,865
Total noncurrent assets	1,885,752	1,311,779	6,561,523	-	427,865
Total assets	2,947,254	3,429,110	11,265,347	2,965,103	609,281
Liabilities					
Current liabilities:					
Accounts payable	-	300,881	420,728	1,209,779	70,587
Accrued liabilities	-	180,843	6,194	163	-
Accrued interest payable	-	-	-	-	-
Current portion of:					
Other long-term liabilities	-	356,896	-	-	11,209
Compensated absences	-	244,887	9,254	-	-
Claims payable	-	-	-	-	-
Total current liabilities	-	1,083,507	436,176	1,209,942	81,796
Noncurrent liabilities:					
Other long-term liabilities, net	-	804,091	-	-	46,372
Compensated absences, net	-	375,456	7,615	-	-
Claims payable, net	-	-	-	-	-
Total noncurrent liabilities	-	1,179,547	7,615	-	46,372
Total liabilities	-	2,263,054	443,791	1,209,942	128,168
Deferred inflows of resources					
Deferred lease amounts	-	72,800	-	-	-
Net position					
Net investment in capital assets	1,885,752	104,840	6,561,523	-	370,284
Unrestricted	1,061,502	988,416	4,260,033	1,755,161	110,829
Total net position	$ 2,947,254	$ 1,093,256	$ 10,821,556	$ 1,755,161	$ 481,113

Information Technology	Insurance Revolving	Medical Insurance Revolving	Severance Benefits	Telephone Revolving	Worker's Compensation Revolving	Total
$ 1,728,983	$ 3,097,003	$ 5,911,895	$ 1,638,634	$ 98,910	$ 2,533,609	$ 25,760,646
109,517	-	4,001	-	-	60,269	277,451
-	-	-	-	415	-	783
-	-	-	-	-	-	27,478
1,308,628	1,883,718	818,914	-	3,009	143,561	4,303,884
3,147,128	4,980,721	6,734,810	1,638,634	102,334	2,737,439	30,370,242
-	-	-	-	-	-	45,952
2,558,890	-	-	-	-	-	12,699,857
2,558,890	-	-	-	-	-	12,745,809
5,706,018	4,980,721	6,734,810	1,638,634	102,334	2,737,439	43,116,051
1,141,699	735,264	134,906	-	100,290	46,474	4,160,608
252,667	24,941	-	7,827	-	1,385	474,020
6,770	-	-	-	-	-	6,770
1,042,048	-	-	-	-	-	1,410,153
316,081	26,926	-	1,630,807	-	-	2,227,955
-	198,076	2,430,335	-	-	235,370	2,863,781
2,759,265	985,207	2,565,241	1,638,634	100,290	283,229	11,143,287
294,908	-	-	-	-	-	1,145,371
641,476	70,480	-	-	-	-	1,095,027
-	1,387,242	-	-	-	1,091,315	2,478,557
936,384	1,457,722	-	-	-	1,091,315	4,718,955
3,695,649	2,442,929	2,565,241	1,638,634	100,290	1,374,544	15,862,242
-	-	-	-	-	-	72,800
1,221,934	-	-	-	-	-	10,144,333
788,435	2,537,792	4,169,569	-	2,044	1,362,895	17,036,676
$ 2,010,369	$ 2,537,792	$ 4,169,569	$ -	$ 2,044	$ 1,362,895	$ 27,181,009

WASHTENAW COUNTY

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

Internal Service Funds

Year Ended December 31, 2025

	CMH Group Homes	Facilities Management Revolving	Fleet Management Revolving	Fringe Benefit Revolving	General Services Revolving
Operating revenues					
Charges for services	$ 114,842	$ 10,988,483	$ 3,876,019	$ 15,253,152	$ 736,515
Operating expenses					
Personnel services	-	3,868,581	143,988	-	20,081
Contractual services	5,178	1,350,283	9,754	5,600	-
Supplies	-	377,734	570,920	-	335,632
Occupancy	1,683	3,297,499	175,971	-	74,759
Telephone	-	36,531	2,111	-	-
Equipment repair and rental	-	159,129	929,549	-	200,951
Building repair and rental	-	181,503	-	-	-
Benefit payments and insurance premiums	-	-	-	15,471,384	-
Other	-	1,350,358	-	280,286	-
Depreciation and amortization	114,842	366,537	1,271,806	-	88,099
Total operating expenses	121,703	10,988,155	3,104,099	15,757,270	719,522
Operating income (loss)	(6,861)	328	771,920	(504,118)	16,993
Nonoperating revenues (expenses)					
Investment income	49,761	99,064	241,528	182,428	5,786
Interest expense and fiscal charges	-	(27,300)	-	-	(848)
Gain (loss) on sale of capital assets	-	-	117,258	-	(2,457)
Total nonoperating revenues (expenses)	49,761	71,764	358,786	182,428	2,481
Income (loss) before capital contributions and transfers	42,900	72,092	1,130,706	(321,690)	19,474
Capital contributions	1,057,341	-	-	-	-
Transfers in	-	-	-	-	-
Change in net position	1,100,241	72,092	1,130,706	(321,690)	19,474
Net position, beginning of year, as previously reported	1,847,013	1,021,164	9,690,850	2,076,851	461,639
Adjustments - changes within the financial reporting entity	-	-	-	-	-
Net position, beginning of year, as adjusted	1,847,013	1,021,164	9,690,850	2,076,851	461,639
Net position, end of year	$ 2,947,254	$ 1,093,256	$ 10,821,556	$ 1,755,161	$ 481,113

Information Technology	Insurance Revolving	Medical Insurance Revolving	Severance Benefits	Telephone Revolving	Worker's Compensation Revolving	Total
$ 11,262,368	$ 3,994,987	$ 39,348,724	$ 2,438,469	$ 1,062,334	$ 1,230,116	$ 90,306,009
5,371,338	516,621	-	2,519,634	-	88,862	12,529,105
2,713,430	1,147,603	-	-	-	36,724	5,268,572
23,098	9,848	-	-	-	-	1,317,232
2,018,260	56,692	-	-	-	-	5,624,864
76,932	1,603	-	-	1,063,269	-	1,180,446
2,223	-	-	-	-	-	1,291,852
-	-	-	-	-	-	181,503
-	2,379,030	40,073,228	-	-	726,502	58,650,144
14,286	323	-	-	-	-	1,645,253
1,246,663	-	-	-	-	-	3,087,947
11,466,230	4,111,720	40,073,228	2,519,634	1,063,269	852,088	90,776,918
(203,862)	(116,733)	(724,504)	(81,165)	(935)	378,028	(470,909)
33,595	145,780	277,969	73,656	-	128,907	1,238,474
(90,644)	-	-	-	-	-	(118,792)
(5,116)	-	-	-	-	-	109,685
(62,165)	145,780	277,969	73,656	-	128,907	1,229,367
(266,027)	29,047	(446,535)	(7,509)	(935)	506,935	758,458
42,555	-	-	-	-	-	1,099,896
50,000	604,509	-	-	-	-	654,509
(173,472)	633,556	(446,535)	(7,509)	(935)	506,935	2,512,863
-	1,904,236	4,616,104	7,509	2,979	855,960	22,484,305
2,183,841	-	-	-	-	-	2,183,841
2,183,841	1,904,236	4,616,104	7,509	2,979	855,960	24,668,146
$ 2,010,369	$ 2,537,792	$ 4,169,569	$ -	$ 2,044	$ 1,362,895	$ 27,181,009

WASHTENAW COUNTY

Combining Statement of Cash Flows

Internal Service Funds
Year Ended December 31, 2025

	CMH Group Homes	Facilities Management Revolving	Fleet Management Revolving	Fringe Benefit Revolving	General Services Revolving
Cash flows from operating activities					
Cash received from interfund services	$ 114,842	$ 11,003,275	$ 3,842,506	$ 15,255,748	$ 736,940
Cash payments to employees	-	(3,834,941)	(143,242)	-	(20,081)
Cash payments to suppliers	(6,861)	(6,633,124)	(1,414,523)	(15,673,834)	(641,051)
Cash payments for interfund services	-	(36,531)	(2,111)	-	-
Net cash from operating activities	107,981	498,679	2,282,630	(418,086)	75,808
Cash flows from noncapital financing activities					
Transfers in	-	-	-	-	-
Cash flows from capital and related financing activities					
Proceeds from sale of equipment	-	-	346,694	-	-
Payments for equipment acquisitions	-	(30,871)	(3,727,336)	-	(198,813)
Principal paid on other long-term liabilities	-	(329,580)	-	-	(7,510)
Interest paid on other long-term liabilities	-	(27,324)	-	-	(848)
Net cash from capital and related financing activities	-	(387,775)	(3,380,642)	-	(207,171)
Cash flows from investing activities					
Investment income	49,761	99,064	241,528	182,428	5,786
Change in cash and pooled investments	157,742	209,968	(856,484)	(235,658)	(125,577)
Cash and pooled investments, beginning of year	903,760	1,856,883	5,489,175	3,147,439	204,364
Cash and pooled investments, end of year	$ 1,061,502	$ 2,066,851	$ 4,632,691	$ 2,911,781	$ 78,787
Reconciliation of operating income (loss) to net cash from operating activities					
Operating income (loss)	$ (6,861)	$ 328	$ 771,920	$ (504,118)	$ 16,993
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation and amortization	114,842	366,537	1,271,806	-	88,099
Changes in assets and liabilities:					
Accounts receivable	-	14,792	(33,513)	2,596	-
Due from other governments	-	-	-	-	425
Leases receivable	-	(58,558)	-	-	-
Prepaid items	-	(1,671)	(37,620)	-	4,395
Accounts payable	-	85,105	309,291	90,276	(34,104)
Accrued liabilities	-	36,508	751	(6,840)	-
Claims payable	-	-	-	-	-
Accrued compensated absences	-	(2,868)	(5)	-	-
Deferred lease amounts	-	58,506	-	-	-
Net cash from operating activities	$ 107,981	$ 498,679	$ 2,282,630	$ (418,086)	$ 75,808
Noncash capital financing activities					
Addition of lease and subscription assets	$ -	$ -	$ -	$ -	$ 60,312
Addition of lease and subscription liabilities	-	-	-	-	(60,312)
Total noncash activities	$ -	$ -	$ -	$ -	$ -

Information Technology	Insurance Revolving	Medical Insurance Revolving	Severance Benefits	Telephone Revolving	Worker's Compensation Revolving	Total
$ 11,152,851	$ 3,994,987	$ 39,353,561	$ 2,438,469	$ 1,070,295	$ 1,230,116	$ 90,193,590
(4,933,388)	(494,091)	-	(2,663,785)	-	(88,552)	(12,178,080)
(3,403,387)	(3,384,121)	(39,136,614)	-	(1,063,269)	(735,130)	(72,091,914)
(76,932)	(1,603)	-	-	-	-	(117,177)
2,739,144	115,172	216,947	(225,316)	7,026	406,434	5,806,419
50,000	604,509	-	-	-	-	654,509
-	-	-	-	-	-	346,694
-	-	-	-	-	-	(3,957,020)
(1,009,882)	-	-	-	-	-	(1,346,972)
(83,874)	-	-	-	-	-	(112,046)
(1,093,756)	-	-	-	-	-	(5,069,344)
33,595	145,780	277,969	73,656	-	128,907	1,238,474
1,728,983	865,461	494,916	(151,660)	7,026	535,341	2,630,058
-	2,231,542	5,416,979	1,790,294	91,884	1,998,268	23,130,588
$ 1,728,983	$ 3,097,003	$ 5,911,895	$ 1,638,634	$ 98,910	$ 2,533,609	$ 25,760,646
$ (203,862)	$ (116,733)	$ (724,504)	$ (81,165)	$ (935)	$ 378,028	$ (470,909)
1,246,663	-	-	-	-	-	3,087,947
(109,517)	-	4,837	-	-	-	(120,805)
-	-	-	-	(415)	-	10
-	-	-	-	-	-	(58,558)
226,212	(657,996)	1,121,761	-	-	(12,329)	642,752
1,141,698	518,256	(488,309)	-	8,376	(7,811)	1,622,778
252,667	5,402	-	(205,102)	-	310	83,696
-	349,115	303,162	-	-	48,236	700,513
185,283	17,128	-	60,951	-	-	260,489
-	-	-	-	-	-	58,506
$ 2,739,144	$ 115,172	$ 216,947	$ (225,316)	$ 7,026	$ 406,434	$ 5,806,419
$ 561,282	$ -	$ -	$ -	$ -	$ -	$ 621,594
(561,282)	-	-	-	-	-	(621,594)
$ -	$ -	$ -	$ -	$ -	$ -	$ -

Combining Statement of Fiduciary Net Position

Pension and Other Postemployment Benefit Trust Funds
December 31, 2025

	Employees' Retirement System	Voluntary Employees' Beneficiary Association	Defined Contribution Plan
Assets			
Investments, at fair value:			
Equity securities and funds	$ 165,807,287	$ 129,001,419	$ -
Fixed income securities and funds	103,845,525	35,329,955	-
Other investments	31,392,679	30,026,323	58,411,932
Money market funds	50,646,165	3,759,027	-
Accounts receivable	152,017	159,530	-
Accrued interest and dividends	427,224	158,252	-
Total assets	352,270,897	198,434,506	58,411,932
Liabilities			
Accounts payable	256,490	-	152,017
Accrued liabilities	-	87,498	-
Total liabilities	256,490	87,498	152,017
Net position			
Restricted for pensions	352,014,407	-	58,259,915
Restricted for other postemployment benefits	-	198,347,008	-
Total net position	$ 352,014,407	$ 198,347,008	$ 58,259,915

Retirement Health Savings Plan	Total
$ -	$ 294,808,706
-	139,175,480
16,723,286	136,554,220
-	54,405,192
-	311,547
-	585,476
16,723,286	625,840,621
-	408,507
132,725	220,223
132,725	628,730
-	410,274,322
16,590,561	214,937,569
$ 16,590,561	$ 625,211,891

Combining Statement of Changes in Fiduciary Net Position

Pension and Other Postemployment Benefit Trust Funds
Year Ended December 31, 2025

	Employees' Retirement System	Voluntary Employees' Beneficiary Association	Defined Contribution Plan
Additions			
Investment income:			
From investing activities:			
Net appreciation in fair value of investments	$ 35,292,252	$ 22,897,136	$ 8,601,539
Interest and dividends	7,819,202	5,211,296	134,657
Total investment income	43,111,454	28,108,432	8,736,196
Less: investment expenses	(675,878)	(618,635)	-
Total net investment income	42,435,576	27,489,797	8,736,196
Contributions:			
Employer	18,944,800	2,580,983	4,493,726
Employees	2,761,938	-	4,493,726
Employees - rollover	-	-	144,615
Total contributions	21,706,738	2,580,983	9,132,067
Other additions	-	4,305	-
Total additions	64,142,314	30,075,085	17,868,263
Deductions			
Participant benefits	29,015,847	14,044,272	2,403,843
Administrative expenses	422,824	201,440	91,764
Participant refunds	364,282	-	-
Total deductions	29,802,953	14,245,712	2,495,607
Net change in net position	34,339,361	15,829,373	15,372,656
Net position, beginning of year	317,675,046	182,517,635	42,887,259
Net position, end of year	$ 352,014,407	$ 198,347,008	$ 58,259,915

Retirement Health Savings Plan	Total
$ 1,689,802	$ 68,480,729
916,284	14,081,439
2,606,086	82,562,168
-	(1,294,513)
2,606,086	81,267,655
2,570,575	28,590,084
-	7,255,664
-	144,615
2,570,575	35,990,363
-	4,305
5,176,661	117,262,323
945,038	46,409,000
44,835	760,863
-	364,282
989,873	47,534,145
4,186,788	69,728,178
12,403,773	555,483,713
$ 16,590,561	$ 625,211,891

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STATISTICAL SECTION

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Statistical Section

This part of Washtenaw County's annual comprehensive 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 government's overall financial health.

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Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

WASHTENAW COUNTY

Net Position by Component

Last Ten Years
(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	$ 179,224,248	$ 180,837,910	$ 181,945,187	$ 188,285,079
Restricted	32,119,303	40,061,214	48,556,006	57,993,738
Unrestricted (deficit)	(53,748,862)	(53,710,056)	(185,585,583)	(173,003,850)
Total governmental activities net position	$ 157,594,689	$ 167,189,068	$ 44,915,610	$ 73,274,967
Business-type activities				
Net investment in capital assets	$ 13,396	$ 12,299	$ 11,202	$ 26,184
Restricted	11,405,086	13,449,910	13,231,304	13,661,851
Total business-type activities net position	$ 11,418,482	$ 13,462,209	$ 13,242,506	$ 13,688,035
Primary government				
Net investment in capital assets	$ 179,237,644	$ 180,850,209	$ 181,956,389	$ 188,311,263
Restricted	43,524,389	53,511,124	61,787,310	71,655,589
Unrestricted (deficit)	(53,748,862)	(53,710,056)	(185,585,583)	(173,003,850)
Total primary government net position	$ 169,013,171	$ 180,651,277	$ 58,158,116	$ 86,963,002

Note - GASB Statement No. 75 was implemented in 2018 and previous years were not restated.

Source: Washtenaw County Finance Department

Schedule 1

UNAUDITED

2020	2021	2022	2023	2024	2025
$ 192,911,155	$ 195,049,198	$ 200,933,544	$ 209,877,592	$ 218,965,652	$ 231,034,124
60,966,860	67,797,879	74,172,003	107,594,775	140,047,877	122,293,591
(133,068,273)	(78,477,701)	(54,037,950)	(24,362,947)	(11,382,085)	9,052,110
$ 120,809,742	$ 184,369,376	$ 221,067,597	$ 293,109,420	$ 347,631,444	$ 362,379,825
$ 21,808	$ 17,432	$ 39,831	$ 30,547	$ 22,086	$ 17,179
13,669,593	13,270,363	12,355,143	12,835,674	13,422,133	13,542,619
$ 13,691,401	$ 13,287,795	$ 12,394,974	$ 12,866,221	$ 13,444,219	$ 13,559,798
$ 192,932,963	$ 195,066,630	$ 200,973,375	$ 209,908,139	$ 218,987,738	$ 231,051,303
74,636,453	81,068,242	86,527,146	120,430,449	153,470,010	135,836,210
(133,068,273)	(78,477,701)	(54,037,950)	(24,362,947)	(11,382,085)	9,052,110
$ 134,501,143	$ 197,657,171	$ 233,462,571	$ 305,975,641	$ 361,075,663	$ 375,939,623

WASHTENAW COUNTY

Changes in Net Position

Last Ten Years
(accrual basis of accounting)

	2016	2017	2018	2019
Expenses				
Governmental activities:				
Legislative	$ 419,535	$ 485,475	$ 790,165	$ 888,518
Judicial	24,595,122	25,934,117	29,943,384	26,258,117
General government	20,625,440	19,709,425	23,866,380	18,902,912
Public safety	68,604,409	66,648,515	73,346,884	71,866,134
Public works	8,901,382	7,828,859	5,423,734	5,496,674
Health	91,543,347	97,101,404	106,805,185	110,231,981
Social services	27,579,857	21,763,160	24,025,651	27,049,540
Culture and recreation	13,808,335	13,657,508	16,083,589	15,698,439
Interest on long-term debt	777,951	623,580	664,323	592,775
Total governmental activities expenses	256,855,378	253,752,043	280,949,295	276,985,090
Business-type activities:				
Delinquent tax collection	279,258	344,135	389,415	488,106
Property foreclosure	588,746	665,259	569,651	591,330
Principal residence exemption	34,403	15,988	5,996	-
Total business-type activities expenses	902,407	1,025,382	965,062	1,079,436
Total primary government expenses	257,757,785	254,777,425	281,914,357	278,064,526
Program revenues				
Governmental activities:				
Charges for services:				
Judicial	3,135,893	2,918,656	3,014,600	2,996,126
General government	6,258,011	7,441,472	7,051,366	7,141,225
Public safety	19,241,304	19,779,845	20,096,545	19,769,408
Public works	272,876	-	-	37,392
Health	3,830,351	4,195,077	4,797,169	5,632,974
Social services	902,197	521,176	287,527	216,967
Culture and recreation	4,154,083	3,677,904	3,574,428	3,812,163
Operating grants and contributions	110,767,832	114,241,162	117,634,087	124,047,297
Capital grants and contributions	476,287	63,307	8,126	16,040
Total governmental activities program revenues	149,038,834	152,838,599	156,463,848	163,669,592
Business-type activities:				
Charges for services:				
Delinquent tax collection	2,282,459	2,447,730	2,340,828	2,762,301
Property foreclosure	726,255	592,417	735,430	503,174
Principal residence exemption	20,483	8,309	9,195	-
Total business-type activities program revenues	3,029,197	3,048,456	3,085,453	3,265,475
Total primary government program revenues	152,068,031	155,887,055	159,549,301	166,935,067
Net (expense)/revenue				
Government activities	(107,816,544)	(100,913,444)	(124,485,447)	(113,315,498)
Business-type activities	2,126,790	2,023,074	2,120,391	2,186,039
Total primary government net expense	(105,689,754)	(98,890,370)	(122,365,056)	(111,129,459)

2020	2021	2022	2023	2024*	2025
$ 988,633	$ 919,674	$ 947,456	$ 697,704	$ 1,043,937	$ 1,779,141
24,587,934	25,303,213	29,884,566	27,326,577	36,993,343	43,687,516
20,146,073	13,485,238	22,531,279	46,139,369	62,770,380	43,953,069
61,249,289	63,079,833	77,752,940	83,612,895	87,855,680	108,607,412
13,534,426	9,176,252	9,330,602	10,109,129	11,027,022	11,458,394
104,016,360	106,766,485	126,397,779	133,580,718	154,129,646	187,782,566
25,014,528	37,592,637	39,104,954	29,706,269	32,642,760	39,880,026
15,151,415	16,094,847	21,100,505	18,668,222	22,704,479	23,752,309
527,407	511,882	312,656	367,732	352,842	545,564
265,216,065	272,930,061	327,362,737	350,208,615	409,520,089	461,445,997
486,925	420,433	405,939	619,964	961,324	1,260,852
582,082	682,681	746,546	614,904	631,610	1,634,581
-	-	-	-	-	-
1,069,007	1,103,114	1,152,485	1,234,868	1,592,934	2,895,433
266,285,072	274,033,175	328,515,222	351,443,483	411,113,023	464,341,430
2,233,853	2,158,849	2,082,347	2,077,557	2,120,654	2,115,032
6,668,723	8,275,812	7,689,003	6,498,959	6,334,000	7,177,297
18,085,168	19,021,238	19,811,798	20,833,966	21,665,742	20,250,457
6,698	7,592	12,885	9,321	5,535	3,289
3,270,002	3,247,087	4,834,625	6,323,506	7,293,251	4,781,514
66,754	96,539	3,361	119,036	98,960	335,096
1,237,101	2,372,336	4,204,593	4,758,828	5,209,903	5,126,838
140,168,346	153,971,533	163,044,598	172,432,564	185,753,828	216,289,146
-	20,730	-	-	181,716	1,099,896
171,736,645	189,171,716	201,683,210	213,053,737	228,663,589	257,178,565
2,548,277	2,471,427	2,145,867	2,117,133	2,405,682	2,811,339
466,662	616,323	574,653	450,250	844,374	305,269
-	-	-	-	-	-
3,014,939	3,087,750	2,720,520	2,567,383	3,250,056	3,116,608
174,751,584	192,259,466	204,403,730	215,621,120	231,913,645	260,295,173
(93,479,420)	(83,758,345)	(125,679,527)	(137,154,878)	(180,856,500)	(204,267,432)
1,945,932	1,984,636	1,568,035	1,332,515	1,657,122	221,175
(91,533,488)	(81,773,709)	(124,111,492)	(135,822,363)	(179,199,378)	(204,046,257)

continued…

WASHTENAW COUNTY

Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2016	2017	2018	2019
General revenues				
Governmental activities:				
Property taxes	$ 90,370,713	$ 91,777,226	$ 95,783,385	$ 116,745,613
Accommodation taxes	6,352,971	6,610,443	6,872,020	6,871,041
Excise taxes	-	-	-	-
Unrestricted grants and contributions	10,028,916	10,246,109	10,261,382	12,097,108
Investment earnings (loss)	354,141	960,631	1,795,152	3,115,698
Gain on sale of capital assets	62,575	44,744	29,101	33,569
Transfers	4,681,563	387,938	2,356,390	1,395,451
Total governmental activities	111,850,879	110,027,091	117,097,430	140,258,480
Business-type activities:				
Investment earnings (loss)	104,832	238,591	411,475	575,019
Gain on sale of capital assets	-	-	-	638
Transfers	(3,445,798)	(217,938)	(2,751,569)	(2,316,167)
Total business-type activities	(3,340,966)	20,653	(2,340,094)	(1,740,510)
Special item - transfer of assets	3,047,739	-	-	-
Total primary government	111,557,652	110,047,744	114,757,336	138,517,970
Change in net position				
Government activities	7,082,074	9,113,647	(7,388,017)	26,942,982
Business-type activities	(1,214,176)	2,043,727	(219,703)	445,529
Total primary government	$ 5,867,898	$ 11,157,374	$ (7,607,720)	$ 27,388,511

* Excise taxes were reclassified to a separate line item beginning in 2024. Prior years were not reclassified.

Source: Washtenaw County Finance Department

2020	2021	2022	2023	2024*	2025
$ 121,583,932	$ 125,821,548	$ 131,218,408	$ 140,891,316	$ 150,080,493	$ 169,157,065
2,436,248	4,591,232	7,101,213	7,907,590	8,368,234	8,848,868
-	-	-	-	5,244,381	5,068,352
11,243,808	13,526,833	24,999,071	46,954,104	49,637,822	20,155,388
3,323,206	1,010,306	(2,949,247)	14,583,598	14,615,525	15,688,088
52,503	310,192	-	-	-	-
2,374,498	2,057,868	2,008,303	(1,139,907)	7,432,069	98,052
141,014,195	147,317,979	162,377,748	209,196,701	235,378,524	219,015,813
411,653	(34,394)	(96,443)	1,399,623	1,256,202	1,449,225
-	-	-	-	-	-
(2,354,219)	(2,353,848)	(2,364,413)	(2,260,891)	(2,335,326)	(1,554,821)
(1,942,566)	(2,388,242)	(2,460,856)	(861,268)	(1,079,124)	(105,596)
-	-	-	-	-	-
139,071,629	144,929,737	159,916,892	208,335,433	234,299,400	218,910,217
47,534,775	63,559,634	36,698,221	72,041,823	54,522,024	14,748,381
3,366	(403,606)	(892,821)	471,247	577,998	115,579
$ 47,538,141	$ 63,156,028	$ 35,805,400	$ 72,513,070	$ 55,100,022	$ 14,863,960

concluded.

WASHTENAW COUNTY

Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
General fund				
Nonspendable	$ 811,945	$ 784,671	$ 1,849,597	$ 1,842,285
Unassigned	27,560,150	30,276,322	29,211,396	36,981,569
Total general fund	$ 28,372,095	$ 31,060,993	$ 31,060,993	$ 38,823,854
All other governmental funds				
Nonspendable	$ -	$ 484,319	$ 330,404	$ 1,351,329
Restricted	32,166,524	40,102,942	53,705,600	61,973,367
Committed	28,048,300	26,456,706	25,691,680	29,216,256
Unassigned (deficit)	-	-	(384,795)	(8,054,068)
Total all other governmental funds	$ 60,214,824	$ 67,043,967	$ 79,342,889	$ 84,486,884

Source: Washtenaw County Finance Department

Schedule 3

UNAUDITED

2020	2021	2022	2023	2024	2025
$ 2,397,362	$ 1,796,427	$ 2,180,076	$ 1,288,332	$ 1,845,577	$ 330,500
42,004,971	45,752,465	47,796,791	62,758,524	63,292,211	71,792,362
$ 44,402,333	$ 47,548,892	$ 49,976,867	$ 64,046,856	$ 65,137,788	$ 72,122,862
$ 1,129,981	$ 1,465,904	$ 941,151	$ 1,055,946	$ 823,893	$ 489,494
63,577,540	66,831,925	65,894,039	81,934,669	95,969,017	110,900,946
36,160,601	46,802,559	48,722,260	57,051,500	74,515,947	71,110,621
(5,846,025)	(2,404,716)	-	-	-	-
$ 95,022,097	$ 112,695,672	$ 115,557,450	$ 140,042,115	$ 171,308,857	$ 182,501,061

WASHTENAW COUNTY

Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Property taxes	$ 90,311,036	$ 91,835,833	$ 95,790,257	$ 116,663,293
Accommodation taxes	6,352,971	6,610,443	6,872,020	6,871,041
Excise taxes	-	-	-	-
Licenses and permits	3,381,441	3,834,096	3,880,837	3,687,933
Intergovernmental	111,704,664	114,749,593	115,701,920	124,041,234
Charges for services	32,540,278	33,195,860	33,533,822	34,654,011
Fines and forfeits	970,799	982,998	1,119,449	1,047,344
Investment income (loss)	310,697	813,559	1,514,110	2,651,879
Other revenues	10,604,315	10,410,385	12,632,607	12,533,230
Total revenues	256,176,201	262,432,767	271,045,022	302,149,965
Expenditures				
Legislative	432,230	482,993	788,854	876,151
Judicial	22,609,993	24,692,586	26,633,154	26,192,519
General government	17,418,003	15,510,129	15,579,549	16,279,783
Public safety	69,751,971	63,056,482	65,218,379	72,023,001
Public works	8,871,694	7,660,673	5,343,646	5,380,615
Health	89,005,427	95,956,231	101,687,063	110,524,810
Social services	25,758,229	21,290,915	22,967,986	26,858,300
Culture and recreation	12,932,893	12,717,706	15,528,532	18,950,072
Other unallocated	2,715,679	2,984,586	3,119,939	3,481,904
Debt service:				
Principal	7,529,340	5,243,570	5,305,594	5,003,277
Interest and fiscal charges	951,087	815,057	844,070	739,607
Bond issuance costs	-	-	-	-
Capital outlay	4,295,930	3,995,864	3,558,314	3,734,519
Total expenditures	262,272,476	254,406,792	266,575,080	290,044,558
Revenues over (under) expenditures	(6,096,275)	8,025,975	4,469,942	12,105,407
Other financing sources (uses)				
Issuance of long-term liabilities	7,318,652	1,054,128	5,400,000	-
Premium on bonds	-	-	85,481	-
Payment to refunding escrow agent	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	34,652,790	27,990,979	30,688,090	37,040,862
Transfers out	(29,793,082)	(27,553,041)	(28,344,591)	(35,736,998)
Total other financing sources (uses)	12,178,360	1,492,066	7,828,980	1,303,864
Special item - transfer in of assets from joint venture	3,047,739	-	-	-
Net changes in fund balances	$ 9,129,824	$ 9,518,041	$ 12,298,922	$ 13,409,271
Debt services as a percentage of noncapital expenditures	3.4%	2.5%	2.4%	2.1%

* Excise taxes were reclassified to a separate line item in 2024. Prior years were not reclassified.

Source: Washtenaw County Finance Department

Schedule 4
UNAUDITED

2020	2021	2022	2023	2024*	2025
$ 121,579,705	$ 125,740,515	$ 131,289,929	$ 140,913,031	$ 150,085,345	$ 169,110,786
2,436,248	4,591,232	7,101,213	7,907,590	8,368,234	8,848,868
-	-	-	-	5,244,381	5,068,352
3,258,595	3,774,298	4,262,589	5,326,249	6,011,994	5,925,702
140,993,079	157,917,139	170,735,338	203,115,136	224,702,015	225,290,907
27,643,271	30,709,970	33,819,862	34,646,448	36,092,201	33,016,442
599,679	598,646	552,800	529,440	524,890	512,283
3,011,825	1,081,409	(2,880,955)	13,672,518	13,521,337	14,449,614
10,636,749	9,828,686	10,568,847	11,693,764	12,271,033	12,461,905
310,159,151	334,241,895	355,449,623	417,804,176	456,821,430	474,684,859
974,119	900,071	918,269	727,072	1,055,238	1,651,161
27,356,224	28,592,075	30,585,662	29,731,205	38,712,558	43,462,239
21,024,879	13,642,285	21,419,089	46,325,494	59,671,969	34,377,175
65,007,457	74,241,495	79,662,853	85,149,763	88,026,622	100,213,572
13,441,307	8,990,936	9,189,361	10,109,473	10,985,098	11,445,463
111,684,719	116,622,304	131,277,656	139,331,502	158,450,187	182,451,834
26,232,808	38,964,132	39,721,589	30,385,661	33,022,842	38,536,067
18,341,026	17,299,400	23,617,939	21,939,620	26,442,227	23,633,259
3,428,450	5,039,657	3,340,920	4,855,917	7,070,393	7,233,988
4,219,286	4,331,749	4,474,632	5,365,515	5,401,709	4,954,566
647,966	675,959	452,933	382,993	369,036	471,059
-	-	64,475	-	-	-
6,341,287	7,034,180	6,000,550	4,109,687	4,862,304	13,981,897
298,699,528	316,334,243	350,725,928	378,413,902	434,070,183	462,412,280
11,459,623	17,907,652	4,723,695	39,390,274	22,751,247	12,272,579
2,438,987	1,014,030	10,775,000	1,063,653	2,720,782	7,984,995
-	-	-	-	-	-
-	-	(10,710,000)	-	-	-
-	-	-	7,070	8,085	11,001
42,050,500	45,032,603	42,731,056	57,180,999	65,730,713	44,574,697
(39,835,418)	(43,134,151)	(42,229,998)	(58,320,906)	(58,853,153)	(45,131,154)
4,654,069	2,912,482	566,058	(69,184)	9,606,427	7,439,539
-	-	-	-	-	-
$ 16,113,692	$ 20,820,134	$ 5,289,753	$ 39,321,090	$ 32,357,674	$ 19,712,118
1.7%	1.6%	1.5%	1.6%	1.4%	1.3%

WASHTENAW COUNTY

Changes in Fund Balances - General Fund

Last Ten Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Property taxes	$ 67,722,813	$ 69,372,517	$ 72,422,271	$ 82,302,289
Excise taxes	-	-	-	-
Licenses and permits	352,563	373,795	381,896	387,341
Intergovernmental	13,099,972	13,238,782	13,124,013	13,717,162
Charges for services	22,117,875	23,081,827	22,756,423	22,915,099
Fines and forfeits	794,724	836,049	982,392	921,234
Investment income (loss)	51,362	203,485	378,171	601,504
Other revenues	2,677,732	2,487,294	2,799,311	2,061,731
Total revenues	106,817,041	109,593,749	112,844,477	122,906,360
Expenditures				
Legislative	432,230	482,993	788,854	876,151
Judicial	17,104,110	20,317,329	20,687,885	17,745,301
General government	9,562,472	7,764,135	7,870,970	8,412,437
Public safety	54,557,965	55,722,015	56,009,309	57,829,220
Public works	127,534	122,222	105,132	122,443
Health	-	-	3,696,368	-
Social services	372,814	-	-	-
Culture and recreation	299,457	313,874	441,946	415,351
Other unallocated	2,715,679	2,984,586	3,119,939	3,481,904
Debt service:				
Principal	365,358	740,815	742,547	351,320
Interest and fiscal changes	51,337	34,969	33,237	7,769
Total expenditures	85,588,956	88,482,938	93,496,187	89,241,896
Revenues over expenditures	21,228,085	21,110,811	19,348,290	33,664,464
Other financing sources (uses)				
Issuance of long-term liabilities	-	1,054,128	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	2,194,960	1,925,592	2,167,121	2,298,360
Transfers out	(19,659,755)	(21,401,633)	(21,515,411)	(28,577,866)
Total other financing sources (uses)	(17,464,795)	(18,421,913)	(19,348,290)	(26,279,506)
Net changes in fund balances	$ 3,763,290	$ 2,688,898	$ -	$ 7,384,958

* Excise taxes were reclassified to a separate line item in 2024. Prior years were not reclassified.

Source: Washtenaw County Finance Department

Schedule 5

UNAUDITED

2020	2021	2022	2023	2024*	2025
$ 85,422,578	$ 87,546,176	$ 92,232,874	$ 99,384,766	$ 105,988,131	$ 110,647,710
-	-	-	-	5,244,381	5,068,352
285,061	430,912	429,279	446,089	581,540	607,600
19,608,818	15,829,230	16,698,896	18,549,731	14,411,420	15,247,978
20,811,812	22,679,714	22,542,553	21,841,854	21,928,313	21,627,919
547,208	471,549	539,601	517,370	509,844	500,845
420,811	(3,151)	(13,858)	2,549,416	3,204,389	3,123,505
1,793,615	1,607,113	1,956,587	1,902,103	1,655,863	2,506,737
128,889,903	128,561,543	134,385,932	145,191,329	153,523,881	159,330,646
974,119	900,071	918,269	727,072	1,055,238	1,651,161
17,067,042	17,596,784	17,950,067	14,308,651	20,430,794	21,778,166
17,219,832	7,881,453	11,008,842	10,524,341	10,778,793	11,597,336
52,288,096	60,226,896	64,463,956	67,006,013	66,061,809	73,542,019
115,180	120,095	130,868	146,988	150,075	124,349
-	-	-	-	-	-
-	-	-	632,833	560,455	618,023
429,984	444,413	386,667	378,768	421,150	431,575
3,428,450	5,039,657	3,340,920	4,855,917	7,070,393	7,233,988
-	-	-	864,427	847,093	47,595
-	-	-	31,627	106,197	8,840
91,522,703	92,209,369	98,199,589	99,476,637	107,481,997	117,033,052
37,367,200	36,352,174	36,186,343	45,714,692	46,041,884	42,297,594
-	-	-	864,427	2,712,459	100,560
-	1,014,030	-	7,070	8,085	-
2,316,151	2,179,292	2,256,593	10,812,985	3,804,550	2,332,907
(34,104,872)	(36,398,937)	(36,014,961)	(42,916,471)	(51,476,046)	(36,211,147)
(31,788,721)	(33,205,615)	(33,758,368)	(31,231,989)	(44,950,952)	(33,777,680)
$ 5,578,479	$ 3,146,559	$ 2,427,975	$ 14,482,703	$ 1,090,932	$ 8,519,914

WASHTENAW COUNTY

Changes in Fund Balances - General Fund

(Expenditures by Category)
Last Ten Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Property taxes	$ 67,722,813	$ 69,372,517	$ 72,422,271	$ 82,302,289
Excise taxes	-	-	-	-
Licenses and permits	352,563	373,795	381,896	387,341
Intergovernmental	13,099,972	13,238,782	13,124,013	13,717,162
Charges for services	22,117,875	23,081,827	22,756,423	22,915,099
Fines and forfeits	794,724	836,049	982,392	921,234
Investment income (loss)	51,362	203,485	378,171	601,504
Other revenues	2,677,732	2,487,294	2,799,311	2,061,731
Total revenues	106,817,041	109,593,749	112,844,477	122,906,360
Expenditures				
Personal services	68,609,634	71,025,381	75,916,916	71,968,251
Supplies	2,088,543	1,856,447	2,174,073	2,008,115
Other services and charges	10,776,968	12,486,587	12,222,285	14,075,815
Internal service charges	3,697,116	2,338,739	2,407,129	830,626
Debt service	416,695	775,784	775,784	359,089
Total expenditures	85,588,956	88,482,938	93,496,187	89,241,896
Revenues over expenditures	21,228,085	21,110,811	19,348,290	33,664,464
Other financing sources (uses)				
Proceeds from issuance of long-term liabilities	-	1,054,128	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	2,194,960	1,925,592	2,167,121	2,298,360
Transfers out	(19,659,755)	(21,401,633)	(21,515,411)	(28,577,866)
Total other financing sources (uses)	(17,464,795)	(18,421,913)	(19,348,290)	(26,279,506)
Net changes in fund balances	$ 3,763,290	$ 2,688,898	$ -	$ 7,384,958

* Excise taxes were reclassified to a separate line item in 2024. Prior years were not reclassified.

Source: Washtenaw County Finance Department

Schedule 5A

UNAUDITED

2020	2021	2022	2023	2024*	2025
$ 85,422,578	$ 87,546,176	$ 92,232,874	$ 99,384,766	$ 105,988,131	$ 110,647,710
-	-	-	-	5,244,381	5,068,352
285,061	430,912	429,279	446,089	581,540	607,600
19,608,818	15,829,230	16,698,896	18,549,731	14,411,420	15,247,978
20,811,812	22,679,714	22,542,553	21,841,854	21,928,313	21,627,919
547,208	471,549	539,601	517,370	509,844	500,845
420,811	(3,151)	(13,858)	2,549,416	3,204,389	3,123,505
1,793,615	1,607,113	1,956,587	1,902,103	1,655,863	2,506,737
128,889,903	128,561,543	134,385,932	145,191,329	153,523,881	159,330,646
71,151,248	75,405,585	79,024,424	75,563,611	81,884,474	87,672,526
3,912,414	2,024,565	2,731,943	2,214,423	2,688,682	2,139,177
16,117,255	14,779,219	15,489,870	19,159,524	21,955,551	18,533,590
341,786	-	953,352	1,543,025	-	8,631,324
-	-	-	896,054	953,290	56,435
91,522,703	92,209,369	98,199,589	99,376,637	107,481,997	117,033,052
37,367,200	36,352,174	36,186,343	45,814,692	46,041,884	42,297,594
-	-	-	864,427	2,712,459	100,560
-	1,014,030	-	7,070	8,085	-
2,316,151	2,179,292	2,256,593	10,812,985	3,804,550	2,332,907
(34,104,872)	(36,398,937)	(36,014,961)	(42,916,471)	(51,476,046)	(36,211,147)
(31,788,721)	(33,205,615)	(33,758,368)	(31,231,989)	(44,950,952)	(33,777,680)
$ 5,578,479	$ 3,146,559	$ 2,427,975	$ 14,582,703	$ 1,090,932	$ 8,519,914

WASHTENAW COUNTY

Assessed and Actual Values of Taxable Property

Last Ten Years
(in thousands of dollars)

Year	Residential Property	Commercial Property	Industrial Property	Other	Personal Property
2016	$ 13,045,788	$ 3,680,757	$ 432,525	$ 522,729	$ 941,615
2017	13,867,637	3,980,199	461,800	539,353	968,345
2018	14,314,537	4,331,688	497,294	557,707	1,032,329
2019	15,324,795	4,853,078	509,533	562,332	1,178,433
2020	16,429,142	5,113,361	530,645	566,849	1,240,392
2021	17,278,523	5,273,245	582,035	588,857	1,238,902
2022	18,040,722	5,525,972	612,443	602,315	1,256,258
2023	19,549,716	5,951,293	648,252	621,446	1,234,386
2024	21,717,498	6,291,149	647,192	649,886	1,281,501
2025	23,525,492	6,751,230	685,103	678,872	1,326,838

Note - Residential, commercial and industrial values are calculated without tax-exempt values
Note - Total direct tax rate includes HCMA and Soil Conservation District levies.

Source: County Equalization Department figures, exclusive of Industrial and Commercial Facility Tax and prior to any Board of Review actions.

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Total Assessed Value	Total Actual Value	Total Direct Tax Rate
$ 18,623,414	$ 37,563,769	6.0286
19,817,334	39,920,986	5.9982
20,733,555	41,638,440	6.9403
22,428,171	45,210,803	7.1093
23,880,389	48,248,045	7.0962
24,961,562	50,347,993	7.0856
26,037,710	52,366,496	7.0413
28,005,093	56,279,324	7.0413
30,587,226	61,462,662	7.5495
32,967,535	66,378,173	7.5207

WASHTENAW COUNTY

Direct and Overlapping Property Tax Rates

Last Ten Years
(rate per $1,000 of taxable value)

		2016	2017	2018	2019	2020	2021
County direct rates							
Operation		4.5215	4.4880	4.4511	4.4239	4.3947	4.3780
Special voted		1.5071	1.5102	2.4892	2.6854	2.7015	2.7076
Total direct rate		6.0286	5.9982	6.9403	7.1093	7.0962	7.0856
Overlapping rates							
Cities:							
Ann Arbor		16.3003	16.1390	15.8850	15.7131	15.6215	17.5077
Chelsea		13.1555	13.1555	13.1555	13.9234	13.1555	13.9414
Dexter		14.3062	14.3062	14.3062	15.3062	15.3062	15.3062
Manchester		-	-	-	-	-	-
Milan		16.9941	15.4629	15.4730	15.7839	17.2598	15.8432
Saline		16.2800	16.2800	16.2800	17.2800	17.2294	17.0493
Ypsilanti		35.0727	33.5261	34.6200	34.1423	35.4130	31.2951
Townships (average)	(A)	3.6280	3.6861	3.8400	3.8649	4.3169	4.3381
Villages (average)	(B)	13.2448	13.2314	14.2382	14.1588	13.0284	12.1590
School districts (average)	(C)	31.2266	31.6813	31.6094	31.2232	31.1832	31.1021
Intermediate school district		5.4509	5.4109	5.3641	5.3285	5.6625	5.1774
Community college		3.4360	3.4267	3.3978	3.3763	3.3538	3.3759

	2016	2017	2018	2019	2020	2021
(A) - Rates range from:						
Low	00.0000	00.0000	00.0000	00.0000	00.0000	00.0000
High	14.3909	14.3398	15.0110	15.5254	15.4817	15.5027
(B) - Rates range from:						
Low	10.0000	10.0000	12.0000	12.0000	11.8478	10.3478
High	16.4896	16.4628	16.4764	16.4764	14.2089	13.9701
(C) - Rates range from:						
Low	27.1500	27.1412	26.9000	26.9000	26.8000	26.8000
High	36.9712	36.9694	37.0000	39.9712	39.9712	39.9385

Source: Washtenaw County Finance Department

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2022	2023	2024	2025
4.3512	4.3512	4.3512	4.3351
2.6901	2.6901	3.1983	3.1856
7.0413	7.0413	7.5495	7.5207
17.3888	18.3888	20.0624	17.6116
13.9810	13.9810	14.1153	13.1555
15.3062	17.0622	16.9927	16.9927
-	-	14.4246	14.4169
15.7759	15.7606	16.9715	16.7485
17.5698	17.1660	16.7553	16.7508
30.2316	29.4245	32.5743	29.2153
4.1733	4.3485	4.1935	3.6962
12.0954	12.6111	11.5000	16.8640
31.0465	31.0586	30.6947	30.8394
5.2389	5.2389	5.2389	5.2213
3.3548	3.3548	3.3548	3.3429
00.0000	00.0000	00.0000	00.0000
15.0312	14.5494	16.0011	13.4069
10.3478	11.5000	11.5000	16.8640
13.8430	13.7221	N/A	N/A
27.4586	26.7466	26.7412	26.7367
39.9023	39.9023	34.2959	35.2137

WASHTENAW COUNTY

Schedule 8

UNAUDITED

Principal Property Taxpayers

Current Year and Nine Years Ago

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Detroit Edison-Mich Con	$ 448,816,562	1	1.36%	$ 264,792,781	1	1.41%
Consumers Energy	198,298,838	2	0.60%	42,635,394	9	0.23%
McKinley Associates	175,311,564	3	0.53%	132,605,310	2	0.70%
Toyota Motor	137,594,416	4	0.42%	104,111,362	3	0.55%
Landmark Properties	133,239,009	5	0.40%	-		-
International Transmission Company	122,307,466	6	0.37%	52,732,959	7	0.28%
Enbridge-Nexus	118,911,487	7	0.36%	-		-
Oxford Property Management	92,958,601	8	0.28%	73,238,246	4	0.39%
Dominos Farms	78,374,886	9	0.24%	62,696,944	6	0.33%
Lightstone Group Prop	74,192,865	10	0.23%	-		-
CCSHP Ann Arbor LLC	73,360,279	11	0.22%	-		-
Hayman Company	71,084,075	12	0.22%	-		-
Hughes Properties	66,643,578	13	0.20%	-		-
Orion Main Street LLC	65,225,892	14	0.20%	-		-
Hyundai	58,114,579	15	0.18%	46,868,136	8	0.25%
Briarwood Complex	-	-	-	67,031,288	5	0.36%
THC Ann Arbor LLC	-	-	-	36,985,931	10	0.20%
MAV Development	-	-	-	35,764,719	11	0.19%
Ford Motor Company	-	-	-	35,120,707	12	0.19%
Arborland LLC	-	-	-	34,241,255	13	0.18%
Campus Investors	-	-	-	32,212,957	14	0.17%
Ann Arbor Campus Housing	-	-	-	29,164,954	15	0.16%
	$ 1,914,434,097		5.81%	$ 785,410,162		5.58%

Source: Washtenaw County Equalization Department.

WASHTENAW COUNTY

Schedule 9

UNAUDITED

Property Tax Levies and Collections

Last Ten Years

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy: Amount	Collected within the Fiscal Year of the Levy: % of Levy	Subsequent Years Collections	Total Collections to Date: Amount	Total Collections to Date: % of Levy
2016	$ 91,523,161	$ 89,503,874	97.79%	$ 1,847,877	$ 91,351,751	99.81%
2017	92,440,474	90,550,820	97.96%	1,776,851	92,327,671	99.88%
2018	95,341,726	93,522,660	98.09%	1,713,140	95,235,800	99.89%
2019	115,500,661	113,096,767	97.92%	2,215,466	115,312,233	99.84%
2020	122,153,157	119,791,808	98.07%	2,168,970	121,960,778	99.84%
2021	127,335,205	124,699,628	97.93%	2,360,140	127,059,768	99.78%
2022	131,823,875	129,660,404	98.36%	1,961,481	131,621,885	99.85%
2023	138,825,554	136,432,911	98.28%	2,212,366	138,645,277	99.87%
2024	150,234,787	147,790,599	98.37%	2,268,764	150,059,363	99.88%
2025	171,906,857	168,597,192	98.07%	3,087,962	171,685,154	99.87%

Source: Washtenaw County Treasurer's Office

WASHTENAW COUNTY

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	2016	2017	2018	2019
Governmental activities				
General obligation bonds	$ 29,942,278	$ 26,160,594	$ 27,804,892	$ 23,888,709
Installment purchase agreements	8,276,357	7,851,388	6,360,270	5,246,469
Lease liabilities	-	-	-	-
Subscription liabilities	-	-	-	-
Loans	58,425	38,952	19,476	-
Total outstanding debt	38,277,060	34,050,934	34,184,638	29,135,178
Business-type activities				
Delinquent tax revolving - General obligation notes	16,300,000	18,000,000	14,800,000	13,500,000
Total outstanding debt	$ 54,577,060	$ 52,050,934	$ 48,984,638	$ 42,635,178
Total taxable value (000's)	$ 18,623,414	$ 19,817,334	$ 20,733,555	$ 22,428,171
Ratio of total debt to taxable value	0.29%	0.26%	0.24%	0.19%
Total population	364,709	367,627	370,963	370,601
Total debt per capita	$ 149.65	$ 141.59	$ 132.05	$ 115.04
% of personal income	0.28%	0.25%	0.22%	0.19%

Source: Washtenaw County Finance Department

Further details regarding the County's debt can be found in the notes to the financial statements.

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2020	2021	2022	2023	2024	2025
$ 20,857,526	$ 17,781,343	$ 14,549,865	$ 11,435,930	$ 8,259,995	$ 5,492,497
6,476,564	5,292,198	4,079,570	2,837,889	1,566,336	1,867,078
-	3,273,263	2,088,067	2,007,255	2,693,088	4,855,834
-	-	-	152,960	1,951,949	4,551,512
-	-	-	-	-	-
27,334,090	26,346,804	20,717,502	16,434,034	14,471,368	16,766,921
16,800,000	17,500,000	14,400,000	11,300,000	14,400,000	18,435,000
$ 44,134,090	$ 43,846,804	$ 35,117,502	$ 27,734,034	$ 28,871,368	$ 35,201,921
$ 23,880,389	$ 24,961,562	$ 26,037,710	$ 28,005,093	$ 30,587,226	$ 32,967,535
0.18%	0.18%	0.13%	0.10%	0.09%	0.11%
372,258	369,390	366,504	365,536	373,875	373,875
$ 118.56	$ 118.70	$ 95.82	$ 75.87	$ 77.22	$ 94.15
0.19%	0.17%	0.13%	0.10%	0.10%	0.12%

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Schedule 10A

UNAUDITED

Ratios of Net General Bonded Debt Outstanding

Last Ten Years

	General Bonded Debt Outstanding					
Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	% of Personal Income	% of Actual Taxable Value of Property	Per Capita
2016	$ 29,942,278	$ -	$ 29,942,278	0.16%	0.08%	$ 82.10
2017	26,160,594	-	26,160,594	0.13%	0.07%	71.16
2018	27,804,892	-	27,804,892	0.13%	0.07%	74.95
2019	23,888,709	-	23,888,709	0.11%	0.05%	64.46
2020	20,857,526	-	20,857,526	0.09%	0.04%	56.03
2021	17,781,343	-	17,781,343	0.07%	0.04%	48.14
2022	14,549,865	-	14,549,865	0.06%	0.03%	39.70
2023	11,435,930	-	11,435,930	0.04%	0.02%	31.29
2024	8,259,995	-	8,259,995	0.03%	0.01%	22.09
2025	5,492,497	-	5,492,497	0.02%	0.01%	14.69

Source: Washtenaw County Finance Department

Computation of Net Direct and Overlapping Debt

As of December 31, 2025

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Entity	Net Amount Outstanding
Direct debt			
General obligation tax notes	$ 18,435,000	$ 18,435,000	$ -
General obligation bonds	5,492,497	-	5,492,497
Installment purchase agreements	1,867,078	-	1,867,078
Lease liabilities	4,855,834	-	4,855,834
Subscription liabilities	4,551,512	-	4,551,512
Total direct debt	$ 35,201,921	$ 18,435,000	16,766,921

	Net Debt Outstanding	Percentage Applicable to Washtenaw County	Share Applicable to Washtenaw County
Overlapping debt			
City of Ann Arbor	$ 113,965,071	100.00%	$ 113,965,071
City of Chelsea	5,041,380	100.00%	5,041,380
City of Dexter	17,578,000	100.00%	17,578,000
City of Manchester	2,660,000	100.00%	2,660,000
City of Milan	900,000	62.17%	559,530
City of Saline	25,215,000	100.00%	25,215,000
City of Ypsilanti	23,724,105	100.00%	23,724,105
Augusta Township	1,745,000	100.00%	1,745,000
Dexter Township	140,303	100.00%	140,303
Lima Township	23,985	100.00%	23,985
Lodi Township	41,000	100.00%	41,000
Lyndon Township	5,327,815	100.00%	5,327,815
Manchester Township	20,768	100.00%	20,768
Northfield Township	10,585,000	100.00%	10,585,000
Pittsfield Township	44,763,912	100.00%	44,763,912
Saline Township	199,000	100.00%	199,000
Scio Township	5,636,989	100.00%	5,636,989
Superior Township	4,505,000	100.00%	4,505,000
Sylvan Township	1,000,000	100.00%	1,000,000
Webster Township	1,026,480	100.00%	1,026,480
York Township	481,500	100.00%	481,500
Ypsilanti Township	40,516,396	100.00%	40,516,396
Ann Arbor School District	432,330,000	100.00%	432,330,000
Chelsea School District	64,460,943	95.62%	61,637,554

continued…

Computation of Net Direct and Overlapping Debt

As of December 31, 2025

	Net Debt Outstanding	Percentage Applicable to Washtenaw County	Share Applicable to Washtenaw County
Overlapping debt (continued)			
Clinton School District	$ 30,265,000	26.78%	$ 8,104,967
Columbia School District	24,575,000	2.01%	493,958
Dexter School District	142,525,948	94.81%	135,128,851
Grass Lake School District	10,503,204	0.64%	67,221
Lincoln School District	102,140,549	83.86%	85,655,064
Manchester School District	44,868,461	99.25%	44,531,948
Milan School District	75,913,796	61.42%	46,626,254
Napoleon School District	16,715,000	0.04%	6,686
Northville School District	128,200,000	0.82%	1,051,240
Pinckney School District	110,926,746	2.59%	2,873,003
Plymouth-Canton School District	256,260,000	2.35%	6,022,110
Saline School District	174,301,220	100.00%	174,301,220
South Lyon School District	139,655,000	11.34%	15,836,877
Stockbridge School District	16,035,000	6.64%	1,064,724
Van Buren School District	65,875,000	6.92%	4,558,550
Whitmore Lake School District	46,689,589	70.42%	32,878,809
Willow Run School District	16,745,940	100.00%	16,745,940
Ypsilanti School District	2,207	100.00%	2,207
Ypsilanti Community Schools District	36,210,000	100.00%	36,210,000
Ingham ISD	8,257,000	0.32%	26,422
Jackson ISD	5,585,000	0.33%	18,431
Livingston ISD	345,000	0.38%	1,311
Oakland ISD	36,680,000	0.51%	187,068
Washtenaw ISD	24,135,000	96.51%	23,292,689
Schoolcraft Community College	41,105,000	0.55%	226,078
Washtenaw Community College	2,345,000	100.00%	2,345,000
Salem-South Lyon District Library	530,000	47.07%	249,471
Total overlapping debt	$ 2,359,277,307		1,437,229,887
Total direct & overlapping debt			$ 1,453,996,808

concluded.

(1) Overlapping debt is calculated for an entity, based upon assessed values received from the State of Michigan, which determines the issuer's proportionate share of the debt of other local governmental units that either overlap 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 apportioned based upon relative assessed values.

Source: Washtenaw County Finance Department and Municipal Advisory Council of Michigan.

Legal Debt Margin
Last Ten Years

Legal Debt Margin Calculation for 2025		
Assessed value	$	32,967,535,000
Debt limit (10% of assessed value)	$	3,296,753,500
Debt applicable to limit		35,201,921
Legal debt margin	$	3,261,551,579

Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2016	$ 1,862,341,400	$ 92,363,134	$ 1,769,978,266	4.96%
2017	1,981,733,433	98,077,129	1,883,656,304	4.95%
2018	2,073,355,471	91,241,432	1,982,114,039	4.40%
2019	2,242,817,100	81,463,983	2,161,353,117	3.63%
2020	2,388,038,900	75,517,193	2,312,521,707	3.16%
2021	2,496,156,200	71,747,587	2,424,408,613	2.87%
2022	2,603,771,000	61,248,018	2,542,522,982	2.35%
2023	2,800,509,300	27,734,034	2,772,775,266	0.99%
2024	3,058,722,600	28,871,368	3,029,851,232	0.94%
2025	3,296,753,500	35,201,921	3,261,551,579	1.07%

Source: Washtenaw County Finance Department

WASHTENAW COUNTY Schedule 13

UNAUDITED

Demographic and Economic Statistics

Last Ten Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2016	364,709	$ 19,261,779	$ 52,814	3.0%
2017	367,627	20,715,047	56,348	3.1%
2018	370,963	22,021,358	59,363	2.5%
2019	370,601	22,365,853	60,843	2.2%
2020	372,258	23,327,716	63,655	3.6%
2021	369,390	25,372,530	68,688	3.2%
2022	366,504	26,147,662	71,368	2.9%
2023	365,536	28,342,725	77,537	2.6%
2024	373,875	29,811,220	79,736	3.9%
2025	373,875 (a)	29,811,220 (a)	79,736 (a)	3.7%

(a) 2025 Personal Income (PI) and Per Capita Personal Income (PCPI) not available at time of publication.

Sources:
Population U.S. Census Bureau Quickfacts Washtenaw County, Michigan
Personal income (PI) Federal Reserve Economic Data (FRED) https://fred.stlouisfed.org/series/PI26161 P.I.
Per capita PI (PCPI) Federal Reserve Economic Data (FRED) https://fred.stlouisfed.org/series/PCPI26161
Federal Reserve Economic Data (FRED) https://fred.stlouisfed.org/series/MIWASH1URN UN

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WASHTENAW COUNTY

Schedule 14
UNAUDITED

Principal Employers

Current Year and Nine Years Ago

	2025			2016		
Employer	**Employees**	**Rank**	**% of Total County Employment**	**Employees**	**Rank**	**% of Total County Employment**
University of Michigan and Health System	38,517	1	19.81%	30,835	1	15.23%
Trinity Health Michigan (formerly Trinity Health)	7,602	2	3.91%	7,169	2	3.54%
US Government	4,023	3	2.07%	2,459	4	1.21%
Ann Arbor Public Schools	2,600	4	1.34%	1,907	5	0.94%
Washtenaw County Government	1,428	5	0.73%	1,260	9	0.62%
State of MI	1,407	6	0.72%	-	-	-
Eastern Michigan University	1,362	7	0.70%	1,617	7	0.80%
Domino's Pizza Inc.	1,200	8	0.62%	-	-	-
Forvia North America (Formerly Faurecia North America)	833	9	0.43%	1,850	6	0.91%
City of Ann Arbor	782	10	0.40%	-	-	-
Realtruck (formerly Truck Hero Inc.)	780	11	0.40%	-	-	-
Ypsilanti Community Schools	647	12	0.33%	-	-	-
Ford Motor Company	596	13	0.31%	-	-	-
Washtenaw Community College	535	14	0.28%	-	-	-
Lincoln Consolidated Schools	450	15	0.23%	-	-	-
Stellantis	364	16	0.19%	-	-	-
Chelsea Milling Co	351	17	0.18%	-	-	-
Chelsea School District	332	19	0.17%	-	-	-
Walmart	300	18	0.15%	-	-	-
Plante Moran	136	20	0.07%	-	-	-
Barton Malow	119	21	0.06%	-	-	-
Rehmann	78	22	0.04%	-	-	-
CMS Energy	78	23	0.04%	-	-	-
JPMorgan Chase Bank	71	24	0.04%	-	-	-
Comerica Bank	61	25	0.03%	-	-	-
General Motors	-	-	-	3,750	3	1.85%
Integrated Health Associates (IHA)	-	-	-	1,268	8	0.63%
Thomson Reuters	-	-	-	1,200	10	0.59%
	64,652		33.24%	53,315		26.32%

Sources:

The Book 2024, Crain's Detroit Business, Crain's List Washtenaw County's Employers, p. 21 (full time employees)

* Ann Arbor Spark, January 2025, https://annarborusa.org/spark-services/business-expansion/regional-demographics/(averaged from headcount range)

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Years

Function/Program	2016	2017	2018	2019
Legislative				
Board of Commissioners	9.0	9.0	9.0	9.0
Judicial				
Trial Court-Civil/Criminal	24.4	23.4	24.6	24.6
Trial Court Clerk Services	34.0	33.0	34.0	34.0
District Court	47.0	46.0	46.0	46.0
Trial Court-Probate	4.0	7.0	7.0	7.0
Trial Court-Juvenile Center	11.8	10.7	10.7	10.7
Trial Court-Friend of the Court	60.0	58.0	60.8	61.0
Trial Court-Problem Solving/Drug Courts	-	-	-	-
Public Defender	15.0	16.0	16.0	20.0
General Government				
County Administration	4.0	6.0	7.0	9.0
Corporation Counsel	1.0	2.0	2.0	2.0
Finance	19.0	19.0	21.0	21.0
Information & Tech Systems	24.5	-	-	-
Equalization	11.0	11.0	10.0	10.0
Human Resources	8.0	8.0	10.0	10.0
Clerk/Register	20.0	22.0	21.0	21.0
Clerk/ROD Automation	1.0	1.0	1.0	1.0
Treasurer	12.9	13.7	13.4	13.4
Drain/Water Resources Commissioner	21.5	25.8	24.5	25.5
Economic Development & Agriculture	1.0	1.0	-	-
Office of Community & Economic Development	29.0	29.5	29.5	29.5
Risk Management	2.0	3.0	3.0	3.0
Infrastructure Management	-	55.0	55.0	58.0
Facilities Management	24.5	-	-	-
Support Services - Fleet	1.0	-	-	-
Property Foreclosure - PA 123	3.8	3.8	3.8	3.5
Public Safety				
Prosecuting Attorney	43.9	43.9	43.9	43.9
Prosecuting Attorney - CRP	6.2	6.2	6.2	6.2
PA - 105	0.3	0.1	0.1	-
Sheriff	317.0	319.0	316.4	317.4
LAWNET	3.0	3.0	2.0	-
Secondary Road Patrol	1.0	1.0	1.6	1.6
Sheriff - Byrne Justice Asst Grant	1.0	-	-	-
Building Inspection/Services	6.9	7.5	7.3	7.3
Emergency Management	-	-	-	-

Schedule 15
UNAUDITED

2020	2021	2022	2023	2024	2025
9.0	9.0	9.0	9.0	9.0	11.0
24.6	25.0	27.6	26.6	26.4	26.7
34.0	34.0	36.0	35.0	34.0	32.0
46.0	48.0	47.0	47.0	48.0	48.0
7.0	7.0	7.0	7.0	6.0	6.0
10.7	9.5	12.3	13.8	14.9	6.6
61.0	56.0	58.0	56.0	54.0	56.0
-	-	-	-	1.0	3.0
22.0	46.0	54.0	66.0	74.0	76.0
9.0	9.0	12.0	12.0	13.0	13.0
2.0	2.0	2.0	4.0	3.0	3.0
21.0	20.5	20.5	20.5	20.5	20.5
-	33.0	34.0	34.0	34.0	36.0
10.0	11.0	11.0	11.0	11.0	12.0
10.0	10.0	10.0	11.0	11.0	11.0
21.0	21.0	21.0	21.0	21.0	22.0
1.0	1.0	1.0	1.0	1.0	1.0
13.4	15.6	15.1	15.3	15.3	15.5
25.5	26.5	26.5	28.5	28.5	30.5
-	-	-	-	-	-
29.5	25.3	33.3	35.3	44.3	45.3
3.0	3.0	3.0	2.0	3.0	3.0
58.0	-	-	-	-	-
-	27.9	28.0	28.0	28.0	28.0
-	1.1	1.0	1.0	1.0	1.1
3.5	4.0	3.5	3.5	3.5	3.5
43.9	45.0	47.0	46.0	53.5	50.6
6.2	6.0	6.1	6.1	6.1	6.1
-	-	-	-	-	-
317.4	303.0	303.0	305.0	300.9	304.9
-	2.0	2.0	2.0	2.0	2.0
1.6	1.0	1.0	1.0	1.8	2.8
-	-	-	-	-	-
7.3	7.3	8.4	10.6	12.5	13.2
-	38.0	38.0	40.0	40.0	39.0

continued...

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Years

Function/Program	2016	2017	2018	2019
Public Safety (continued)				
E-911 - Administration	1.0	1.0	1.0	1.0
Homeland Security	3.0	2.0	2.0	2.0
HIDTA	7.0	9.0	8.0	9.0
Community Corrections	9.0	9.0	7.0	14.0
Public Works				
Public Works	0.8	0.8	0.8	0.8
Solid Waste	3.8	3.8	3.9	4.9
Health				
Environmental Health	26.5	26.4	-	-
Public Health	68.5	75.0	101.1	106.1
Community Support & Treatment Services	335.1	328.0	339.0	342.0
Social Services				
Child Care - Trial Court/Juvenile Center	10.4	14.9	13.9	13.7
Child Care - Trial Court/Juvenile Drug Court	3.3	-	-	-
Child Care - Detention	37.1	38.1	37.1	33.3
Children Services	-	-	-	-
Veterans Services	2.4	-	-	-
Veteran Relief	2.6	6.0	6.0	6.0
Culture & Recreation				
Parks & Recreation	43.6	48.8	49.9	51.0
County Extension	1.0	1.0	1.0	1.0
Total	1,323.8	1,348.4	1,357.3	1,380.1

Source: Washtenaw County Finance Department - Budget

Schedule 15
UNAUDITED

2020	2021	2022	2023	2024	2025
1.0	1.0	1.0	1.0	1.0	1.0
2.0	1.0	1.0	1.0	1.0	1.0
9.0	10.0	10.0	10.0	10.0	10.0
14.0	7.0	7.0	8.0	9.4	9.4
0.8	0.8	0.9	0.9	0.9	0.7
4.9	4.9	4.6	5.6	5.6	6.5
-	-	-	-	-	-
107.1	116.5	133.1	138.6	139.6	134.4
338.0	371.1	401.1	411.8	409.1	413.1
13.7	10.5	9.5	9.4	10.1	16.7
-	-	-	-	-	-
33.3	-	-	-	-	-
-	35.3	37.2	37.2	36.5	36.0
-	-	-	-	-	1.0
6.0	6.0	6.0	6.0	6.0	7.0
51.0	53.1	57.5	56.8	57.8	61.8
1.0	-	-	-	-	-
1,379.1	1,464.7	1,547.2	1,585.5	1,609.1	1,627.6

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2016	2017	2018	2019
Public Safety				
Sheriff:				
Number of incidents	104,881	104,963	100,122	103,007
Number of crash reports	3,082	2,938	2,824	2,889
Number of arrests	3,101	2,076	1,724	1,769
Number of bookings	8,009	7,798	7,917	7,569
Public Works				
Centerline miles of road maintained	1,654	1,653	1,653	1,653
Health				
Public Health:				
Vaccines administered	2,967	4,425	3,579	2,617
Number of monthly participants	5,834	5,834	5,834	4,971
Culture & Recreation				
Parks & Recreation:				
Recreation center participation	292,356	254,191	264,472	272,176
Aquatic center participation	143,424	116,285	110,605	136,275
Rounds of Golf	24,106	25,475	24,588	30,118
Boat Rental	1,040	875	691	625

Source: Washtenaw County Finance Department

Schedule 16
UNAUDITED

2020	2021	2022	2023	2024	2025
87,926	93,197	105,539	104,702	100,265	91,832
2,095	2,333	2,569	1,515	2,420	2,356
1,769	1,568	1,801	1,535	1,508	1,338
3,888	3,788	4,180	4,582	2,231	4,508
1,652	1,650	1,652	1,652	1,652	1,652
1,290	113,680	12,990	5,512	3,794	4,054
4,971	4,971	4,971	4,971	4,274	4,233
88,739	142,635	188,179	200,131	203,442	160,841
-	45,501	122,941	121,210	120,999	112,725
30,713	35,359	43,109	36,656	40,329	40,641
-	724	484	469	409	428

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sheriff										
Vehicle patrol units:										
Police service automobiles	94	94	95	95	96	96	94	98	96	96
Animal control	2	2	2	2	2	2	2	2	2	2
Marine safety	3	3	3	3	4	4	3	2	3	2
Jail	17	20	20	20	20	20	17	16	18	18
Parks and recreation										
Parks:										
County	13	13	13	13	13	13	14	14	14	14
Natural areas	37	45	47	51	54	54	67	67	73	75
Park acreage:										
Parkland	2,105	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,109	2,111
Natural areas	5,038	5,233	5,893	6,384	6,973	7,278	7,699	7,699	8,146	8,334
Picnic areas	19	19	19	19	19	19	19	19	19	19
Historic sites	3	3	3	4	4	4	4	4	4	4
Buildings:										
Log cabins	1	1	1	1	1	1	1	1	1	1
County recreation center	1	1	1	1	1	1	1	1	1	1
Fishing structures	3	3	3	3	3	3	3	3	3	3
Pavilions	19	19	19	19	19	19	19	19	19	19
Concession	3	3	3	4	4	4	4	4	4	4
Multi-purpose	2	2	2	2	2	2	2	2	2	2
Nature cabin	1	1	1	1	1	1	1	1	1	1
Swimming beach areas	1	1	1	1	1	1	1	1	1	1
Swimming pools (in/out)	1	1	1	1	1	1	1	1	1	1
Golf Courses:										
18 hole course	1	1	1	1	1	1	1	1	1	1
18 hole disc course	1	1	1	1	-	-	-	-	-	-
27 hole disc course	1	1	-	-	-	-	-	-	-	-
36 hole disc course	-	-	1	1	2	2	2	2	2	2
Trails:										
Nature	29	29	35	35	35	35	35	35	35	36
Exercise	1	1	1	1	1	1	1	1	1	1
Multiuse	10	10	11	12	14	15	16	16	16	17
Playgrounds	5	6	7	7	7	7	7	7	7	7
Water Areas:										
Water parks	1	1	1	1	1	1	1	1	1	1
Spray play feature	3	3	3	3	3	3	3	3	3	3
Lazy river ride	1	1	1	1	1	1	1	1	1	1
Spray Park: Blue Heron Bay	1	1	1	1	1	1	1	1	1	1
Public works										
Centerline miles of county roads:										
Federal and State	580	580	580	580	580	580	580	580	580	598
Primary	595	594	594	594	593	591	591	591	591	594
Local	701	700	700	700	700	700	700	700	700	697
Subdivision	358	359	359	359	359	359	361	361	361	361

Source: Washtenaw County Finance Department

WASHTENAW COUNTY

Schedule 18
UNAUDITED

Schedule of Insurance

As of December 31, 2025

Type of Coverage Name of Company	Policy Period	Premium	Description
Public Entity Liability Safety National	10/1/25- 10/1/26	$ 1,016,766	Auto, general and police legal liability of the County for bodily injury, property damage and personal injury. Limit $5,000,000 each occurrence/ $10,000,000 aggregate for GL & LEL. $15,000,000 Auto; $750,000 self insured retention.
Public Officials & Emp Practices Law Safety National	10/1/25- 10/1/26	Included	$5,000,000 each wrongful Act/$10,000,000 Aggregate $750,000 deductible covers liability for wrongful acts claims made form, duty to defend.
Property *Buildings and Contents* CHUBB Insurance Co.	10/1/25- 10/1/26	292,442	All risk coverage on buildings and contents at replacement cost. $200,000,000 Loss Limit $250,000 deductible per occurrence (incl. burglary Phy. Damage). Includes perils from flood and earthquake.
Inland Marine Coverage CHUBB Insurance Co.	10/1/25- 10/1/26	Included	Covers scheduled portable equipment consisting of radio and video equipment, boats and trailers, etc. All risk coverage.
Data Processing Coverage CHUBB Insurance Co.	10/1/25- 10/1/26	Included	Covers data processing equipment, media and extra expense. Limit $500,000 per occurrence.
Boiler Machinery Policy CHUBB Insurance Co.	10/1/25- 10/1/26	Included	Covers boilers and air conditioning units, broad form basis (except cast iron), including repair and/ or replacement on most objects. $1,000 deductible.
Employee Dishonesty Coverage Great American Ins. Co. / Traveler's Ins.	10/1/25- 10/1/26	29,329	Covers loss to the County caused by dishonesty or fraudulent act of an employee or failure to faithfully perform the duties or the position. Limit employees covered. Public Employee Blanket Bond.
Professional Liability Hudson Insurance Co.	10/1/25- 10/1/26	130,078	Covers Public and Mental Health operations (includes doctors) $1,000,000/$3,000,000 each medical incident. Deductible of $250,000 does not include defense costs. $750,000 Total Annual Aggregate
Lawyers Professional Lloyds of London	10/1/25- 10/1/26	4,824	Covers Employee related issues in Public Defender's Office & CC $1,250 deductible/$1,000,000
Lloyds/National Legal Aid and Defender Association	3/1/25-3/1/26	20,169	Professional liability limit $1,000,000. Disciplinary proceedings limit $5,000. For Public Defenders Office/employment issues included Personal injury $1,000,000/1,000,000. Disciplinary proceeding $5,000. Subject to deductible.

continued…

Schedule of Insurance

As of December 31, 2025

Type of Coverage Name of Company	Policy Period	Premium	Description
Short-Term Treas Sch Tax Bond Burnham & Flower of Michigan The Hartford	12/1/25-3/31/26 7/1/25-3/31/26	$ 42,958 71,054	Bond was based on 40% of the tax levy for the County, schools and SET (State Education Tax). County is reimbursed for approximately 31% of the cost of the bond.
Judicial Liability Complete Equity Market Underwriting Lloyds	10/1/25- 10/1/26	44,748	Covers Judges, Magistrates and referees $1,000,000 liability coverage per claim. $2,500 deductible.
Statutory Position Bonds CNA Ins. Co	2/1/25-2/1/26	2,840	Covers Position Specific (BOC, Administrator, Treasurer Clerk/Register; WRC; Pros Atty; Sheriff; All Judges)
Individual Position Bonds	4/4/25-4/4/28	306	Elisha Fink: $50,000
Travelers/Hartford/US General	3/1/25-3/1/26	123	James Cameron: $50,000
	3/1/25-2/28/26	350	CMH Janitorial / Fed Bldg $35,000
	5/10/25-5/10/26	200	Shryl Samborn $50,0000
	5/10/25-5/10/26	200	Tamara Garwood $50,000
Fiduciary Liability Federal Insurance Companies	10/1/25- 10/1/26	23,142	Fiduciary Liability Policy for Washtenaw County covering the VEBA, MPPP and WCERS Systems with limits of $3,000,000.
Employee Benefit Liability Federal Insurance Companies	10/1/25- 10/1/26	Included	Policy limit $1,000,000 covers employees, prospective employees, former employees, or their beneficiaries, for damages sustained in the administration of employee benefits programs.
Liquor Liability United State Liability Ins. Co	10/1/25- 10/1/26	3,057	Liquor Liability Insurance Policy for Pierce Lake Golf Course. Limit of $1,000,000 claims made/$2,000,0000 Aggregate
Auto Collision Coverage Navigators Ins.	6/12/25-6/12/26 6/12/25-10/1/26	51,034 16,294	Covers Auto Collision Coverage for the Mobile Command Unit, Vactor, MSSI RV; PH Transit; SWAT Vehicle
Cyber Liability Illinois National Ins. Co.	7/25/25-7/25/26	35,000	Cyber Liability MC Insurance $1,000,000 with $150,000 deductible. S&P Ins. $1,000,000 with $150,000 deductible. NI, EM & CE $1,000,000 with $150,000 deductible.
Workers' Compensation ASU Group	05/01/25-04/30/26	19,485/yr	TPA for Claims Services($19,485 Estimate based on the average over the past 3-year history - $5,100/yr admin, $145/Medical Only Claim Fee, $750/Indemnity Fee.)
Safety National	10/01/25-10/1/26	181,106	Statutory specific excess insurance above $750,000 for Police/Fire employees and a $600,000 retention for all other employee classifications.
Long-Term Disability The Hartford	Monthly	Varies	Covers all full-time regular employees. Choice of coverage is 50%, 60%, or 66 and 2/3% of monthly salary with varying elimination periods. Also covers part-time MNA employees basic coverage only.
Preferred Provider Organization PPO1 (101) Blue Cross Blue Shield	Monthly	Varies	Comprehensive medical coverage including preventative care, emergency care, and prescription co-pay ($7/$35/$70). No annual deductible.

continued…

Schedule of Insurance

As of December 31, 2025

Type of Coverage Name of Company	Policy Period	Premium	Description
Preferred Provider Organization PPO2 (102) Blue Cross Blue Shield	Monthly	Varies	Comprehensive medical coverage including preventative care, care, emergency care, and prescription copay ($7/$35/$70). Annual deductible $100 ($200 family). 10% annual copay after deductible met $500 ($1,000 family).
Preferred Provider Organization PPO7 (107) Blue Cross Blue Shield	Monthly	Varies	Comprehensive medical coverage including preventative care, care, emergency care, and prescription copay ($7/$35/$70). Annual deductible $500 ($1000 family). 10% annual copay after deductible met $1000 ($2,000 family).
Dental Delta Dental Core Plan	Monthly	Varies	100% basic dental, 50% other services, 50% Prosthodontics and Orthodontic services, $750 annual limit.
Dental Delta Dental Retiree Plan	Monthly	Varies	100% basic dental, 50% other services, 50% Prosthodontics, no Orthodontic services, $750 annual limit.
Dental Delta Dental Premier Plan for those in Flex Benefits who choose this option	Monthly	Varies	100% basic dental, 80% other services, including sealants, 50% Orthodontics services, $1,000 annual limit and $1,750 lifetime for Orthodontics.
Life Insurance The Hartford	Monthly	Varies	Covers death of employee and/or AD&D. All full-time employees with choice of coverage equal to 1 X annual salary up to 50K, 2 X annual salary up to 100K, or 3 X annual salary up to 150K. MNA Employee basic coverage (coverage up to 50K or 1 X annual salary).
Vision Care Vision Service Plan (Delta Dental/VSP)	Monthly	Varies	Vision Care option pays for certain vision care tests and supplies when obtained from a participating provider after County employee pays the provider the required co-payment amount.
Vision Care Vision Service Plan (Delta Dental/VSP) Retiree Plan	Monthly	Varies	Vision Care option pays for certain vision care tests and supplies when obtained from a participating provider after County employee pays the provider the required co-payment amount.

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Washtenaw County Foster Grandparent Program At-A-Glance

What is the Foster Grandparent Program?

The Foster Grandparent Program (FGP) is an AmeriCorps Seniors volunteer program for older adults. Like its "cousin," AmeriCorps, the program is funded through a federal grant, receiving matching funds from our sponsor, Washtenaw County Government. The Foster Grandparent Program is housed within the Office of Community and Economic Development (OCED).

Our Mission

The Foster Grandparent Program was created in 1968 to provide an opportunity for senior volunteers to support children with special needs. Foster Grandparents have served in Washtenaw County for more than 57 years. During that time the program has grown, formed new partnerships, and most recently, weathered the pandemic, but throughout the years our mission has remained unchanged: **the Foster Grandparent Program strives to enrich the lives of older adults while providing children with extra support and guidance from a caring adult.** Washtenaw County is proud to provide rewarding volunteer opportunities for our older adults that make a measurable difference within our community.

Who are Foster Grandparents?

Foster Grandparents (FGs) are older adults who generously donate their time to mentor/tutor children in schools, preschools, non-profit daycare centers, and summer programs. Our volunteers come from all walks of life with diverse work experiences. FGs serve 20 hours per week, striving to help children achieve success academically, socially, and developmentally. They are the classroom "grandparents" who are there to provide additional support to struggling students.

Quick facts about the Foster Grandparents:

- The FGs' average length of service is 12 years
- During the 2025 school year, FGs provided 1-1 support for 189 students
- Age range of Foster Grandparent is 58-93
- Average income is $17,000/year
- All volunteers together served 43,851 hours

What do Foster Grandparents do?

Volunteers are placed according to their interests and community need. About 25% of FGs serve in PreK classrooms, while the other 75% support K-12 students. An Assignment Plan is created for each FG with 3-5 students to support, and the needs they will address. Teachers indicate competency levels at the beginning of the year and again at the end of the school year to assess student gains.

Where do Foster Grandparents serve?

Partner sites are schools, preschools, and summer programs. Current placements include:

- Ypsilanti Community Schools
- Ann Arbor Public Schools
- Lincoln Consolidated Schools
- Global Tech Academy
- Ypsilanti Cooperative Preschool
- EMU Children's Institute
- Washtenaw County Summer Playground
- Parkridge Community Center
- YCS Grizzly Camp

What are the benefits of being a Foster Grandparent?

Tax-free stipend.

Volunteers receive an hourly stipend of $4.00 per hour of service. For those serving 20 hours per week, this amounts to $320 per month.

Transportation assistance.

Transportation is available to FGs at no cost to and from their placement site and monthly In-Service meetings. Those who drive are reimbursed for mileage.

Meals.

Balanced lunches are provided at all monthly meetings, and volunteers are reimbursed up to $6.25 per day of service to cover the cost of packing a lunch.

Training.

Volunteers receive 20 hours of pre-service orientation and training, as well as ongoing development opportunities to empower them to provide youth with meaningful support.

Wellness.

Our program partners with area organizations to provide health & wellness programming to support their physical, mental, and emotional wellbeing.

Community.

By welcoming FGs to a likeminded community of service, our program combats loneliness and social isolation, two widespread issues faced by older adults.

Contact Information

Sandy Bowers, Foster Grandparent Program Supervisor
bowerssk@washtenaw.org
(734) 544-3040

Washtenaw County Continuum of Care Data Review

COMMUNITY ACTION BOARD

JULY 2026

ANDREW KRAEMER
CONTINUUM OF CARE DATA & EVALUATION SPECIALIST
KRAEMERA@WASHTENAW.ORG

System Overview: May 2026

715

People Experiencing Homelessness on June 1, 2026

20%

Since June 1, 2025

260

People in **118 Households** Permanently Housed In first 2 months of 2026

2%

Compared to first five months of 2025

231

Average days from intake to permanent housing

2%

Compared to 2025 average

Coordinated Entry Data
May 2026
Assessments

HAWC
HOUSING ACCESS FOR WASHTENAW COUNTY

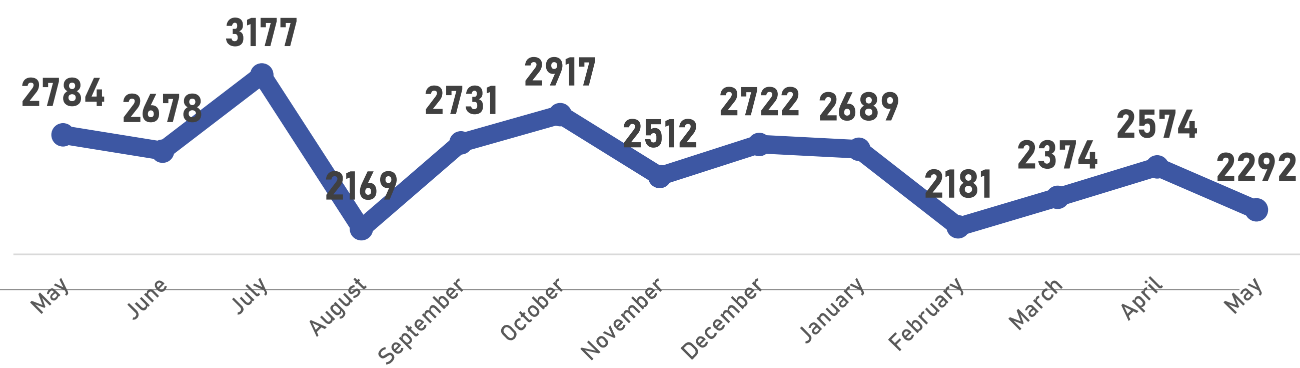
WASHTENAW COUNTY MICHIGAN 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

2,292

Total Calls

395 (16%) of calls were outside of business hours

Calls per Month



1,083

Unique Numbers

144

Total Assessments

SOS community services

Coordinated Entry Data
May 2026
Prevention

WASHTENAW COUNTY MICHIGAN 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

92
Scheduled Appointments

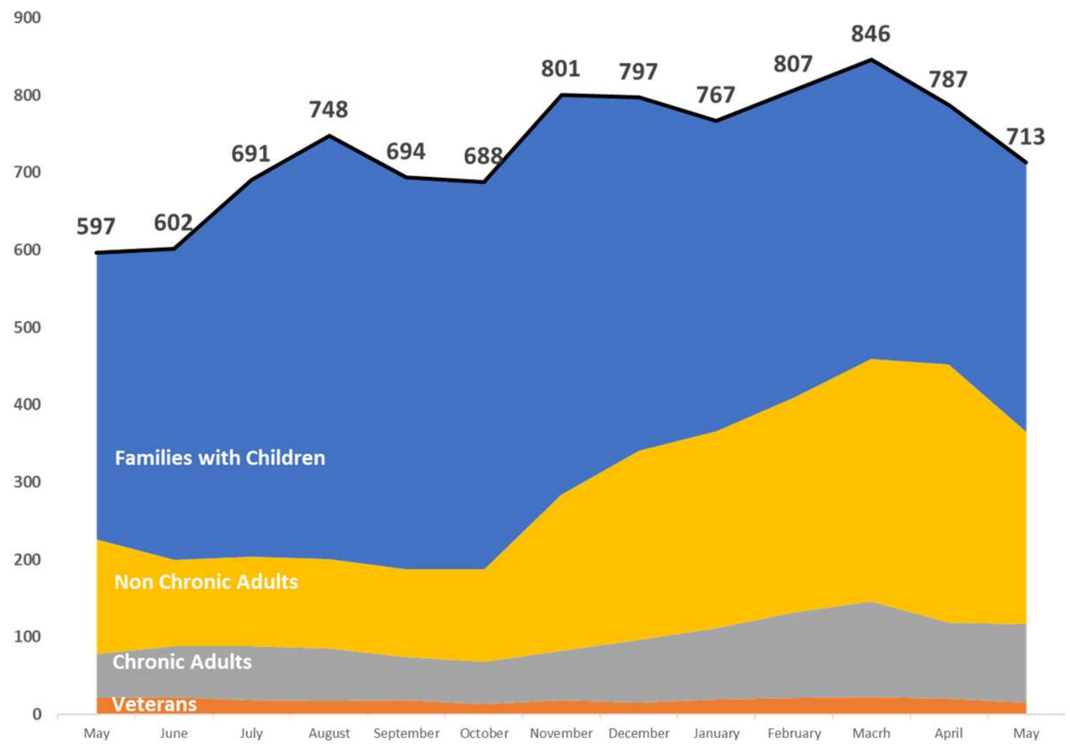
$78,494
Distributed

$1,510
Average per Household

82
Appointments

52 Households
Remaining in Housing

Whole System Lookback in Persons



CoC System Data
May 2026
Veterans

At-Risk

Will lose housing within 14 days

1

Households added to CHP List

Emergency Shelter

10

People

Unsheltered

Staying in a place not meant for human habitation

5

People

Community Housing Prioritization List

15

People

3

Households Housed

151

Average Days to Housing

	HH Housed
Rapid Re-Housing	0
Permanent Supportive Housing	2
Housing Choice Voucher	0
Self-Resolve	1

SOS community services

Alpha House Interfaith Hospitality Network

Ozone House safe place. real support

Washtenaw County Michigan 1826

Office of Community & Economic Development

Collaborative solutions for a promising future

Shelter Association
OF WASHTENAW COUNTY

COMMUNITY MENTAL HEALTH
Washtenaw County

ozone HOUSE
safe place. real support.

CoC System Data
May 2026
Single Adults

WASHTENAW COUNTY MICHIGAN 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

At-Risk
Will lose housing within 14 days

16
People added to CHP List

Emergency Shelter
86
People

Unsheltered
Staying in a place not meant for human habitation

29 People confirmed by PATH

Community Housing Prioritization List

350
People

7
People Housed

257
Average Days to Housing

Rapid Re-Housing
0
People Housed

Permanent Supportive Housing
5
People Housed

Housing Choice Voucher
2
People Housed

CoC System Data
May 2026
Families with Children

SOS community services
Alpha House Interfaith Hospitality Network
ozone HOUSE safe place. real support

Washtenaw County Michigan 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

At-Risk
Will lose housing within 14 days

31
Households added to CHP List

Emergency Shelter
52
Households

Unsheltered
Staying in a place not meant for human habitation
Up to **53** Households

Community Housing Prioritization List
105
Households
348 People

8
Households Housed

215
Average Days to Housing

Rapid Re-Housing
5
HH Housed

Permanent Supportive Housing
1
HH Housed

Housing Choice Voucher
0
HH Housed

Self-Resolve
2
HH Housed

ozone HOUSE safe place. real support.

CoC System Data
May 2026
Youth & Young Adults up age 25

WASHTENAW COUNTY MICHIGAN 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

At-Risk
Will lose housing within 14 days

15
HHs Category 2

Emergency Shelter
13 HH

Unsheltered
Staying in a place not meant for human habitation
Up to 57 HH

17
Households added to CHP List

Community Housing Prioritization List
85
HH

3
HH Housed

762
Average Days to Housing

Rapid Re-Housing
0
HH Housed

Permanent Supportive Housing
1
HH Housed

Housing Choice Voucher
0
HH Housed

Self-Resolve
2
HH Housed

CoC System Data
May 2026
Seniors 60+

OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

At-Risk
Will lose housing within 14 days

4
Households added to CHP List

Emergency Shelter
22 HH

Unsheltered
Staying in a place not meant for human habitation
Up to 61 HH

Community Housing Prioritization List
83
HH

2
HH Housed

118
Average Days to Housing

Rapid Re-Housing
0
People Housed

Permanent Supportive Housing
1
People Housed

Housing Choice Voucher
1
People Housed

FY2027 Community Action Plan

Community Services Block Grant

Michigan Department of Health and Human Services

Bureau of Community Action & Economic Opportunity

Due Dates:

Application and Expenditure Plan: May 22, 2026
empowOR Community Action Plans: October 9, 2026

PURPOSE

The Community Action Plan (CAP) serves as a roadmap demonstrating how Community Services Block Grant (CSBG) eligible entities plan to deliver CSBG services. The CAP identifies and assesses poverty related needs and resources in the community and establishes a detailed plan, goals and priorities for delivering those services to individuals and families most affected by poverty. CSBG funds may be used to support activities that assist low-income families and individuals, homeless families and individuals, migrant or seasonal farm workers, and elderly low-income individuals and families by removing obstacles and solving problems that block the achievement of self-sufficiency.

Community Action Plans must adhere to the following federal and state laws:

COMPLIANCE WITH FEDERAL LAW

To comply with the Community Services Block Grant (CSBG) Act, Public Law 105-285, Section 678B (11) eligible entities must complete a CAP, as a condition to receive funding through a Community Services Block Grant. Federal law mandates the eligible entities to include a community-needs assessment in the CAP for the community served.

COMPLIANCE WITH STATE COMMUNITY SERVICES POLICY MANUAL (CSPM)

To comply with Bureau of Community Action and Economic Opportunity's (BCAEO) CSPM 500 Series pertaining to the Community Services Block Grant Program, Community Action Plans are to be developed using a processes that assess poverty-related needs, available resources, feasible goals and strategies, and that yield program priorities consistent with standards of effectiveness established for the CSBG program. The CAP should identify eligible activities to be funded in the program service areas and the needs that each activity is designed to meet.

COMPLIANCE WITH CSBG ORGANIZATIONAL STANDARDS

As described in the Office of Community Services (OCS) Information Memorandum (IM) #138, dated January 26, 2015, CSBG eligible entities will comply with implementation of the Organizational Standards.

STATE PLAN AND APPLICATION REQUIREMENTS

As required by the CSBG Act, Public Law 105-285, states are required to submit a state plan as a condition to receive funding. Information provided in the CAP by eligible entities is included in Michigan's State Plan.

STATE ACOUNTABILITY MEASURES

Alongside Organizational Standards, the state will be reporting on State Accountability Measures in order to ensure accountability and improve program performance. Information provided in the CAP may be used to meet the requirements of the measures.

CSBG ACT PURPOSE AND GOALS
The purpose and goals of the CSBG Act are listed in Section 672

The purposes of this subtitle are—

(1) to provide assistance to States and local communities,working through a network of community action agencies ando ther neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

(2) to accomplish the goals described in paragraph (1) through—

(A) the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;

(B) the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;

(C) the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;

(D) the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities; and 42 USC 9901.

(E) the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provision of services for—

(i) private, religious, charitable, and neighborhood-based organizations; and

(ii) individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

State of

STATE OF MICHIGAN
Department of Health and Human Services

Community Services Block Grant Planning Application for FY 2027

Submission Date: Grant Term: **October 1, 2026 to September 30, 2028**

Submit the CAP electronically per the BCAEO Application Instructions and confirm submission via email to the MDHHS-BCAEO@michigan.gov mailbox. Use current forms. Documents must be submitted in their original format.

Contract Number: CSB27-2027-81029

Agency Name: Washtenaw County Office of Community and Economic Development

Agency Address: 415 W. Michigan Ave, Suite 2200, Ypsilanti, MI 48197

Contact Person Regarding Plan: Nicole Kennedy Title: Human Services Policy Specialist
Email: kennedyn@washtenaw.org Phone: 734-544-2953

Geographic Area to be served: Washtenaw County

Certification (Check A, B, or C as appropriate)	Authority: PA 230 of 1981 Completion: Mandatory Penalty: No Funds Released
A. ☐ Approved by the Agency's Governing Board	
B. ☐ Approved by the Agency's Advisory Board	
C. ☒ **Will be** approved by the Agency's Board on: July 22, 2026	
The Michigan Department of Health and Human Services (MDHHS) does not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, genetic information, sexual orientation, gender identity or expression, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a MDHHS office in your county.	

The undersigned hereby certify that this agency complies with the Assurances and Requirements of this Community Action Plan and the information in this CAP is correct and has been authorized by the governing body of this organization. Per Organizational Performance Standards the Community Assessment, which is part of the CAP, must be formerly accepted by the governing board.

__________________________________ ______________________________
Board Chairperson Date

Tripartite Board Information (*Section 676(b) of the CSBG Act*):

Section 676B of the Community Services Block Grant Reauthorization Act of 1998 requires that, as a condition of designation, private nonprofit entities and public organizations administer their CSBG program through tripartite boards that "fully participate in the development, planning, implementation, and evaluation of the program to serve low-income communities."

Note: See CSBG Information Memorandum #82, Information Memorandum #138, and CSBG State Plan Section 11

1. Please explain below how the individuals on your board are involved in the decision-making process and how they participate in the development, planning, implementation, and evaluation of programs funded under CSBG to meet the requirements listed above.

   NOTE: Please place emphasis on the democratically selected representatives of *low-income individuals* on your board.

   Governing Board (Private Agencies only):

   The Washtenaw County Board of Commissioners (BOC) is the governing body for the Washtenaw County Community Action Agency, which is the Office of Community and Economic Development (OCED). OCED maintains a tripartite Community Action Board (CAB) that serves in an advisory capacity to the BOC and to OCED. The BOC is responsible for appointing CAB members, and for approving changes to the CAB bylaws.

   Washtenaw County Board of Commissioners District Number

   District 1: Jason Maciejewski

   District 2: Crystal Lyte

   District 3: Shannon Beeman

   District 4: Caroline Sanders

   District 5: Justin Hodge

   District 6: Annie Sommerville

   District 7: Andy LaBarre

   District 8: Yousef Rabhi

   District 9: Katie Scott

Advisory Board (Public Agencies only):

The Community Action Board represents the Washtenaw County community on matters pertaining to the causes and conditions of poverty. The CAB also serves as a link between the BOC and the low-income community. Board members advocate on behalf of residents and are active participants at public meetings and throughout the community. OCED staff regularly present information and updates concerning CSBG-funded programs to the CAB, and in response board members provide feedback and suggestions.

Policy Specialist Nicole Kennedy, along with CAB Chair, Jeanice Townsend, and Director of OCED, Toni Kayumi, managed the CAB through several capacity-building activities to help CAB members set goals to increase their impact within the community and involvement with County programs.

OCED continues to provide detailed reports to the CAB, and CAB members in turn have increased and improved on the discussion and feedback on OCED programs, community initiatives, and county policies. CAB members from each of the three sectors contribute to planning and evaluation with their knowledge and expertise. When new programs are released, the CAB informs OCED staff on the best ways to distribute information via flyers, online presence, and community relationships. The CAB has been involved in decisions about how specific assistance funds are allocated.

The Community Action Board (CAB) serves in an advisory capacity to the Board of Commissioners and the Office of Community and Economic Development (OCED), which is the Community Action Agency for Washtenaw County, on matters pertaining to the causes and consequences of poverty. In addition, CAB acts as an advocate for low-income citizens in promoting institutional and community changes which remove barriers to self-sufficiency.

All CAB members fully participate in the development, planning, and implementation of programs that serve low-income communities.

Community Action Board Members			
Name	**Organization/Affiliations**	**Sector**	**Term**
Yvonne Cudney	Community representative, Community Outreach and Education Coordinator at Housing Bureau for Seniors	Consumer	1/1/2026-12/31/28
Patricia Davis	Community representative, Community Engagement Specialist with the Washtenaw County Sherriff's Office	Consumer	2/21/2024-12/31/2026
Candice Spencer	Community representative, former member of the Palm Leaf Club	Consumer	5/7/2025 - 12/31/2027
Courtney Cruz	Community representative, social work student with the University of Michigan Flint	Consumer	5/7/2025 - 12/31/2027
Krystal Steward	Director of Community Outreach for Community Action Network	Consumer	8/6/2025 - 12/31/2027
Bonnie Billups Jr.	Executive Director at Peace Neighborhood Center	Private	1/1/2025 - 12/31/2027
Darrell Kirby	Ypsilanti Township Planning Commission, Washtenaw County Local Emergency Planning Commission, IT Sr Manager at Energy Company	Private	5/6/2026-12/31/2027
Kathy Wyatt	Former Executive Analyst and Assistant to the Washtenaw County Sherriff	Private	1/1/2025 - 12/31/2027
Madyn Litten	Eviction Prevention Coordinator at Housing Bureau for Seniors	Private	1/1/2024 - 12/31/2027
Emily Hastie	Resource Specialist at SOS Community Services, Barrier Busters Member, MI Bridges Navigator	Private	1/1/2024 - 12/31/2026
Pat Vailliencourt	Mayor of the City of Manchester	Public	1/1/2025 - 12/31/2027
M. Jeanice Townsend	Program Coordinator at Washtenaw Community College	Public	1/1/2024 - 12/31/2026
Chris Watson	Ann Arbor City Council Member, Senior Bibliographic Specialist at American Mathematical Society	Public	2/21/2024 - 12/31/2026
Commissioner Justin Hodge	Washtenaw County Commissioner, Professor of Social Work at the University of Michigan	Public	1/1/2026 - 12/31/2026
Commissioner Shannon Beeman	Washtenaw County Commissioner, Associate Director of Marketing and Communications at the University of Michigan Zelle Lurie Institute	Public	1/1/2026-12/31/2026

2. Does your Board have any vacancies over 90 days? ☐ Yes ☒ No

   If Yes, please explain what your agency is doing to fill the vacancy(ies):

3. Do all new Board Members receive training within 60 days of joining?
   ☒ Yes ☐ No If No, please explain:

4. Do all Board Members sign a Conflict-of-Interest acknowledgement every two years?
   ☒ Yes ☐ No If No, please explain:

5. Describe the type and frequency of ROMA training provided to Board Members. Please differentiate between formal Intro to ROMA training provided by a Nationally Certified ROMA professional and informal ROMA training.

New members are provided with an explanation of ROMA and how the ROMA process directs decision making. All members receive ROMA refreshers at the first board meeting of every calendar year. When BCAEO monitoring reports are explained during board meetings the director discusses how the results will impact future programming decisions. Training is informal and provided by the Human Services Policy Specialist who has undergone ROMA training.

Community Needs Assessment (Section 676(b)(11) of the CSBG Act):

A Community Needs Assessment (CNA) is defined as a comprehensive assessment of community needs and resources as defined in the CSBG Act. Regular assessment of needs and resources at the community level is the foundation of Community Action and a vital management and leadership tool that is used across the organization and utilized by the community to set the course for both CSBG and all agency resources.

Note: See CSBG State Plan Section 13

1. Date of most-recent, board-approved Community Needs Assessment: November 2022
2. Does your agency use a third party to help create your Community Needs Assessment, or does your agency create the CNA internally? No
3. As part of the CNA, please explain how the agency collected and included current data specific to the following for the service area? (Check all that apply) *(related to Org Std 3.2)*

☒ Data on Poverty ☒ Data on Gender ☒ Data on Age ☒ Data on Race/Ethnicity

How did you collect this data?

☐ Focus Groups ☐ Program participant Interviews ☐ Parent Surveys

☒ Questionnaires

☒ Data Sources: Opportunity Index

☐ Other:

4. Describe how your agency collected and analyzed both qualitative and quantitative data on the geographic service area(s) for the CNA? *(Related to Org Std 3.3)*

The County employs many different types of communication and data reports, presentations and in person discussion to share the impact to our community, including listservs, clients' word-of-mouth, residents, elected officials, government bodies, nonprofits, committees and the public. Examples below.

- Census data
- Barrier Busters Response Reports
- Senior Nutrition Annual Report
- Washtenaw County, MI Program press releases
- Washtenaw County, MI Community Resource Flyers
- Washtenaw County, MI Annual report 2024
- Washtenaw County, MI Housing and Homelessness Data

- Washtenaw County, MI We use the following media streams and find the most effective and highest use to be social media followed by in person meetings and community events. Stories and personal experiences are collected from clients at in person meetings and events.
    - Facebook
    - Instagram
    - Twitter
    - Barrier Busters listserv mailings
    - County official's listserv mailings
    - List of media contacts
    - Website
    - Groundcover News ads
    - City of Ypsilanti monthly newsletter
    - Weekly meetings at Parkridge Community Center
    - Monthly meetings with the Community Engagement Council through EMU
    - Various tabling events throughout the year

5. From the community assessments, client and community needs studies currently being used by your agency for annual and long-range strategic planning describe, list, summarize and rank emerging needs your agency plans to address (directly or through coordination/linkages):

#	Needs from CNA	Program(s) and strategy(ies) to Address Need	Summary of Program(s) and strategy(ies)	If need is not addressed by your agency, select why:
1.	Housing Assistance	MSHDA, ESG, HESG, HOME ARP, HUD COC, Barrier Busters	OCED serves as the COC lead, HARA, and fiduciary for the homeless response system. Staff provide technical assistance policy support and program implementation, and monitoring support for state and federal funding as relates to homelessness.	Other
2.	Affordable Housing	HOME Investments Partnership Program		Choose an item.
3.	Home Improvements			Choose an item.

		OCED Housing Rehab program and the OCED Weatherization program	OCED Housing Rehab Program provides roof replacements, accessibility ramps, emergency repairs, and air conditioner assistance; OCED Weatherization Program provides free weatherization services to qualified Washtenaw County residents;	

CSBG Impact: It is critically important that CAA stakeholders, especially funders, understand how CSBG programs impact individuals and families in the community.

1. Describe your agency's strategy(ies) to help move program participants toward self-sufficiency and out of poverty. This could be an agency-wide strategy and/or multiple individuals programs.

   The Financial Empowerment Center is in its third year. Washtenaw County was selected by the Cities for Financial Empowerment Fund to join a cohort of local governments to provide financial counseling services to our community, and using American Rescue Plan Funds, hired two financial counselors. OCED has partnered with several community organizations to ensure the center is as accessible as possible with four locations across the county.

   County residents receive one-on-one professional counseling assistance with money management, budgeting, reducing debt, establishing and improving credit, connecting to safe and affordable banking services, legacy planning, building savings, and referrals to other services and organizations, and all services are completely free of charge. There were 31 clients served in 2025, with 143 outcomes. Participants and coaches track progress on targeted goals.

   Barrier Busters emergency services program has a three month follow up survey checking on household well-being, considering a household stable if there hasn't been an additional emergency need across basic need areas (housing, utilities, food security, health, and transportation). However, the program doesn't track clients long term, and we currently don't have to collect baseline well-being at the time of crisis.

   OCED's Weatherization program completes an assessment and baseline analysis upon client intake and when clients are being input into Compass. This specifically analyzes if people are on a scale of "In Crisis" to "Thriving" based on a variety of information like Housing, Medicine, Education, Food. During our post inspection (QCI), clients are asked if they have noticed a difference since the completion of all work in the home. Many clients mention lower utility bills, quieter homes, and generally feel more comfortable throughout their home

2. Describe your agency's method to track program participants' movement toward self-sufficiency and out of poverty.

   WCOCED bases programmatic and funding decisions partly on the Opportunity Index (http://www.opportunitywashtenaw.org), which was updated in 2025, and helps illustrate the areas of Washtenaw County that have been drastically underfunded and where a majority of the residents are from BIPOC communities. In the past, through the Coordinated Funding grant program, and now through the new Human Services Funding Partnership, we prioritize funding agencies who serve a significant number in the 48197/48198 zip codes (lower opportunity score areas) and who focus on aiding people of color with their programs, and who are led by BIPOC leaders.

   The Barrier Busters Emergency Unmet Needs Fund provides a network of 100+ social services agencies with access to emergency assistance funds for clients. This fund provides agencies with an efficient way to prevent evictions and utility shut offs; and assist with other emergency costs threatening residents' housing and financial stability. Residents in need work with their existing provider to access financial assistance.

OCED's Human Services team completed grant funding cycles between June 2025 - July 2026 through the New Human Services Partnership (https://www.washtenaw.org/3422/New-Human-Services-Partnership). - Three organizations were awarded $330,000 (high-impact grants)

o Legal Services of South Central Michigan

o Dispute Resolution Center

o Student Advocacy Center

The Safety Net Grant and Mini Grants, are all intended to fund agencies actively working to address the root causes of institutional inequity: racism, poverty, and trauma throughout Washtenaw County. The New Human Services Partnership will provide more than $15 million in funding to local human services agencies over the course of five years. Safety Net Grants are intended to make a positive impact on individual households while providing financial stability to organizations that provide safety net services in the county. The funding supports the following sectors: emergency food system, housing and homelessness, health and basic medical needs, and childcare throughout the County. The goal of the Mini Grant funding round is to provide organizations who are addressing poverty, racism, and trauma as a root cause of institutional inequity in Washtenaw County an opportunity to receive county funding. Lastly, the High Impact Grant will provide five years of funding to agencies or organizations working to scale existing human service initiatives and drive system change. All grant recipients go through a competitive request for proposal (RFP) process. Proposals are evaluated by a trained team of community volunteer grant reviewers, overseen by OCED staff, and approved by the City of Ann Arbor and the Washtenaw County Board of Commissioners.

High Impact 5 year awards ($330k/yr)	**Safety Net 5 year award ($250K/yr)**	**Safety Net 2 year award ($200k/yr) *ended 12/31/24**	**Mini Grant 2023 1 year award ($40,000)**	**Mini Grant 2024 1 year award ($40,000)**	**Mini Grant 2025 1 year award ($40,000)**
Dispute Resolution Center	Child Care Network	Avalon Housing	A Brighter Way	Aid in Milan	Women's Center of Southeast Michigan
Legal Services of South-Central Michigan	Food Gatherers	Manchester Community Resource Center	Black Men Read	Community Family Life Centers, Inc.	WISD Success by 6
Student Advocacy Center	Packard Health	Faith in Action	Buenos Vecinos	Educate Youth	University of Michigan Program for Multicultural Health
	Michigan Ability Partners	Food Gatherers	Coalition for Re-envisioning our Safety	Growing Hope	SOS Community Services
	Ypsilanti Meals on Wheels	Jewish Family Services	Community Resource Center	Life After Incarceration	Lao Community of Michigan
	Shelter Association of Washtenaw County	Ozone House	Fair Housing Center	Stand with Trans	Groundcover News
	Corner Health	Washtenaw Health Plan	FedUp Ministries	Washtenaw Literacy	Community Action Network
			MISSION	We the People Opportunity Farm	Washtenaw Camp Placement
			Peer Support Network	Youth Arts Alliance	
			Washtenaw Housing Alliance	Ypsilanti Washtenaw Housing	

3. Describe your agency's process to respond effectively to an immediate/emergency community need.

   OCED has responded to emergency situations in various ways recently. We brought resources and information to two community groups being impacted by mass evictions; many of whom were on disability and had little income. OCED staff were available on weekends and evenings in order reach the maximum number of people. We also managed to reallocate underutilized grant funds to directly assist individuals and families who needed assistance. OCED staff reached out to local municipalities, nonprofit agencies, houses of worship, and funders to help assist thhose being displaced.

4. Describe how your agency communicates its impact to the broader community and stakeholders. For example, what type of data do you collect and share (qualitative vs. quantitative)? What communication tools and methods are most effective?
   Note: this response should include a communication plan or strategy that is broader than the completion and the submission of the CSBG Annual Report.

The County employs many different types of communication and data reports, presentations and in person discussion to share the impact to our community, including listservs, clients' word-of-mouth, residents, elected officials, government bodies, nonprofits, committees and the general public.

Examples below.

-Barrier Busters Annual Report and Quarterly Report | Washtenaw County, MI

-Program press releases Press Releases | Washtenaw County, MI Community flyers

- Community Resource Flyers | Washtenaw County, MI

-Annual Report (washtenaw.org)

-Housing and Homelessness Data Washtenaw County Homelessness Data | Washtenaw County, MI

We use the following media streams and find the most effective and highest use to be social media followed by in person meetings and community events. Stories and personal experiences are collected from clients at in person meetings and events.

-Facebook

- Instagram

- Twitter

- Barrier Busters listserv mailings

- County official's listserv mailings

- List of media contacts
- Website -Community & Economic Development | Washtenaw County, MI - Official Website
- Groundcover news ads (monthly)
- City of Ypsilanti monthly newsletter
- Quarterly updates in the Ypsilanti Library newsletter
- Weekly meetings at Parkridge Community Center
- Monthly meetings with the Community Engaged Council through EMU
- Various tabling events throughout the year

The Financial Empowerment Center is in its third year of operation. Washtenaw County was selected by the Cities for Financial Empowerment Fund to join a cohort of local governments to provide financial counseling services to our community, and using American Rescue Plan Funds, hired two financial counselors. OCED has partnered with several community organizations to ensure the center is as accessible as possible with four locations across the county.

County residents receive one-on-one professional counseling assistance with money management, budgeting, reducing debt, establishing and improving credit, connecting to safe and affordable banking services, building savings, and referrals to other services and organizations, and all services are completely free of charge. Participants and coaches track progress on targeted goals.

The Foster Grandparent Program is an AmeriCorps Seniors program that engages adults, 55 and older, in volunteer service to support children with special needs in Washtenaw County. Foster Grandparents help children achieve gains in school readiness and academic engagement while receiving a small stipend and other benefits, including improved health outcomes. In 2025, 60 Foster Grandparents served 40,000 hours at 25 different partner sites, including schools, preschools, day care centers and youth programs throughout Washtenaw County. In 2026, Foster Grandparent Rubye Ogburn is being recognized for her outstanding service with the Michigan Community Action Volunteer of the Year Award.

Over 70 community organizations from all over Washtenaw County came to offer resources and education to 2025's Parkridge SummerFest and Joe Dulin Community Day attendees. A wide variety of agencies attended including health, youth, environmental, and governmental, with many others. Since 2012, OCED has co-sponsored the fair alongside the SummerFest committee to bring fun, food, music, and resources to the community. This year's fair will take place on August 22nd in Parkridge Park.

5. The Administration for Children & Families (ACF) has launched a new initiative, A Home for Every Child. This initiative will "will allow us [ACF and stakeholders] to prioritize matters that safely decrease the number of children entering foster care through effective prevention, while also increasing the number of foster homes through diligent recruitment, prioritizing kin, and improving retention of existing caregivers." Describe any services, programs, or stakeholders that could relate to this initiative.

While the Office of Community and Economic Development (OCED) does not operate a program specifically designed for this purpose, many of our initiatives strengthen families by providing essential resources and support that promote family stability and help keep children safely with their families.

The Barrier Busters program assists parents and guardians with emergency financial needs, including utility shutoff prevention, eviction prevention, and relocation assistance. The Weatherization program provides eligible households with no-cost home improvements, such as window replacement, roof repairs, furnace replacement, and air conditioning assistance. These improvements help families remain safely in their homes while reducing the financial burden of costly repairs.

In addition, OCED's New Human Services Partnership Grant Program funds a wide range of community agencies that provide critical services to families. These services include educational programs for low-income parents, childcare assistance, transportation support, mentoring, career development, workforce reentry services for individuals returning from incarceration, immigrant support services, food assistance, laundry assistance, and other programs that address essential household needs.

Through partnerships with more than 50 local nonprofit organizations, OCED supports families with children in numerous ways that promote long-term stability. By helping families remain housed, meet their basic needs, access education and employment opportunities, and connect with vital community resources, these programs strengthen the family unit and help prevent children from entering the foster care system.

Service Delivery System: (*Section 676(b)(5) of the CSBG Act*)

Describe the overall Service Delivery System for services provided or coordinated with CSBG funds targeted to low-income families in the state. Please include specific examples.

Describe the agency's service delivery system for services provided with or coordinated with CSBG funds.

1. Where do program participants enter your agency's system? (Check all that apply)
   - ☐ Main Administrative Office
   - ☐ Centralized Call Center
   - ☐ Field Offices/Neighborhood Centers County(ies):
   - ☒ Mobile Site

☒ Online Application
☒ 2-1-1 Referral
☐ Other:

2. Describe the intake process utilized for program participants seeking services and assistance.

Barrier Busters direct services: The Barrier Busters Emergency Unmet Needs Fund program utilizes flexible funding from the County general fund, various other jurisdictions within the County, foundation funds, and CSBG funds. CSBG funding is used for direct client assistance for utilities, mortgage payments, and rental/security deposit assistance. Barrier Buster partner agencies' staff receive background checks and are trained on the CSBG intake process. Staff complete intakes with clients via phone or in person when necessary and receive remote client approval of the intake paperwork if intake occurred remotely. OCED staff review submitted documents and ensure CSBG eligibility prior to releasing funds for assistance.

Location details for HAWC intakes: Housing Access for Washtenaw County (HAWC) provides housing assistance and homelessness prevention in Washtenaw County. The HAWC Call Center is operated by OCED, and we are also the Continuum of Care lead agency for our County. The intake process for homelessness prevention assistance includes: 1) an initial phone screening, through the HAWC call center and assessment scheduled 2) assessment completed program eligibility determined 3) HAWC- Assessment staff process application for financial assistance & provide financial relief for eligible households. Foster Grandparent Program (FGP): FGP Program Lead completes an initial phone screening with the applicant, which includes a discussion of program benefits, volunteer expectations, and eligibility requirements. Eligibility requirements include aged 55 and older, the ability to volunteer 20 hours per week, income not to exceed 200% of poverty guidelines, and clearance of state and federal background checks. Applicants next meet with the Program Lead for an interview which includes submitting a request for a state and NSOPW background check and scheduling an appointment for fingerprints for a federal criminal history check. Once background checks are cleared, applicants are invited to the next scheduled New Volunteer Orientation Class. During the 5 Hour Orientation, program staff help volunteers complete an application package, verify income, and review the Foster Grandparent Volunteer Handbook which covers policies and procedures. Volunteers then complete an additional 15 hours of training before they are assigned to their site, including on-line training modules completed on a tablet provided by the Program, site orientation and monthly in-service training with the entire Foster Grandparent Program. Once assigned to a site, the site supervisor is asked to complete an evaluation 30-90 days after the placement begins, and again at the end of the school year, to ensure that a suitable placement was made.

3. Identify which county(ies), if any, in the CSBG service area <u>do not</u> have a neighborhood (county) center and explain how services are delivered to residents of that/those county(ies):

OCED serves all of Washtenaw County

4. How does your agency avoid duplication of services in your service area?

OCED is the lead agency for Washtenaw County Continuum of Care, oversees Barrier Buster's operations, convenes community stakeholders, and funds many community organizations. As a leader and convener in the community, OCED keeps track of program outcomes, new and innovative projects, and partnership opportunities in hopes of finding collaboration opportunities so that resources can be used efficiently and effectively and with very little redundancy. The Housing Access of Washtenaw County (HAWC) partnership serves as the coordinated entry point for emergency shelters and housing resources and for people experiencing homelessness in Washtenaw County. The partnership's joint memorandum of understanding and release of information encourage case communications, reducing the likelihood of duplicative services.

OCED provides standardized training and technical assistance to Barrier Busters network members, and ongoing case collaboration and referrals. Additionally, a single client management portal (Encompass) ensures de-duplicated count for emergency financial intervention throughout the County, not merely within the Community Action Agency. The Barrier Busters monthly professional development meeting provides agency updates and conducts work groups on solving mutual human service challenges. Housing Access of Washtenaw County, Continuum of Care and related Emergency Solution Grants are all required to have ongoing meetings with housing and homelessness response service providers, in accordance with HUD and MSHDA standards. Our agency administers competitive grant funding RFPs for local human services agencies that provide direct services to the community. This provides the necessary funding to continue their community-based programming while also ensuring OCED is not duplicating services. These collaborative partnerships with human service agencies allow OCED to actively participate and lead in decision-making that is in the best interest of our clients. OCED manages the Barrier Busters email listserv, which ensures that questions and referrals are dealt with expediently, usually within minutes of the initial email from the service provider. Our leadership of these partnerships allows for effective communication about which organization is the lead agency for certain services, ensuring minimal service duplication in Washtenaw County.

5. Does your agency provide case management?

☐ Yes ☒ No ☐ Other**:**

If yes, how does your agency define case management, and how is it provided? For example, how often does your agency follow up with program participants? Etc.

Accountability and Reporting Requirements: (*Section 678(E) of the CSBG Act*)

Note: Also see CSBG State Plan Section 13

1. Describe how your agency uses the ROMA cycle to improve service delivery.
   Assessment:

   The Human Services Policy Specialist has undergone ROMA training from a nationally certified trainer and represents OCED in the ROMA Collaborative for the State of Michigan. The ROMA process is presented to Community Action Board members when they complete their orientation. The ROMA process is used in analyzing data collected in the Annual Report. A logic model is created for each program, indicators are set, evidence is collected, data is collected and analyzed. The following year's Community Action Plan is guided by the logic model from the previous year. Adjustments are made as needed. Gaps in service are identified and addressed.

   The agency's Community Needs Assessment is used to inform resource allocation, programming needs, and plan innovative systemic change efforts in Washtenaw County. As part of the HUD's Affirmatively Furthering Fair Housing (AFFH) effort, the Washtenaw County Office of Community and Economic Development and the Ann Arbor Housing Commission created the 2022 Housing & Neighborhood Survey. Survey questions focused on housing and other neighborhood issues – schools, jobs, transportations, services and more. The Housing and Neighborhood Survey was compiled of 43 questions and available in 4 languages: English, Spanish, Arabic, and Somali. Surveys were distributed through a local agencies and online marketing – mostly through the OCED Facebook page and website. After mailing surveys, posting the online survey on social media, and requesting help with distribution from local agencies, staff received 540 responses. OCED staff analyzed the data to determine the priority needs of communities throughout Washtenaw County. The priority needs were incorporated into the 5-Year Strategic Plan for Washtenaw Urban County.

   Planning:

   OCED staff analyzed the data to determine the priority needs of communities throughout Washtenaw County. The priority needs were incorporated into the 5-Year Strategic Plan for Washtenaw Urban County. The priority needs addressed in the Washtenaw Urban County Consolidated Plan are taken directly from the 2023 updates to the County's Assessment for Fair Housing (AFH) originally developed in 2017. Priority needs in this Consolidated Plan with the Contributing Factors identified in the AFH. The AFFH effort sets itself apart from other fair housing assessments as it encourages community engagement and input to help drive actionable recommendations to increase access to opportunity and reduce historical policies of segregation. With the priority needs established, OCED leadership and staff will incorporate and implement community needs into program considerations and work alongside the Community Action Board and the Washtenaw Urban County Executive Committee to advocate for housing centered policies and increased access to affordable housing for residents.

   Implementation:

   OCED staff receive BCAEO/CSBG policy updates regularly, as they are released, from the lead CSBG program staff at OCED. OCED staff regularly monitor the intake processes, and there are multiple levels of approvals for every CSBG direct assistance application. The finance team at OCED also provide numerous checks on program implementation and assure that CSBG funds are spent correctly and reported accurately and in a timely manner. For the top 3 priority needs identified in the assessment, the following programs would directly address them: Affordable Housing – HOME Investments Partnership Program: Annual affordable housing Request for Proposals (RFP) administered by OCED results in awards to finance the development of new affordable housing projects and/or rehab of existing affordable housing units within the Washtenaw Urban County.

Home Improvement Programs:

·OCED Housing Rehab Program (CDBG funded) include the following for low-moderate income homeowners (and in some cases renters) within the Urban County: Roof replacement, Accessibility ramps, Emergency repairs, Air Conditioner assistance.

·OCED Weatherization program – for income-qualified homeowners and renters.

OCED does not currently have a down payment assistance or other programming to assist people with purchasing a home, as a voucher-to-homeownership program has been on hold for several years due to staff turnover and shifting priorities resulting from pandemic. However, a goal in the five-year consolidated plan is to improve options for housing voucher holders to move to opportunity and make 5 contacts per year with voucher holders. This would be a partnership goal with the Ann Arbor Housing Commission.

The Barrier Busters Network provides financial assistance to residents in need for things such as utility bills, transportation expenses, medical costs, and in some cases rental assistance. This support can provide relief to emergent yet remediable crises with one-time funding. OCED provides grant administration for various human service agencies, including those addressing individual and family homelessness, eviction prevention, youth services, senior services, community health, etc. that either directly serve as housing providers or indirectly impact and lessen the burden on the housing and homelessness space. Our New Human Services Partnership funding model, which launched in early 2022, has a primary goal of addressing the root causes of institutional inequity: poverty, racism, and trauma.

Achievement of Results:

Direct assistance via the Barrier Busters program is tracked in Onbase Barrier Busters Portal, a secure online database. OCED staff use this database to pull reports on how funds were used, what services were provided, the number and demographics of people served, and many other metrics. Over the years, OCED has released year-end reports and quarterly reports documenting these metrics and the impact the Barrier Busters program has on community residents. These Barrier Busters programmatic reports are also presented to the Community Action Board for review, discussion, and feedback at regular meetings of the CAB. Other programs conduct regular customer satisfaction surveys and assessments, including the Weatherization program, and Foster Grandparent Program

Evaluation:

OCED and the Washtenaw Urban County release consolidated annual performance and evaluation reports (CAPERs) that show the accomplishments and progress toward Consolidated Plan goals from each year. The reports on numbers and demographics for the Barrier Busters funding are analyzed and used when setting target numbers and formulating logic models for the next program year. The amount of CSBG funding allocated for utility assistance and rental assistance will shift based on how these services and the funding were utilized in the previous program year. Since OCED Human Services team provides grant administration to local non-profit organizations, we work with an external evaluator to monitor the progress of human service programs receiving funding through our department, ensure funding goals are met in communities served, and to improve service delivery.

2. Check all that apply:

☒ Staff, including frontline staff, know what ROMA is and understand the ROMA cycle.

☒ The Board knows what ROMA is and understands the ROMA cycle.

☒ Management and other staff regularly use ROMA to describe and report outcomes.

☒ Individual program results are regularly reviewed and compared to targets.

☒ The CAA reports program outcomes to its Board using the ROMA framework.

☐ Other:

CSBG Federal Assurances: (*Sections 676(b)(1)(A)&(B) and 676(d)(4)* *of the CSBG Act*)

Public Law 105-285 establishes programmatic assurances for the State and eligible entities as a condition of receiving CSBG funds.

The CSBG Act requires assurances regarding the use of CSBG funds. Review the CSBG Assurances below and confirm that your agency will use CSBG funds in accordance with assurances.

"(A) to support activities that are designed to assist low-income families and individuals, including families and individuals receiving assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), homeless families and individuals, migrant or seasonal farmworkers, and elderly low-income individuals and families, and a description of how such activities will enable the families and individuals—

(i) to remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act);
(ii) to secure and retain meaningful employment;
(iii) to attain an adequate education, with particular attention toward improving literacy skills of the low-income families in the communities involved, which may include carrying out family literacy initiatives;
(iv) to make better use of available income;
(v) to obtain and maintain adequate housing and a suitable living environment;
(vi) to obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and
(vii) to achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to—

(I) document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication; and
(II) strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;

(B) to address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as—

(i) programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and

(ii) after-school child care programs; […]
(4) an assurance that eligible entities in the State will provide, on an emergency basis, for the provision of such supplies and services, nutritious foods, and related services, as may be necessary to counteract conditions of starvation and malnutrition among low-income individuals"

Does your agency confirm that CSBG funds will be used in accordance with the CSBG assurances?

☒ Yes ☐ No

Drug and Child Support Services and Referrals: (*Section 678G of the CSBG Act*)

Drug Testing and Rehabilitation: (1) inform participants who test positive for any controlled substances about the availability of treatment or rehabilitation services and refer such participants for appropriate treatment or rehabilitation services.

NOTE: Drug testing is not currently required in Michigan, but this assurance is part of the CSBG Act so is placed here for reference. If Michigan did start requiring drug testing, agencies would be required to refer those who test positive to appropriate treatment and rehabilitation services.

Child Support Services and Referrals: (See CSPM 505 and CSBG Agreement Language)
(1) inform custodial parents in single-parent families that participate in programs, activities or services carried out or provided with CSBG funds about the availability of child support services; and (2) refer eligible parents to the child support offices of State and local governments.

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1. Describe the proactive procedure your agency utilizes to determine if a participant is a custodial parent in a single-parent family:

   This information is collected upon initial client intake.

2. If your agency determines that a participant is a custodial parent in a single-parent family, how does the agency inform and refer them to child support offices? E.g., do you utilize documentation from DHHS?

   For any client who is a custodial parent in a single-parent family, intake staff provides contact information for the child support service offices. Staff also ask the participant if they would like a copy of the Child Support Services brochure, and if they have additional questions, staff refer them to child support offices for more information.

Linkages: (*Section 676(b)(3)(B)* *of the CSBG Act and State Accountability Measure 7Sa*)

Gaps in services are needs (for services or assistance) of low-income persons that have not been met or is not being met sufficiently by either the CAA or other service providers, usually due to lack of staff, funding, or resources. The gaps in services may correspond to the Top Three Needs in the Community Needs Assessment and/or can also be identified by the CAA or a coordinating organization. Describe how linkages will be developed to fill identified gaps in services, through the provision of information, referrals, case management, and follow-up consultations.

Note: CSBG State Plan Section 9

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1. Identify, by county, the gaps in services which exist according to your latest data:

There is a consistent lack of affordable housing in Washtenaw County (1). Additionally, for those with housing, residents need home improvements in order to maintain ownership/rentership and have stable housing

2. How were gaps in service identified (Check all that apply)

- ☒ Community Needs Assessment
- ☒ Customer Surveys
- ☐ Focus Group
- ☒ Anecdotal information from customers, partner agencies, etc.
- ☐ Other

3. Explain how your agency plans to meet these unmet needs or coordinate services and funding with other organizations.

1. OCED continues to partner with community agencies such as the Washtenaw Housing Alliance, homelessness providers, and Housing developers to identify funding opportunities to support new and affordable housing construction. Affordable Housing – HOME Investments Partnership Program: Annual affordable housing Request for Proposals (RFP) administered by OCED results in awards to finance the development of new affordable housing projects and/or rehab of existing affordable housing units within the Washtenaw Urban County. Fiscal Year 2025 HOME funding level is $1.3 million.

2. Home Improvement Programs: - OCED Housing Rehab Program (CDBG funded) include the following for low-moderate income homeowners (and in some cases renters) within the Urban County: Roof replacement, Accessibility ramps, Emergency repairs, Air Conditioner assistance · -OCED Weatherization program – for income-qualified homeowners and renters

4. Explain any gaps in service that your agency does not plan on addressing or coordinating services to meet the unmet needs this fiscal year.

A voucher-to-homeownership program has been on hold for several years due to staff turnover and shifting priorities. However, a goal in the five-year consolidated plan is to improve options for housing voucher holders to move to opportunity and make 5 contacts per year with voucher holders. This would be a partnership goal with the Ann Arbor Housing Commission

5. What is the reason behind not meeting those gaps identified in question 4?

- ☐ Federal Rules
- ☐ State Rules
- ☐ Lack of Funding
- ☒ Lack of resources, staff, etc.
- ☐ Other

Please provide a narrative if needed

Coordination & Collaboration: (*Sections 676(b)(9) and 676(b)(3)(C) of the CSBG Act and State Accountability Measure 7Sa*)

The CSBG Act requires that CAAs explain how they will coordinate funds/services by collaborating and partnering with other public and private organizations, including faith-based organizations, charitable groups, and community organizations. This information must be entered into empowOR.

Note: Also see CSBG State Plan Section 7

1. Please explain how your agency will coordinate services with other organizations within your geographical service area. Please provide specific examples. For example what partners will you work with to implement programs and how?

    OCED partners and collaborates with community organizations to leverage resources, funds, and direct service delivery, working to meet the basic needs of county residents. OCED serves as a lead agency in partner collaborations such as Barrier Busters, Continuum of Care Homelessness service coordination, a new human services grant funding program, and many others. One example of service coordination with faith-based and nonprofit organizations is the Winter Warming Centers operated by Shelter Association of Washtenaw County (SAWC). OCED provides funding, planning and administrative support to ensure emergency shelter response efforts throughout the coldest months of the year, between November and April. Ann Arbor's main shelter has expanded capacity during this time, with additional warming centers at various churches, so that individuals experiencing homelessness can access warm shelter at night. OCED identified areas of the county which have increased need for shelters and assisted in adding a winter shelter in the city of Ypsilanti and increased senior services to more rural areas of Washtenaw County. OCED also collaborates with SOS Community Services to connect people in need with the non-profit organizations best suited to give them assistance.

    OCED provides grant administration within the local Human Services sector. These coordinated services with OCED have a great impact on the community and our office works with human service agencies to monitor and track program goals and outcomes. In 2022, the New Human Services Partnership was launched with two overarching goals: accessibility and equitability. NHSP has three distinct funding rounds to provide local human service agencies with 1. 5-year safety net services grants, 2. 1-year mini-grants, and 3. 5-year high impact grants. Safety Net grants funded 7 agencies in areas of childcare, food access, medical/health, and housing/homelessness at $250,000 per year for 5 years to maintain their safety net and continue to serve Washtenaw County communities. The mini-grant funding round provided 10 organizations with a one-year grant of $40,000. High Impact Grants will fund 3 organizations working to drive systems changes and address the root causes of poverty, racism, and trauma at a systems level, with $330,000 per year for 5 years. All NHSP grants work with the University of Michigan Program Evaluation Group, an external evaluator, to ensure the funds are utilized to their maximum potential, and to offer additional support to grantees.

2. Please provide your agency's sustainability plan to leverage non-CSBG funding sources to sustain and/or increase programmatic and/or organizational capacity.

Each CSBG dollar builds capacity across our programs and leverages funds including federal, state, and local revenue, as well as charitable donations, program income, and in-kind contributions. CSBG funding provides the necessary resources for staffing and administration of programs that service those most in need. OCED will continue to seek out all available funding to support ongoing programming.

OCED participates in fundraising activities, for example Stuff the Bus to help children from marginalized communities to have all the supplies they need to return to school. Grant seeking activities, for example from local banks and foundations to supplement financial stability programs and we partner with city and township government bodies, for example City of Ann Arbor and Pittsfield township to help residents through Barrier Buster programming that covers back utility and rent payments and other things designated by local case workers. OCED partnered with the Ann Arbor Area Community Foundation and DTE to receive grant funds to use within the Barrier Busters program. Some CBDG funds were also used for Barrier Busters.

3. Has your agency entered public and private partnerships, affiliations, MOUs and Formal Agreements into empowOR?

☒ Yes ☐ No If no, why not?

Coordination with Employment & Training (E&T) Activities: (*Section 676(b)(5)* *of the CSBG Act*)

If the agency provides E&T activities with Workforce Investment Act funds, the agency must describe how it will coordinate the provision of employment and training activities in communities with entities providing activities through statewide and local workforce investment systems. If the agency provides supportive services to Work First or Welfare-to-Work program participants with non-Workforce Investment Act funds, describe the services provided.

Note: Also see CSBG State Plan Section 9

The CSBG Act requires that CAAs coordinate the provision of employment and training activities with Workforce Investment Act programs. The Workforce Innovation and Opportunity Act (WIOA), which was signed into law on July 22, 2014, supersedes the Workforce Investment Act of 1998 (WIA).

WIOA requires priority be given to public benefits recipients, other low-income individuals, and individuals who are basic skills deficient when providing career and training services using WIOA Title I Adult funds.

1. How does your agency coordinate the provision of employment and training activities, as defined in section 3 of the Workforce Innovation and Opportunity Act, with entities providing activities through statewide and local workforce development systems under such Act?

   Washtenaw County Michigan Works! is a part of the Southeast Michigan Consortium for a Regional Workforce Program. The updated Urban Cooperation Act (Public Act [PA] 7) agreement established the Southeast Michigan Consortium for a Regional Workforce Program. The counties of Jackson, Lenawee, Hillsdale, Washtenaw, Livingston and Monroe have merged to provide workforce service delivery and management in the Southeast Michigan region (also known as Region 9 under the state's Regional Prosperity Initiative).

   Additionally, OCED partners with Michigan Works! for the SummerWorks Youth Employment program, a ten-week employment & mentorship program for youth ages 16-24. OCED participates in program planning and coordination and provides employment opportunities for youth through the program.

2. Please check which one(s) applies:

   ☐ The agency is part of a **One-stop delivery system** or **One-stop system,** which is used to refer to the system of partners, operations, and centers described below. In other words, it is the set of entities and operations that provide the on-the-ground services that are the core of the WIOA.

   If the box above is checked, please check your role below:

   ☐ The agency is a **One-stop partner**, which is an entity that is either required or chosen to participate in the one-stop system.

- ☐ The agency is a **One-stop operator**, which is an entity that receives WIOA funds to operate the one-stop centers.
- ☐ The agency operates a **One-stop center**, which is the physical location where the services are provided.
- ☐ Other, please explain:

☒ The agency is **NOT** part of a One-stop delivery system.

Specific Assistance to Individuals:

Specific Assistance is anything of monetary value that is provided to program participants, such as payments on behalf of program participants to vendors (utilities, rent, etc.), training stipends, payments to program participants, clothing, transportation (including bus passes/tokens and gas cards), food, shelter, medical care, etc.
Specific Assistance programs require an income eligibility determination.

Please list the Agency's **CSBG-funded** Specific Assistance below. If specific assistance will be provided, it must also be listed in the budget on the Specific Assistance page.

1. All **CSBG-funded** Specific Assistance must be entered, tracked, and reported in empowOR.

   Are all agency programs that utilize CSBG for specific assistance setup in empowOR with current, accurate information?

   ☒ Yes ☐ No

2. Have the CSBG and BCAEO domains tag been added to all agency programs that utilize CSBG for specific assistance?

   ☒ Yes ☐ No

3. If **CSBG-funded** Specific Assistance is provided in the form of non-cash awards such as tokens, gift cards, bus passes, food baskets, etc., please describe the program below. Include how the program participant acknowledges receipt of these items and how receipt is tracked by the agency. *(Agencies should have a tracking mechanism in place for non-cash awards uploaded into the client file).*

   NA

4. Describe how CSBG-funded Specific Assistance is tracked in empowOR.
   NA

5. Have CSBG specific assistance services been added to 2-1-1 and MiBridges with current, accurate information?

   ☒ Yes ☐ No If no, why not?

Public Hearing/Public Comment Period:

A summary of the agency's proposed plan must be published and made available locally for review and comment by officials and other residents within the service area. The agency shall conduct at least one public hearing or provide for a public comment period **prior to the agreement begin date**.

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1. The agency has made (or will make) the plan available for review using the following process:

☒ **Public Hearing**
Date of Public Hearing was/will be: May 27, 2026 Community Action Board Meeting
Place of Public Hearing was/will be: Learning Resource Center, Ann Arbor MI

☒ **Public Comment Period**
Inclusive Dates for Comment: 5/27/26-7/22/26

2. When and where was/will be the Notice(s) published or posted? List the date(s) and location(s) below

Date	Location (name of newspaper, website, or public place posted)
5/27/2026 - 7/22/2026	Washtenaw County website
5/27/2026 - 7/22/2026	Front lobby of OCED office
5/27/2026 - 7/22/2026	Social Media Channels
5/27/2026 - 7/22/2026	Community Action Board – May meeting (opportunity for in person comment)

3. Submit proof of the public notice with the application as separate attachments. For example, if the notice was posted in a newspaper, a copy the newspaper can be provided. If the notice was posted in a public place, a picture of the notice posted in the public place can be provided. If the notice was posted online, screenshots of the online notice can be provided. Etc.

Community Initiatives:

1. Please list the names of all agency Community Initiatives or projects, including those that are not included in any reporting or where you are part of a larger collaboration.

   Washtenaw County OCED provides funding and staff support to coordinate the resource fair portion of the annual Parkridge SummerFest and Joe Dulin Community Day, which takes place every August. In 2024, 70 community and social service organizations tabled the event to offer local resources to the community. Agencies include community health organizations, government agencies, and youth-focused organizations, among many others. Michigan Medicine joined the scene to provide health information, blood pressure screenings, and a vaccination station. In addition to the 70 community and social service organizations, 25 different departments from the University came to provide education and resources to the community.

   Washtenaw County's Financial Empowerment Center (FEC) partners with Jewish Family Services, Eastern Michigan University, and Faith in Action to provide many services free of charge. One on one financial counseling from trained counselors can help community members with money management, budget, reduce debt, establish or improve credit, build savings, and create a financial plan that works for them. They can also receive referrals to other services and organizations. The FEC hosted a Small Business Expo on March 14th, 2025, at Washtenaw Community College. This event included over a dozen vendors, guest speakers, and provided tips and tools community business owners and operators could utilize to make their businesses more successful. The event also allowed the opportunity for networking and sharing ideas.

   SummerFest was started in 2011 to inform residents of community resources available to them. In 2012, SummerFest and Joe Dulin Community Day joined forces to create a large, fun resource fair co-sponsored by OCED and the SummerFest committee. Joe Dulin was a prominent community member, activist, and educator being the first African American principal of Roberto Clemente High School. Joe Dulin Community Day was created in his honor.

2. Are you reporting any Community Initiatives in currently approved statewide database?

   ☒ Yes ☐ No

   If yes, have you worked with BCAEO to obtain approval for reporting?

Income Eligibility Exceptions: Please explain if your agency has any programs that use the income eligibility exception listed in CSPM 502. **Please note that the CSBG FPL may return to 125% depending on Congressional Action.**

Note: CSBG State Plan Section 12

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1. Name of program: NA
2. Service Area:
3. Reason for eligibility determination exclusion (See 502):
4. Proof that the program participants will be predominantly income-eligible:

1. Name of program:
2. Service Area:
3. Reason for eligibility determination exclusion (See 502):
4. Proof that the program participants will be predominantly income-eligible:

1. Name of program:
2. Service Area:
3. Reason for eligibility determination exclusion (See 502):
4. Proof that the program participants will be predominantly income-eligible:

New Programs (Optional): Please answer the following questions for any new programs.

1. Name of Program:
2. How does your Community Needs Assessment Support this initiative? (How is it address a community need?):
3. How did you choose this group/initiative/program?
4. How does this meet one of the CSBG Assurances (Section 676(b)(1) of the act)?
5. How is this helping move program participants out of poverty?
6. How will you determine eligibility?
7. Are there any possible conflicts of interests with CAA staff or board members?
8. What is the breakdown of the cost?
9. If this is a subcontract, how will you monitor subcontractors/subgrantees?

Agency Data and CSBG Annual Report:

1. BCAEO will work with agencies throughout FY27 to utilize empowOR for the CSBG Annual Report and other data tracking and reporting purposes. See CSPM 500 and CSPM 1800. Will your agency be entering its Community Action Plan in empowOR by October 9, 2026?

   ☒ Yes

   If needed, briefly describe any technical assistance your agency needs to meet this deadline:

2. How and how often do you analyze your agency's program data? Do you compare and contrast actual results with targets?

   We analyze program data by using the actual number of clients served from the previous fiscal year as a baseline to plan and set realistic projected numbers for our logic models and following the ROMA cycle. The CSBG Policy Specialist refers to the previous fiscal year's annual report data and plans with program staff to plan for the projected number of clients served for the upcoming fiscal year. After 6 months, we reevaluate if the projected numbers are still accurate and adjust accordingly.

3. Does your agency plan to track volunteer hours using empowOR?

   ☒ Yes ☐ No If no, why not?

4. How does your agency determine if a program participant is a low-income volunteer?

   The Foster Grandparent Program is available for income eligible seniors (at 200% of DHHS Poverty Guidelines), and thus, if a participant is eligible for the program, they are considered low income. As described above, the FGP Coordinator determines eligibility of the program and would collect appropriate documentation of their current income amount. OCED recruits community reviewers to aid in the grant funding decision making process and ensure an equitable grantmaking process. While we are not exclusively looking for low-income volunteers throughout this process, it is important to have a diverse group of individuals to support this process. During the application process, we collect basic demographic information from reviewers, including their household income.

   Our Community Action Board (CAB) consists of 5 members from the consumer (low-income) sector. The low-income or consumer sector representatives are individuals who are from the low- income community or neighborhoods that are served by the CAA. The first step toward joining the board as a consumer is being nominated by a community organization. During the initial application process, we collect demographic information as well as the candidate's address to ensure they live in communities that represent limited income residents. They are also asked specific questions about why they wish to serve on the board and what they hope to achieve in the role. The answers to these questions sometimes mention the intention behind wanting to serve and folks often share information about their low-income community or experiencing poverty.

5. Does your agency plan to track Staff and Board training using empowOR?

   ☒ Yes ☐ No If no, why not?

6. Does your agency plan to enter all program participants and programs fully in empowOR?

   ☐ Yes ☒ No

7. If you answered "No" to Question 6, describe your agency's system(s) and procedures to determine unduplicated counts for programs that are not entered fully in empowOR.

   We utilize import features to upload data from other systems/databases that our agency utilizes across our programs to ensure that we are capturing unduplicated counts.

8. If you answered "No" to Question 6, describe your agency's plan for entering unduplicated demographic, service, and outcome indicator information in empowOR for the CSBG Annual Report.

   We utilize import features to upload data from other systems/databases that our agency utilizes across our programs to ensure that we are capturing unduplicated counts.

9. Does your agency have an internal tracking system to determine unduplicated counts for programs that do not use the statewide system for intake?

   ☒ Yes ☐ No

   If yes, please describe and include the name(s) of the system(s): The OnBase Barrier Busters portal and CAREeVantage are utilized for client management.

10. Describe your agency's process for collecting qualitative data, such as program participant success stories: Exit surveys, in person meetings, and social media

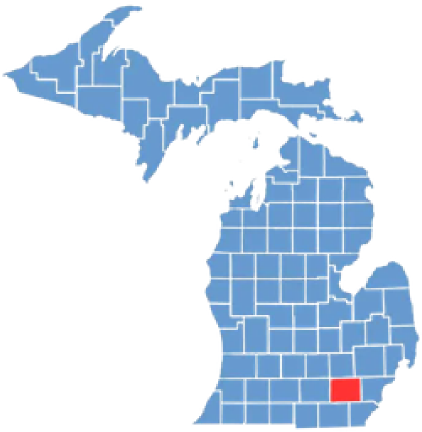
CSBG-Funded Programs: Beginning with the FY27 CSBG Expenditure Plan, CAAs are not required to enter every program administered by the CAA in the Expenditure Plan. Instead, please list all the programs the CAA plans to support with CSBG funding below.

1. Please list all the programs your CAA plans to support with CSBG funding. This should include all programs supported by CSBG, not just programs that include CSBG Specific Assistance.

Name of Program	Planning Amount of CSBG Funding to Support Program
Foster Grandparents (FGP)	155,952.98
Administration	123,463.90
HUD Emergency Solutions Grant	20,819.47
Financial Empowerment Center	45,564.78
Barrier Busters	174,657.91
HMIS	118,226.25
HOME	59,136.90
MESG	44,057.81
Total	$741.880.00

2026

Washtenaw County
Community Needs Assessment



Identifying and addressing critical needs in Washtenaw County

Strong Communities Start With Your Voice

Take the survey today!

Scan the QR code or visit bit.ly/wccna26

Help shape programs in YOUR community

Washtenaw County wants to hear from YOU!

Your feedback helps us:

- Improve housing supports
- Strengthen employment services
- Expand access to health insurance
- Support education and training
- Address financial challenges

Open to all adults in Washtenaw County

Every response strengthens our network

Why is this important?

Community Action Agencies in Michigan follow an ongoing evaluation process that places tremendous weight on the needs of the community. The Needs Assessment is the first and most important step.

Washtenaw County Michigan 1826
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

Parkridge Summerfest Committee
& Joe Dulin Day

SUMMER FEST

SAVE THE DATE

Sat. August 22, 2026

Parkridge Community Center
& Parkridge Park

GROWING HOPE

GROWING HOPE AND
OCED PRESENTS

WASHTENAW COUNTY MICHIGAN 1826

OFFICE OF COMMUNITY &
ECONOMIC DEVELOPMENT

YPSI FOOD FEST

SAVE THE DATE

15 AUGUST 2026

12:00 PM-7:00 PM

More info: Deante@growinghope.net | Follow @Growing Hope on Facebook and @Growingthe Hope on Instagram