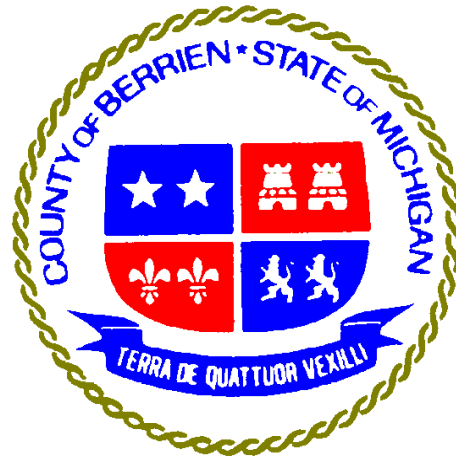


County of Berrien,
Michigan



Year Ended
December 31, 2015

Financial
Statements

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COUNTY OF BERRIEN, MICHIGAN

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INDEPENDENT AUDITORS' REPORT

June 30, 2016

Board of Commissioners
County of Berrien, Michigan
St. Joseph, Michigan**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *County of Berrien, Michigan* (the "County") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Berrien County Road Commission or the Berrien Mental Health Authority which represent 52.7% and 11.0% of the assets and deferred outflows of resources, respectively, 67.3% and 5.1% of the net position, respectively, and 26.5% and 61.0% of the revenues, respectively, of the aggregate discretely presented component units of the County. Those statements were audited by other auditors whose reports were furnished to us, and our opinion, insofar as it relates to the amounts included for the Berrien County Road Commission and Berrien Mental Health Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Berrien, Michigan, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Implementation of GASB Statement No. 68

As described in Note 19, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in the current year. Accordingly, beginning net position of the governmental activities, Berrien County Road Commission and Berrien County Community Mental Health Authority component units were restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules of the defined benefit pension plan and the other postemployment benefits plan as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The 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.

The combining and individual fund financial statements and schedules are 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. Such 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2016 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 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 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 Lobson LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

As management of the County of Berrien, Michigan (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the accompanying audited financial statements.

Financial Highlights

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$82,629,861 (*net position*). Of this amount, \$34,930,826 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's net position increased by \$4,539,014. Net position from governmental activities increased by \$2,866,167 while net position from business-type activities (i.e. delinquent tax funds, public works projects funds) increased by \$1,672,847.
- As of the close of the current fiscal year, the County's governmental funds (which include the general fund, special revenue, debt service, and capital projects funds) reported combined ending fund balances of \$35,313,019, an increase of \$1,524,972 in comparison with the prior year. Of this balance, \$16,606,227 (47.0 percent), is unassigned fund balance.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16,606,227, (31.1 percent), of total general fund expenditures and transfers out.
- The County's total installment debt increased by \$1,121,697 (4.1 percent) during the current fiscal year. The key factor in this increase was the sale of bonds for a water and sewer project making up \$2,464,000.

Overview of the Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include legislative, judicial, general government, public safety, public works, health and welfare, recreation and cultural, and community development. The business-type activities of the County include delinquent tax collections and forfeitures and public works projects.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also legally separate Road Commission, Drain Commission, Brownfield Redevelopment Authority, Economic Development Corporation, Land Bank Authority, and Mental Health Authority for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund 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 43 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, 911 county operational fund, drug enforcement public safety fund and senior citizen fund which are considered to be major funds. Data from the other 39 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 elsewhere in this report.

The County adopts an annual appropriated budget for its general fund and special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget.

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 its delinquent tax revolving fund, delinquent tax foreclosure and personal property tax funds, drain working capital, and various public works projects funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses *internal service funds* to account for its risk management and employee benefit programs. 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 revolving, Benton Township water system fund and the Coloma City water system fund, which are considered to be major funds of the County. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

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

Notes to the 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* concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information on pensions and other postemployment benefits.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82,629,861 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 60,198,343	\$ 59,286,982	\$ 68,146,429	\$ 65,384,977	\$ 128,344,772	\$ 124,671,959
Capital assets, net	38,207,386	37,918,506	68,763	77,593	38,276,149	37,996,099
Total assets	98,405,729	97,205,488	68,215,192	65,462,570	166,620,921	162,668,058
Deferred outflows of resources	6,012,490	-	-	-	6,012,490	-
Long-term liabilities	2,149,846	2,132,546	28,650,299	27,474,946	30,800,145	29,607,492
Other liabilities	46,750,130	4,746,777	1,550,110	1,645,688	48,300,240	6,392,465
Total liabilities	48,899,976	6,879,323	30,200,409	29,120,634	79,100,385	35,999,957
Deferred inflows of resources	10,903,165	8,661,315	-	-	10,903,165	8,661,315
Net position:						
Net investment in capital assets	38,207,386	37,864,850	68,763	77,593	38,276,149	37,942,443
Restricted	9,422,886	8,648,715	-	-	9,422,886	8,648,715
Unrestricted (deficit)	(3,015,194)	35,151,285	37,946,020	36,264,343	34,930,826	71,415,628
Total net position	\$ 44,615,078	\$ 81,664,850	\$ 38,014,783	\$ 36,341,936	\$ 82,629,861	\$ 118,006,786

A portion of the County's net position, \$38,276,149 (46.3 percent) reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position of \$9,419,361 (11.4 percent) represents resources that are subject to external restrictions on how they may be used. The County may use the remaining balance of *unrestricted net position* of \$34,930,826 (42.3 percent) to meet its ongoing obligations to citizens and creditors.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in the current year. In addition to expanded disclosure requirements, the County is required to report a net pension liability on the statement of net position. This change has resulted in total net position of governmental activities of (\$44,615,078). Of this amount, (\$3,015,194) is unrestricted net position (deficit), \$38,207,386 is net investment in capital assets and \$9,422,886 is restricted for other purposes. The operating results of the general fund will have a significant impact on the change in unrestricted net position from year to year.

There was a increase of \$774,171 in restricted net position reported in connection with the County's governmental activities. This increase was a result of a net increase in functional activities of \$755,324 led by the 911 operational fund increase of \$844,988, child care fund increase of \$430,684 partially offset by a decrease in the drug enforcement/public safety fund of \$381,271.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 13,781,663	\$ 13,584,933	\$ 7,026,562	\$ 3,966,168	\$ 20,808,225	\$ 17,551,101
Operating grants and contributions	25,336,046	24,614,249	1,393,433	-	26,729,479	24,614,249
General revenues:						
Property taxes	44,417,882	43,557,763	-	-	44,417,882	43,557,763
Grants and contributions not restricted to specific programs	253,057	266,501	-	-	253,057	266,501
Unrestricted investment earnings	28,740	36,332	-	-	28,740	36,332
Total revenues	83,817,388	82,059,778	8,419,995	3,966,168	92,237,383	86,025,946
Expenses						
Legislative	1,633,743	1,939,686	-	-	1,633,743	1,939,686
Judicial	10,282,136	10,152,618	-	-	10,282,136	10,152,618
General government	19,480,459	19,759,389	-	-	19,480,459	19,759,389
Public safety	24,736,581	25,809,676	-	-	24,736,581	25,809,676
Public works	565,731	675,347	-	-	565,731	675,347
Health and welfare	20,183,876	18,607,454	-	-	20,183,876	18,607,454
Recreation and cultural	1,421,903	1,682,469	-	-	1,421,903	1,682,469
Community development	1,836,439	2,188,631	-	-	1,836,439	2,188,631
Other governmental activities	809,668	867,924	-	-	809,668	867,924
Interest on long-term debt	685	3,541	-	-	685	3,541
Delinquent tax collections/forfeitures	-	-	1,692,611	787,355	1,692,611	787,355
Public works projects	-	-	5,054,537	1,239,135	5,054,537	1,239,135
Total expenses	80,951,221	81,686,735	6,747,148	2,026,490	87,698,369	83,713,225
Change in net position, before transfers	2,866,167	373,043	1,672,847	1,939,678	4,539,014	2,312,721
Transfers	-	4,000,000	-	(4,000,000)	-	-
Change in net position	2,866,167	4,373,043	1,672,847	(2,060,322)	4,539,014	2,312,721
Net position:						
Beginning of year	81,664,850	77,291,807	36,341,936	38,402,258	118,006,786	115,694,065
Restatement for implementation of GASB 68	(39,915,939)	-	-	-	(39,915,939)	-
End of year	\$ 44,615,078	\$ 81,664,850	\$ 38,014,783	\$ 36,341,936	\$ 82,629,861	\$ 118,006,786

COUNTY OF BERRIEN, MICHIGAN

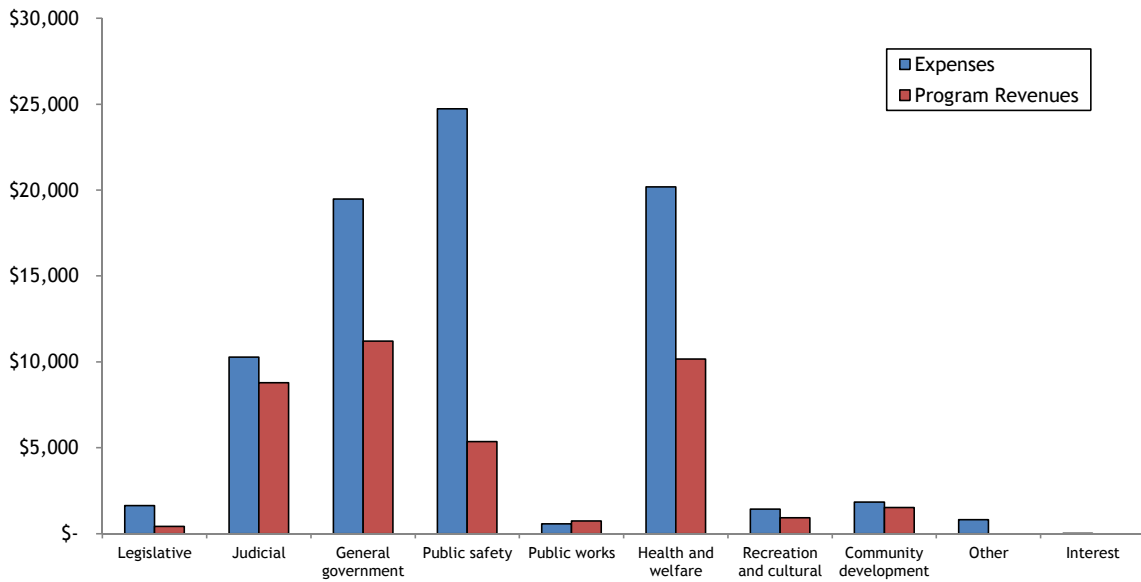
Management's Discussion and Analysis

The County's net position increased by \$4,539,014 during the current fiscal year. This increase was driven by a governmental activities increase of \$2,866,167 and an increase in business-type activities balances of \$1,672,847.

Governmental Activities. Governmental activities increased the County's net position by \$2,866,167. Key elements of this increase are as follows:

- Increased charges for services of \$196,730 (1.4 percent).
- Increased operating grants and contributions of \$721,797 (2.9 percent).
- Increase in property taxes of \$860,119 (2.0 percent) driven by a slight increase in taxable values and payments in lieu of taxes.
- Decrease in expenses of \$735,514 (0.9 percent) driven by a decrease in health and welfare expenses of \$1,576,422.
- Decrease in transfers from the tax revolving fund (business-type activities) \$3,971,605.
- Loss on sale of assets of \$713,100.

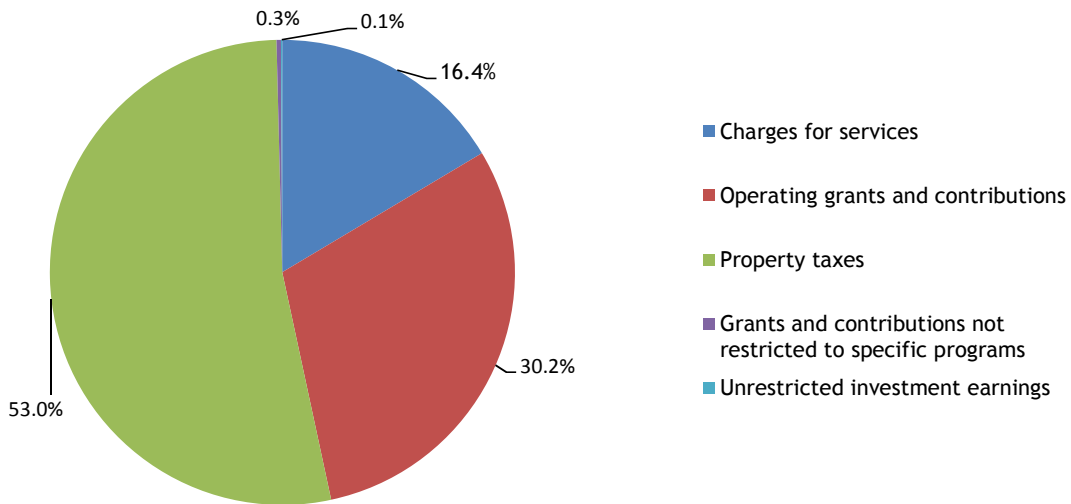
Expenses and Program Revenues - Governmental Activities (in thousands)



COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

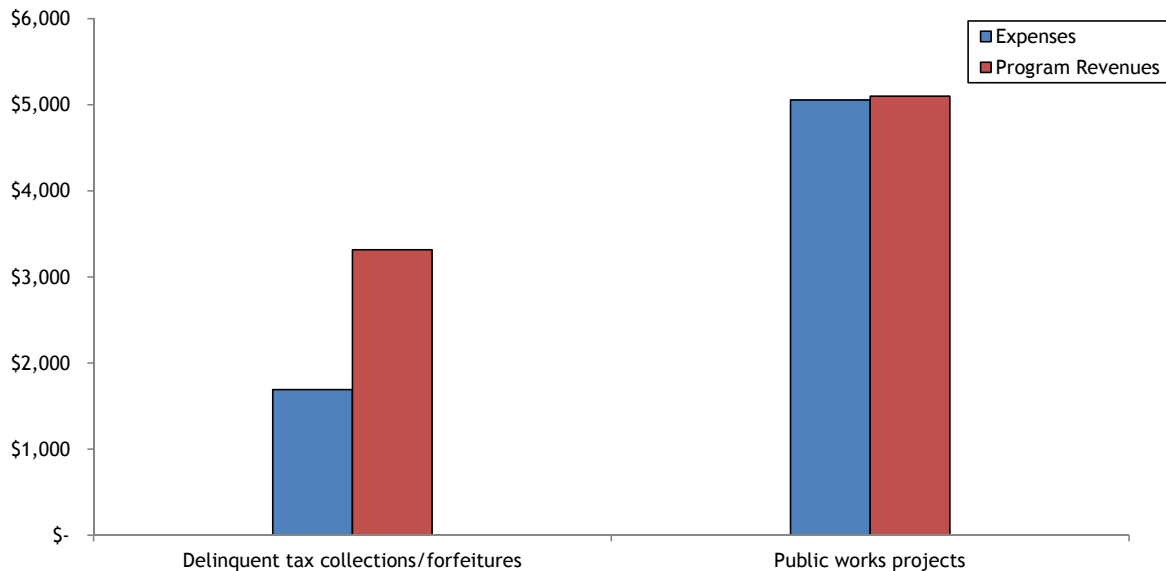
General Revenues by Source - Governmental Activities



Business-type Activities. Business-type activities increased the County’s net position by \$1,672,847. Key elements of this increase are as follows:

- Delinquent Tax Revolving Fund increase of \$1,845,512 is driven by admin and interest revenue continuing to outpace expenditures.

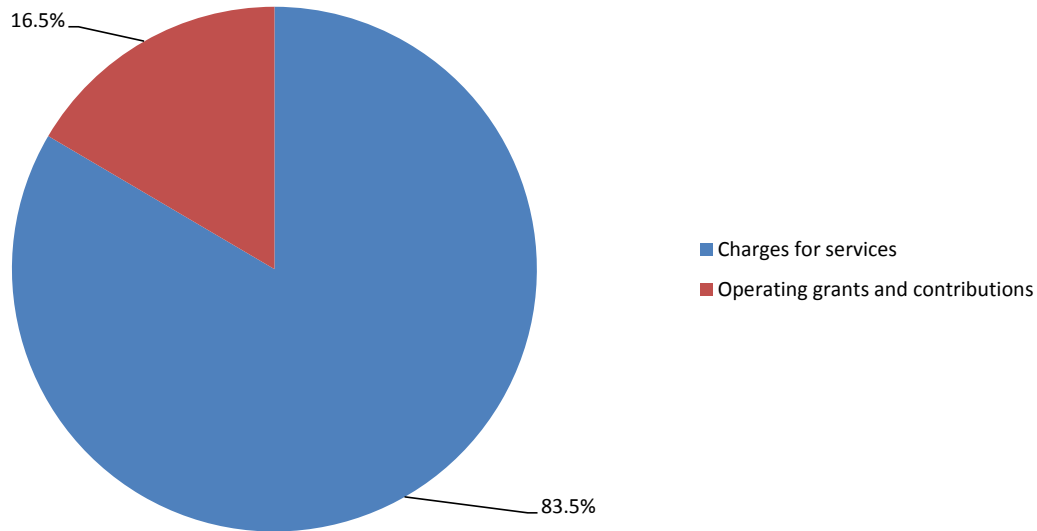
Expenses and Program Revenues - Business-type Activities (in thousands)



COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Revenues by Source - Business-type Activities



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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$35,313,019, an increase of \$1,524,972 in comparison with the prior year. Approximately half of the total amount (\$16,606,227 or 47.0 percent) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has already been 1) advanced to other funds or component units (\$2,245,765), 2) restricted for various purposes (\$6,672,301) or 3) committed for various projects (\$9,788,726).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,606,227, while total fund balance reached \$18,701,316. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 31.1 percent of total general fund expenditures and transfers out, while total fund balance represents 35.0 percent of that same amount.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

The fund balance of the County's general fund increased by \$1,323,785 during the current fiscal year. Key factors in this increase are as follows:

- An increase in tax revenues of \$920,416, driven by current taxes real property taxes of \$929,798, created by an increase in taxable values, increase in delinquent real tax collections of \$113,280 and industrial/commercial taxes of \$45,893, partially offset by decrease in payment in lieu of taxes of \$168,822.
- An increase in intergovernmental revenue of \$489,192 created by an increase in state revenue sharing of \$496,800, state cobo hall revenue sharing of \$100,772 partially offset by a decrease in state reimbursed prisoner care of \$37,279 and grants and state reimbursements of \$71,581.
- An increase in charges for services of \$366,158 driven by an increase in trial court cost charges for \$330,418, public safety/jail services of \$72,489, and register of deeds fees of \$37,971 partially offset by a decrease in other judicial charges of \$55,090, and other charges and fees of \$19,630.
- A decrease in licenses and permits revenue of \$32,941.
- A decrease in fines and forfeitures of \$28,313.
- An increase in other revenues and reimbursements of \$387,307 driven primarily by an insurance refund of \$350,000.
- An increase in expenditures of \$579,106 (1.3 percent) of which \$957,602 is employee costs for salaries and fringe benefits, decrease in appropriations to outside agencies of \$388,198, and \$9,702 in increase in other non-personnel costs.
- An increase in interfund net transfer expense of \$381,311.
- A decrease in capital lease expenditures of \$74,672.

The fund balance of the 911 county operational fund increased by \$844,988, primarily due to tax collections outpacing required expenditures for the year.

The fund balance of the drug enforcement public safety fund decreased by \$381,271, primarily due to appropriations for public safety activities outpacing tax revenues for the year.

The fund balance of the senior citizen fund decreased by \$5,521, primarily due to distribution of tax collections from the prior year.

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

Unrestricted net position of the delinquent tax revolving funds at the end of the year amounted to \$36,433,961. An increase in net position of \$1,845,512 was driven charges for services outpacing ongoing operations costs.

General Fund Budgetary Highlights

The general fund budgeted for no change in fund balance and the actual increase in fund balance was \$1,323,785. Budgetary variances are as follows:

- Tax revenues had a favorable budgetary variance of \$413,658, the majority of which is better than anticipated current property tax and payment in lieu of tax collections of \$594,000 partially offset by lower than anticipated delinquent tax collections of \$181,000.
- Charges for services had a favorable budgetary variance \$272,173. The variance is made up of registrar of deeds fees \$266,103, county clerk fees \$80,225 partially offset by judicial fees \$188,923, public safety \$29,642, and all other functional areas for net favorable \$144,410.
- Other revenue had a favorable budget variance of \$131,912 created by a better than anticipated postage reimbursement \$47,069, election reimbursements \$25,240, economic development \$25,781 and info technology \$15,437 partially offset by less than anticipated jail reimbursements \$19,963, and all other functional areas net favorable \$38,348.
- Lower than projected licenses and permits of \$53,936 and fines and forfeitures of \$96,702.
- All other revenue categories net favorable \$2,665.
- Other financing sources unfavorable \$1,314,196 due to lower than budgeted transfers in from other funds.
- Expenditures had an overall favorable budgetary variance of \$1,958,721. Almost all functional areas contributed to a favorable variance compared to the original budget of \$3,088,419.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

The general fund amended budget had appropriations to other funds (transfers out) of \$9,600,671. Actual appropriations were \$9,591,181.

During the year, there was a \$1,129,698 decrease in appropriations between the original and final amended budget. The key factor in this change was a \$1,827,000 decrease in other governmental activities primarily related to the decrease in contingencies.

Capital Asset and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of December 31, 2015 amounted to \$38,276,149 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and equipment. The total increase in the County's investment in capital assets for the current fiscal year was .74 percent (a .76 percent increase for governmental activities and a 11.4 percent decrease for business-type activities).

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

- Acquisition of law enforcement vehicles at a cost of \$331,941.
- Acquisition of new busses for Berrien Bus at a cost of \$167,350.
- Acquisition of additional land for Love Creek Park at a cost of \$211,995.
- Remodeling of Napier Health Department and County Conference Center at a cost of \$1,254,803.
- Construction of Napier Animal Control facility at a cost of \$929,361.
- Acquisition of fleet, animal control, and maintenance vehicles and equipment at a cost of \$179,730.
- Upgrade of juvenile center building and equipment at a cost of \$117,277.
- Improvements, facilities, and equipment at various parks at a cost of \$101,063.
- Upgrades of computer network, storage equipment, and computers at a cost of \$170,219.
- Building and grounds improvements and remodeling at various buildings at a cost of \$200,207.
- Upgrade 911 equipment and software at a cost of \$75,013.
- Acquisition of Jail Management system at a cost of \$146,685.
- Acquisition of various software and equipment at a cost of \$78,282.
- Disposal of old Health Department facilities with a net book value of \$1,247,981.
- Disposal of other assets with a net book value of \$77,411.
- Annual depreciation of assets in the amount of \$2,350,153.

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 5,419,465	\$ 6,022,232	\$ -	\$ -	\$ 5,419,465	\$ 6,022,232
Construction in progress	1,207,077	2,518,219	-	-	1,207,077	2,518,219
Land improvements	1,540,968	1,506,794	-	-	1,540,968	1,506,794
Buildings	25,125,982	22,926,211	-	-	25,125,982	22,926,211
Equipment	4,913,894	4,945,050	68,763	77,593	4,982,657	5,022,643
Total capital assets, net	\$ 38,207,386	\$ 37,918,506	\$ 68,763	\$ 77,593	\$ 38,276,149	\$ 37,996,099

The County conducts an annual inventory of its capital assets and an appraisal for insurance purposes using an outside service.

Additional information on the County's capital assets can be found in Note 6 of this report.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Long-Term Debt. At the end of the current fiscal year, the County had total debt outstanding of \$28,650,299 excluding compensated absences, which is fully backed by the full faith and credit of the government.

	Bonds and Notes					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ -	\$ -	\$28,758,924	\$27,589,924	\$ 28,758,924	\$ 27,589,924
Capital leases payable	-	53,656	-	-	-	53,656
Unamortized bond discount	-	-	(108,625)	(114,978)	(108,625)	(114,978)
Total	\$ -	\$ 53,656	\$28,650,299	\$27,474,946	\$ 28,650,299	\$ 27,528,602

The County's total installment debt increased by \$1,121,697 (4.1 percent) during the current fiscal year. The key factor in this increase is sale of Oronoko Township Water & Sewer Bonds in the amount of \$2,498,000 less payments on all water and sewer bonds of \$1,329,000.

The County maintains an "AA" rating from Standard & Poors for its general obligation debt. The Standard & Poors rating reflects the County's recent history of strong financial reserves and maintenance of a low overall debt burden.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total state equalized valuation. The current debt limitation for the County is \$917,134,000 which is significantly higher than the County's outstanding general obligation debt.

In May 2016, the County issued \$11,000,000 of general obligation limited tax notes to finance the Delinquent Tax Revolving Fund as part of its normal operating process.

Additional information on the County's long-term debt can be found in Note 9 of this report.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the County's budget for the 2016 fiscal year:

- The average annual unemployment rate for the County for 2015 was 5.0 percent, which is down approximately 1.8 percent from a year ago. This is slightly better than the State's average annual unemployment rate of 5.4 percent and national average of 5.3 percent for 2015. The average unemployment rate for the County for 2016 through April is 4.7 percent.
- Inflationary trends for Berrien County compare closely to national indices. Consumer Price Index annual percentage increases are slightly lower than the national average, however slightly higher than the State of Michigan.
- Economic developments of a few years ago slowed taxable value growth. Over the last couple of years taxable values have increased slightly. The 2016 budget assumes taxable values increase from the 2015 taxable valuation by 2.3 percent.
- Interest rates have declined over the past few years. The 2016 budget assumes the continuation of these poor rates.
- Each year, the State of Michigan provides guidance on state revenue sharing the County is to receive during the year. The 2016 budget reflects this guidance.
- Defined benefit plan maintenance costs are a large cost to the County. The 2016 employer contribution percentages as determined by actuarial recommendations are down slightly from 2015 budget.
- Health insurance coverage for the County is self-funded. The County, as other governmental entities and the private sector, has experienced cost pressures over time. In order to mitigate these costs while maintaining the same level of benefit, the employee's share of health insurance cost has increased by 1.0 percent for 2016 from the 2015 budgeted level.

During the current fiscal year, unassigned fund balance in the general fund was \$16,606,227. The County has committed to maintaining a sufficient general fund balance to provide fiscal flexibility and to meet unforeseen emergencies. The County has adopted a balanced budget for 2016 without the need to appropriate any of this amount for spending. It is intended that this approach will avoid the need to raise taxes or charges during the 2016 fiscal year.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County of Berrien's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the County of Berrien Administration Center, Financial Services Department, 701 Main Street, St. Joseph, Michigan 49085-1316.

BASIC FINANCIAL STATEMENTS

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COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position

December 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 22,574,313	\$ 4,044,665	\$ 26,618,978	\$ 29,341,808
Investments	20,394,604	24,185,595	44,580,199	1,224,937
Restricted cash	1,771,986	-	1,771,986	1,013,527
Receivables, net	14,842,203	38,424,181	53,266,384	29,016,334
Internal balances	(1,450,000)	1,450,000	-	-
Prepaid items and other assets	1,236,638	41,988	1,278,626	1,762,683
Net other postemployment benefit asset	828,599	-	828,599	-
Capital assets not being depreciated	6,626,542	-	6,626,542	17,156,150
Capital assets being depreciated, net	31,580,844	68,763	31,649,607	80,813,645
Total assets	98,405,729	68,215,192	166,620,921	160,329,084
Deferred outflows of resources				
Deferred pension amounts	6,012,490	-	6,012,490	1,084,261
Liabilities				
Accounts payable and accrued expenses	3,309,422	1,550,110	4,859,532	15,010,272
Unearned revenue	543,905	-	543,905	-
Long-term liabilities:				
Due within one year	2,149,846	1,332,399	3,482,245	2,526,875
Due in more than one year	-	27,317,900	27,317,900	22,525,405
Net pension liability	42,896,803	-	42,896,803	6,001,224
Net other postemployment benefit obligation	-	-	-	495,787
Total liabilities	48,899,976	30,200,409	79,100,385	46,559,563
Deferred inflows of resources				
Taxes levied for a subsequent period	8,812,488	-	8,812,488	-
Deferred pension amounts	2,090,677	-	2,090,677	442,210
Total deferred inflows of resources	10,903,165	-	10,903,165	442,210
Net position				
Net investment in capital assets	38,207,386	68,763	38,276,149	80,351,769
Restricted for:				
Judicial	150,934	-	150,934	-
Public safety	2,900,042	-	2,900,042	-
Health and welfare	1,938,924	-	1,938,924	-
Recreation and cultural	352,237	-	352,237	-
State mandated programs and other purposes	3,166,273	-	3,166,273	3,766,328
Capital projects	910,951	-	910,951	-
Debt service	3,525	-	3,525	-
Unrestricted (deficit)	(3,015,194)	37,946,020	34,930,826	30,293,475
Total net position	\$ 44,615,078	\$ 38,014,783	\$ 82,629,861	\$ 114,411,572

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$ 1,633,743	\$ 8,045	\$ 418,935	\$ -	\$ (1,206,763)
Judicial	10,282,136	4,428,034	4,360,690	-	(1,493,412)
General government	19,480,459	2,948,652	8,259,289	-	(8,272,518)
Public safety	24,736,581	4,011,262	1,351,268	-	(19,374,051)
Public works	565,731	734,152	764	-	169,185
Health and welfare	20,183,876	590,960	9,567,201	-	(10,025,715)
Recreation and cultural	1,421,903	544,311	376,144	-	(501,448)
Community development	1,836,439	516,247	1,001,755	-	(318,437)
Other governmental activities	809,668	-	-	-	(809,668)
Interest on long-term debt	685	-	-	-	(685)
Total governmental activities	80,951,221	13,781,663	25,336,046	-	(41,833,512)
Business-type activities:					
Delinquent tax collections/forfeitures	1,692,611	3,317,076	557	-	1,625,022
Public works projects	5,054,537	3,709,486	1,392,876	-	47,825
Total business-type activities	6,747,148	7,026,562	1,393,433	-	1,672,847
Total primary government	\$ 87,698,369	\$ 20,808,225	\$ 26,729,479	\$ -	\$ (40,160,665)
Component units					
Road commission	\$ 17,364,908	\$ -	\$ 18,176,133	\$ -	\$ 811,225
Drain commission	2,779,913	4,500	7,113,067	-	4,337,654
Brownfield redevelopment authority	446,946	18,052	5,999	-	(422,895)
Economic development corporation	56,885	12,000	8,955	-	(35,930)
Land bank authority	482,189	32,922	457,867	-	8,600
Community mental health authority	42,589,316	37,459,532	4,311,466	-	(818,318)
Total component units	\$ 63,720,157	\$ 37,527,006	\$ 30,073,487	\$ -	\$ 3,880,336

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COUNTY OF BERRIEN, MICHIGAN

Statement of Activities For the Year Ended December 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expenses) revenues	<u>\$ (41,833,512)</u>	<u>\$ 1,672,847</u>	<u>\$ (40,160,665)</u>	<u>\$ 3,880,336</u>
General revenues:				
Property taxes	44,417,882	-	44,417,882	1,060,111
Grants and contributions not restricted to specific programs	253,057	-	253,057	-
Unrestricted investment earnings	<u>28,740</u>	<u>-</u>	<u>28,740</u>	<u>-</u>
Total general revenues and transfers	<u>44,699,679</u>	<u>-</u>	<u>44,699,679</u>	<u>1,060,111</u>
Change in net position	2,866,167	1,672,847	4,539,014	4,940,447
Net position, beginning of year, as restated	<u>41,748,911</u>	<u>36,341,936</u>	<u>78,090,847</u>	<u>109,471,125</u>
Net position, end of year	<u>\$ 44,615,078</u>	<u>\$ 38,014,783</u>	<u>\$ 82,629,861</u>	<u>\$ 114,411,572</u>

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Balance Sheet
 Governmental Funds
 December 31, 2015

	General (1010)	911 County Operational (2610)	Drug Enforcement Public Safety (2175/2640)	Senior Citizen (2700)	Nonmajor Governmental Funds	Total
Assets						
Cash and investments	\$ 3,628,098	\$ 1,216,406	\$ 578,860	\$ 119,242	\$ 11,574,830	\$ 17,117,436
Investments	14,714,519	1,158,029	-	-	2,132,944	18,005,492
Receivables:						
Accounts	34,010	3,400	-	-	80,485	117,895
Taxes - current	2,019,305	3,161,468	2,460,558	2,110,041	701,719	10,453,091
Due from other governments	74,916	-	181,663	-	1,936,995	2,193,574
Notes	-	-	-	-	232,643	232,643
Prepaid expenditures	89	-	-	-	676	765
Advances to other funds	250,000	-	-	-	-	250,000
Advances to component units	1,845,000	-	-	-	-	1,845,000
Total assets	\$ 22,565,937	\$ 5,539,303	\$ 3,221,081	\$ 2,229,283	\$ 16,660,292	\$ 50,215,896
Liabilities						
Accounts payable	\$ 153,700	\$ 2,807	\$ 7,287	\$ -	\$ 534,405	\$ 698,199
Accrued expenses	573,611	39,481	4,487	-	215,878	833,457
Due to other governments	-	-	-	-	272,557	272,557
Interfund payable	-	-	-	-	354,961	354,961
Advances from other funds	1,450,000	-	-	-	250,000	1,700,000
Unearned revenue	-	-	-	-	543,905	543,905
Total liabilities	2,177,311	42,288	11,774	-	2,171,706	4,403,079
Deferred inflows of resources						
Unavailable revenue - property taxes	1,687,310	-	-	-	-	1,687,310
Taxes levied for a subsequent period	-	3,303,368	2,571,243	2,204,636	733,241	8,812,488
Total deferred inflows of resources	1,687,310	3,303,368	2,571,243	2,204,636	733,241	10,499,798
Fund balances						
Nonspendable	2,095,089	-	-	-	150,676	2,245,765
Restricted	-	2,193,647	638,064	24,647	3,815,943	6,672,301
Committed	-	-	-	-	9,788,726	9,788,726
Unassigned	16,606,227	-	-	-	-	16,606,227
Total fund balances	18,701,316	2,193,647	638,064	24,647	13,755,345	35,313,019
Total liabilities, deferred inflows of resources and fund balances	\$ 22,565,937	\$ 5,539,303	\$ 3,221,081	\$ 2,229,283	\$ 16,660,292	\$ 50,215,896

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

COUNTY OF BERRIEN, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
December 31, 2015

Fund balances - total governmental funds	\$ 35,313,019
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore not reported in the funds.	
Capital assets not being depreciated	6,626,542
Capital assets being depreciated, net	31,580,844
Other long-term assets are not available to pay for current-period expenditures and therefore are not recorded in the funds.	
Unavailable property taxes	1,687,310
Governmental funds report expenditures equal to amounts contributed to defined benefit other postemployment benefit plans (OPEB). However, in the statement of activities, net OPEB costs are equal to the actuarially determined net OPEB costs. Differences between actuarially determined net OPEB costs and annual contributions are accumulated and reported as a net OPEB asset.	
Net OPEB cost in excess of contributions made	828,599
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.	
Net position of governmental activities accounted for in internal service funds	9,703,600
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Compensated absences	(2,149,846)
Certain pension-related amounts, such as the net pension liability 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	(42,896,803)
Deferred outflows related to the net pension liability	6,012,490
Deferred inflows related to the net pension liability	(2,090,677)
Net position of governmental activities	<u>\$ 44,615,078</u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2015

	General (1010)	911 County Operational (2610)	Drug Enforcement Public Safety (2175/2640)	Senior Citizen (2700)	Nonmajor Governmental Funds	Total
Revenues						
Property taxes	\$ 35,761,260	\$ 3,242,386	\$ 2,524,636	\$ 2,166,077	\$ 721,848	\$ 44,416,207
Licenses and permits	236,515	-	-	-	331,612	568,127
Intergovernmental revenue	7,145,208	-	600,159	-	11,643,984	19,389,351
Charges for services	6,663,955	1,213,097	1,913	-	4,865,755	12,744,720
Fines and forfeitures	463,298	-	-	-	5,518	468,816
Interest revenue	85,260	29	-	-	13,930	99,219
Other revenue	3,266,218	1,000	49,832	-	2,812,220	6,129,270
Total revenues	53,621,714	4,456,512	3,176,540	2,166,077	20,394,867	83,815,710
Expenditures						
Current expenditures:						
Legislative	1,352,421	-	-	-	-	1,352,421
Judicial	9,041,219	-	940,215	-	3,265,659	13,247,093
General government	14,376,352	-	-	-	3,934,159	18,310,511
Public safety	16,707,709	3,611,524	2,777	-	5,314,334	25,636,344
Public works	394,670	-	-	-	171,534	566,204
Health and welfare	640,007	-	-	2,171,598	16,440,820	19,252,425
Recreation and cultural	-	-	-	-	1,759,597	1,759,597
Community development	476,777	-	-	-	1,365,689	1,842,466
Other governmental activities	814,155	-	-	-	-	814,155
Debt service:						
Principal	53,656	-	-	-	-	53,656
Interest and fiscal charges	425	-	-	-	260	685
Total expenditures	43,857,391	3,611,524	942,992	2,171,598	32,252,052	82,835,557
Revenues over (under) expenditures	9,764,323	844,988	2,233,548	(5,521)	(11,857,185)	980,153
Other financing sources (uses)						
Transfers in	1,150,643	-	292,153	-	12,364,440	13,807,236
Transfers out	(9,591,181)	-	(2,906,972)	-	(1,309,083)	(13,807,236)
Proceeds from sale of capital assets	-	-	-	-	544,819	544,819
Total other financing sources (uses)	(8,440,538)	-	(2,614,819)	-	11,600,176	544,819
Net change in fund balances	1,323,785	844,988	(381,271)	(5,521)	(257,009)	1,524,972
Fund balances, beginning of year	17,377,531	1,348,659	1,019,335	30,168	14,012,354	33,788,047
Fund balances, end of year	\$ 18,701,316	\$ 2,193,647	\$ 638,064	\$ 24,647	\$ 13,755,345	\$ 35,313,019

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

COUNTY OF BERRIEN, MICHIGAN

Reconciliation

Net Changes in Fund Balance of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended December 31, 2015

Net change in fund balances - total governmental funds	\$ 1,524,972
Amounts reported for <i>governmental activities</i> 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.	
Acquisition/construction of capital assets	3,964,425
Depreciation expense	(2,350,153)
Net book value of capital asset disposals	(1,325,392)
Revenues in the statement of activities that do not provide current resources are not reported as revenues in the funds.	
Change in unavailable property taxes	1,675
Governmental funds report expenditures equal to amounts contributed to defined benefit other postemployment benefit (OPEB) plans. However, in the statement of activities, net OPEB costs are equal to actuarially determined net OPEB costs.	
Excess contributions over net OPEB cost	(405,866)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term debt	53,656
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 governmental funds.	
Net pension liability and related deferred amounts	940,949
Change in accrued compensated absences	(70,956)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The net revenue of the internal service fund is reported with governmental activities.	
Interest revenue from governmental internal service fund	3
Net operating income from governmental activities accounted for internal service funds	<u>532,854</u>
Change in net position of governmental activities	<u>\$ 2,866,167</u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 35,347,602	\$ 35,347,602	\$ 35,761,260	\$ 413,658
Licenses and permits	290,450	290,451	236,515	(53,936)
Intergovernmental revenues	7,149,078	7,149,078	7,145,208	(3,870)
Charges for services	6,391,782	6,391,782	6,663,955	272,173
Fines and forfeitures	560,000	560,000	463,298	(96,702)
Interest revenue	78,725	78,725	85,260	6,535
Other revenue	3,134,306	3,134,306	3,266,218	131,912
Total revenues	52,951,943	52,951,944	53,621,714	669,770
Expenditures				
Legislative:				
Board of Commissioners	554,703	659,071	616,138	(42,933)
Appropriations to outside agencies	713,743	736,283	736,283	-
Total legislative	1,268,446	1,395,354	1,352,421	(42,933)
Judicial:				
Circuit court	287,307	328,438	318,764	(9,674)
District court	2,252,694	2,252,694	2,181,874	(70,820)
Probate court	298,510	301,510	246,663	(54,847)
Jury board	33,895	33,895	29,023	(4,872)
Family court intake	723,325	725,507	704,630	(20,877)
Tri-court cashiering unit	872,708	874,698	806,762	(67,936)
Trial court	3,028,954	2,975,231	2,809,470	(165,761)
District court probation	640,401	656,485	627,516	(28,969)
Adult probation	97,058	97,058	91,539	(5,519)
Juvenile probation	561,096	561,096	529,603	(31,493)
Probate court administration	672,790	704,574	695,375	(9,199)
Total judicial	9,468,738	9,511,186	9,041,219	(469,967)

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COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (continued)				
General government:				
Elections	\$ 98,829	\$ 134,370	\$ 132,934	\$ (1,436)
County Administrator	229,867	238,607	233,585	(5,022)
Clerk	1,011,551	1,034,921	1,019,739	(15,182)
Equalization	599,582	600,382	543,279	(57,103)
Personnel	361,043	391,844	385,234	(6,610)
Purchasing	69,480	71,980	68,714	(3,266)
Corporate counsel	159,538	231,296	213,973	(17,323)
Prosecutor	2,666,835	2,801,443	2,746,767	(54,676)
Register of deeds	336,416	352,796	347,010	(5,786)
Treasurer	482,290	482,290	416,961	(65,329)
Courthouse and grounds	1,383,454	1,396,479	1,298,802	(97,677)
Building authority	229	635	491	(144)
South county building	410,086	427,286	366,053	(61,233)
Other county property	173,047	184,596	140,498	(44,098)
Administration center	300,309	311,584	230,227	(81,357)
2100 complex	208,846	232,681	176,640	(56,041)
HD Buildings and grounds	161,252	160,247	146,729	(13,518)
Surveyor	75	75	-	(75)
Training facility	29,792	28,392	18,052	(10,340)
Drain commissioner	287,181	292,235	276,404	(15,831)
Building security	654,387	655,377	603,027	(52,350)
Financial services	660,845	657,921	586,401	(71,520)
Napier building	175,542	182,622	114,615	(68,007)
Telephone switchboard-central	148,987	148,862	145,727	(3,135)
Printing and microfilming	338,739	338,739	323,765	(14,974)
Mailing services	403,159	324,640	278,020	(46,620)
Motor pool	359,595	361,471	334,437	(27,034)
Information systems	2,175,540	2,175,540	2,133,570	(41,970)
GIS/mapping	355,111	355,611	341,685	(13,926)
Automation upgrade	148,500	148,500	122,605	(25,895)
Survey and remonumentation	92,660	100,671	81,493	(19,178)
Copy center	5,084	6,199	6,198	(1)
Cooperative extension service	282,826	293,029	293,382	353
Records center	246,694	255,594	249,335	(6,259)
Total general government	15,017,371	15,378,915	14,376,352	(1,002,563)

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (continued)				
Public safety:				
Sheriff's office and road patrol	\$ 5,119,085	\$ 5,256,612	\$ 5,207,751	\$ (48,861)
Jail inmate rehabilitation	26,157	26,157	26,157	-
Sheriff's department radios	101,450	101,352	96,402	(4,950)
Law enforcement training facility	7,900	2,381	2,352	(29)
Jail division	9,605,299	9,629,879	9,516,755	(113,124)
Jail maintenance	948,571	989,996	831,262	(158,734)
Emergency management	463,016	422,311	419,331	(2,980)
Animal control	652,818	654,841	607,699	(47,142)
Livestock claims	100	100	-	(100)
Total public safety	16,924,396	17,083,629	16,707,709	(375,920)
Public works -				
Appropriations to outside agencies	394,673	394,673	394,670	(3)
Health and welfare:				
Contagious disease	52,505	52,505	20,094	(32,411)
Veterans services	110,423	117,543	114,813	(2,730)
Veterans burial	10,000	10,000	5,100	(4,900)
Appropriations to outside agencies	500,000	500,000	500,000	-
Total health and welfare	672,928	680,048	640,007	(40,041)
Community development:				
Economic development	502,389	502,109	474,855	(27,254)
Plat board	2,387	2,387	1,922	(465)
Total community development	504,776	504,496	476,777	(27,719)
Other governmental activities:				
Contingencies	1,766,327	-	-	-
Insurance and surety bonds	874,499	814,155	814,155	-
Total other governmental activities	2,640,826	814,155	814,155	-

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (concluded)				
Debt service:				
Principal	\$ 53,231	\$ 53,231	\$ 53,656	\$ 425
Interest and fiscal charges	425	425	425	-
Total debt service	<u>53,656</u>	<u>53,656</u>	<u>54,081</u>	<u>425</u>
 Total expenditures	 <u>46,945,810</u>	 <u>45,816,112</u>	 <u>43,857,391</u>	 <u>(1,958,721)</u>
 Revenues over expenditures	 <u>6,006,133</u>	 <u>7,135,832</u>	 <u>9,764,323</u>	 <u>2,628,491</u>
 Other financing sources (uses)				
Transfers in	2,464,839	2,464,839	1,150,643	(1,314,196)
Transfers out	<u>(8,470,972)</u>	<u>(9,600,671)</u>	<u>(9,591,181)</u>	<u>(9,490)</u>
 Total other financing uses	 <u>(6,006,133)</u>	 <u>(7,135,832)</u>	 <u>(8,440,538)</u>	 <u>(1,304,706)</u>
 Net change in fund balance	 -	 -	 1,323,785	 1,323,785
 Fund balance, beginning of year	 <u>17,377,531</u>	 <u>17,377,531</u>	 <u>17,377,531</u>	 <u>-</u>
 Fund balance, end of year	 <u>\$ 17,377,531</u>	 <u>\$ 17,377,531</u>	 <u>\$ 18,701,316</u>	 <u>\$ 1,323,785</u>

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - 911 County Operational Fund

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 3,266,321	\$ 3,266,321	\$ 3,242,386	\$ (23,935)
Charges for services	1,205,815	1,205,815	1,213,097	7,282
Interest revenue	-	-	29	29
Other revenue	52,000	52,000	1,000	(51,000)
Total revenues	4,524,136	4,524,136	4,456,512	(67,624)
Expenditures				
Public safety	4,063,061	4,246,312	3,611,524	(634,788)
Net change in fund balance	461,075	277,824	844,988	567,164
Fund balance, beginning of year	1,348,659	1,348,659	1,348,659	-
Fund balance, end of year	\$ 1,809,734	\$ 1,626,483	\$ 2,193,647	\$ 567,164

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Drug Enforcement Public Safety

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 2,558,935	\$ 2,558,935	\$ 2,524,636	\$ (34,299)
Intergovernmental revenue	640,718	1,202,881	600,159	(602,722)
Charges for services	3,500	3,500	1,913	(1,587)
Other revenue	36,165	-	49,832	49,832
Total revenues	3,239,318	3,765,316	3,176,540	(588,776)
Expenditures				
Judicial	991,689	1,548,739	940,215	(608,524)
Public safety	-	13,115	2,777	(10,338)
Total expenditures	991,689	1,561,854	942,992	(618,862)
Revenues over expenditures	2,247,629	2,203,462	2,233,548	30,086
Other financing sources (uses)				
Transfers in	311,306	312,617	292,153	(20,464)
Transfers out	(2,863,898)	(2,923,305)	(2,906,972)	(16,333)
Total other financing sources (uses)	(2,552,592)	(2,610,688)	(2,614,819)	(4,131)
Net change in fund balance	(304,963)	(407,226)	(381,271)	25,955
Fund balance, beginning of year	1,019,335	1,019,335	1,019,335	-
Fund balance, end of year	\$ 714,372	\$ 612,109	\$ 638,064	\$ 25,955

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Senior Citizen

For the Year Ended December 31, 2015

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 2,190,965	\$ 2,190,965	\$ 2,166,077	\$ (24,888)
Expenditures				
Health and welfare	<u>2,190,965</u>	<u>2,190,965</u>	<u>2,171,598</u>	<u>(19,367)</u>
Net change in fund balance	-	-	(5,521)	(5,521)
Fund balance, beginning of year	<u>30,168</u>	<u>30,168</u>	<u>30,168</u>	<u>-</u>
Fund balance, end of year	<u>\$ 30,168</u>	<u>\$ 30,168</u>	<u>\$ 24,647</u>	<u>\$ (5,521)</u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position
 Proprietary Funds
 December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 1,813,043	\$ -	\$ 338,012	\$ 1,538,649	\$ 3,689,704	\$ 5,811,838
Investments	24,035,058	-	-	150,537	24,185,595	2,389,112
Receivables:						
Accounts	186,997	-	-	14,740	201,737	-
Taxes receivable - delinquent	8,319,751	-	-	296,107	8,615,858	-
Interest	950,607	-	-	-	950,607	-
Leases receivable, current	-	810,000	160,000	362,399	1,332,399	-
Due from other governments	-	-	-	116,504	116,504	-
Interfund receivable	354,961	-	-	-	354,961	-
Prepaid items	-	-	-	-	-	1,235,873
Inventories	-	-	-	41,988	41,988	-
Total current assets	35,660,417	810,000	498,012	2,520,924	39,489,353	9,436,823
Noncurrent assets:						
Restricted cash	-	-	-	-	-	1,771,986
Advance to other funds	1,450,000	-	-	-	1,450,000	-
Leases receivable, net of current portion	-	17,197,370	3,213,638	6,796,068	27,207,076	-
Capital assets being depreciated, net	-	-	-	68,763	68,763	-
Total noncurrent assets	1,450,000	17,197,370	3,213,638	6,864,831	28,725,839	1,771,986
Total assets	37,110,417	18,007,370	3,711,650	9,385,755	68,215,192	11,208,809
Liabilities						
Current liabilities:						
Accounts payable	50,095	-	27,235	329,726	407,056	-
Accrued expenses	-	120,509	22,269	70,721	213,499	1,505,209
Due to other governments	626,361	-	-	303,194	929,555	-
Current portion of long-term debt	-	810,000	160,000	362,399	1,332,399	-
Total current liabilities	676,456	930,509	209,504	1,066,040	2,882,509	1,505,209
Noncurrent liabilities -						
Due in more than one year	-	17,076,861	3,502,146	6,738,893	27,317,900	-
Total liabilities	676,456	18,007,370	3,711,650	7,804,933	30,200,409	1,505,209
Net position						
Investment in capital assets	-	-	-	68,763	68,763	-
Restricted for self-insurance claims	-	-	-	-	-	1,771,986
Unrestricted	36,433,961	-	-	1,512,059	37,946,020	7,931,614
Total net position	\$ 36,433,961	\$ -	\$ -	\$ 1,580,822	\$ 38,014,783	\$ 9,703,600

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

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COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues						
Charges for services	\$ 1,879,384	\$ 732,842	\$ 135,921	\$ 4,171,053	\$ 6,919,200	\$ 13,226,699
Interest on taxes	107,362	-	-	-	107,362	-
Intergovernmental revenue	-	-	-	1,392,804	1,392,804	-
Total operating revenues	1,986,746	732,842	135,921	5,563,857	8,419,366	13,226,699
Operating expenses						
Operation and maintenance	124,325	4,884	992	5,496,239	5,626,440	13,134
Benefits and claims	-	-	-	-	-	12,680,711
Depreciation	-	-	-	8,830	8,830	-
Total operating expenses	124,325	4,884	992	5,505,069	5,635,270	12,693,845
Operating income	1,862,421	727,958	134,929	58,788	2,784,096	532,854
Nonoperating revenues (expenses)						
Interest income	-	-	-	629	629	3
Interest and fiscal charges	(16,909)	(727,958)	(134,929)	(232,082)	(1,111,878)	-
Total nonoperating revenues (expenses)	(16,909)	(727,958)	(134,929)	(231,453)	(1,111,249)	3
Change in net position	1,845,512	-	-	(172,665)	1,672,847	532,857
Net position, beginning of year	34,588,449	-	-	1,753,487	36,341,936	9,170,743
Net position, end of year	<u>\$ 36,433,961</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,580,822</u>	<u>\$ 38,014,783</u>	<u>\$ 9,703,600</u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities						
Cash received from customers	\$ 12,589,237	\$ 732,842	\$ 135,921	\$ 5,571,510	\$ 19,029,510	\$ -
Cash received from interfund services provided	-	-	-	-	-	13,226,699
Cash payments to suppliers for goods and services	(124,325)	(10,212)	(517)	(5,332,593)	(5,467,647)	(14,419,597)
Cash payments for delinquent tax rolls	(10,257,188)	-	-	-	(10,257,188)	-
Cash payments to employees for services	-	-	-	(91,839)	(91,839)	-
Net cash provided by (used in) operating activities	2,207,724	722,630	135,404	147,078	3,212,836	(1,192,898)
Cash flows from noncapital financing activities						
Proceeds from issuance of long-term debt	-	-	-	2,498,000	2,498,000	-
Principal payments	-	(780,000)	(160,000)	(389,000)	(1,329,000)	-
Interest payments	(16,909)	(723,074)	(134,929)	(231,606)	(1,106,518)	-
Net cash used in noncapital financing activities	(16,909)	(1,503,074)	(294,929)	1,877,394	62,482	-
Cash flows from investing activities						
Purchase of investments	(1,854,400)	-	-	-	(1,854,400)	(3,733)
Proceeds from sale of investments	-	-	-	22,399	22,399	-
Interest received	-	-	-	629	629	3
Amounts collected on leases receivable	-	780,444	50,056	349,479	1,179,979	-
Purchase of leased assets	-	-	-	(2,494,168)	(2,494,168)	-
Net cash provided by (used in) investing activities	(1,854,400)	780,444	50,056	(2,121,661)	(3,145,561)	(3,730)
Net change in cash and cash equivalents	336,415	-	(109,469)	(97,189)	129,757	(1,196,628)
Cash and cash equivalents, beginning of year	1,476,628	-	447,481	1,635,838	3,559,947	8,780,452
Cash and cash equivalents, end of year	\$ 1,813,043	\$ -	\$ 338,012	\$ 1,538,649	\$ 3,689,704	\$ 7,583,824
Statement of net position classification of cash and investments						
Cash and cash equivalents	\$ 1,813,043	\$ -	\$ 338,012	\$ 1,538,649	\$ 3,689,704	\$ 5,811,838
Restricted cash	-	-	-	-	-	1,771,986
Total	\$ 1,813,043	\$ -	\$ 338,012	\$ 1,538,649	\$ 3,689,704	\$ 7,583,824

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by (used in) operating activities:						
Operating income	\$ 1,862,421	\$ 727,958	\$ 134,929	\$ 58,788	\$ 2,784,096	\$ 532,854
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation	-	-	-	8,830	8,830	-
Changes in:						
Accounts receivable	11,449	-	-	(14,110)	(2,661)	-
Taxes receivable	(24,764)	-	-	(29,625)	(54,389)	-
Interest receivable	151,903	-	-	-	151,903	-
Due from other governments	545,304	-	-	(116,504)	428,800	-
Prepaid items	-	-	-	-	-	(1,235,873)
Inventories	-	-	-	(8,164)	(8,164)	-
Accounts payable	50,041	-	1,008	205,900	256,949	(134)
Accrued expenses	-	(5,328)	(533)	26,201	20,340	(489,745)
Due to other governments	(388,630)	-	-	15,762	(372,868)	-
Net cash provided by (used in) operating activities	\$ 2,207,724	\$ 722,630	\$ 135,404	\$ 147,078	\$ 3,212,836	\$ (1,192,898)

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds
December 31, 2015

	Pension and Other Postemployment Benefit Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 748,504	\$ 2,980,018
Investments:		
Equity mutual funds	104,084,004	-
Fixed income mutual funds	54,166,699	-
Commodities mutual funds	10,411,886	-
Real estate mutual funds	3,391,828	-
Accrued interest receivable	14,626	-
Other assets	824,821	39,122
Total assets	<u>173,642,368</u>	<u>\$ 3,019,140</u>
Liabilities		
Accounts payable	137,486	\$ -
Undistributed receipts	-	3,019,140
Total liabilities	<u>137,486</u>	<u>\$ 3,019,140</u>
Net position		
Restricted for pension and other postemployment benefits	<u>\$ 173,504,882</u>	

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Changes in Plan Net Position

Pension and Other Postemployment Benefits Trust Funds
For the Year Ended December 31, 2015

Additions

Investment income (loss):	
Net change in fair value of investments	\$ (3,058,469)
Interest and dividends	1,101,036
Less investment expenses	<u>(612,152)</u>

Net investment loss (2,569,585)

Contributions:

Employer	8,949,998
Employees	<u>2,829,257</u>

Total contributions 11,779,255

Total additions 9,209,670

Deductions

Pension benefit payments	13,903,597
Contribution refunds	502,988
Administration	<u>66,730</u>

Total deductions 14,473,315

Change in net position (5,263,645)

Net position, beginning of year 178,768,527

Net position, end of year \$ 173,504,882

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

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Component Units
December 31, 2015

	Road Commission	Drain Commission	Brownfield Redevelopment Authority
Assets			
Cash and cash equivalents	\$ 4,406,570	\$ 8,598,181	\$ 2,294,624
Investments	-	-	-
Restricted cash	472,116	-	-
Receivables, net	2,886,000	22,582,389	1,327,499
Prepaid items and other assets	1,425,232	-	-
Capital assets not being depreciated	14,898,895	2,129,255	-
Capital assets being depreciated, net	60,284,446	18,989,156	-
Total assets	84,373,259	52,298,981	3,622,123
Deferred outflows of resources			
Deferred pension amounts	624,327	-	-
Liabilities			
Accounts payable and accrued expenses	1,721,068	1,014,046	1,161,938
Long-term liabilities:			
Due within one year	207,100	2,036,051	166,642
Due in more than one year	248,433	20,462,789	1,160,857
Net pension liability	5,273,796	-	-
Net other postemployment benefit obligation	495,787	-	-
Total liabilities	7,946,184	23,512,886	2,489,437
Deferred inflows of resources			
Deferred pension inflows	11,205	-	-
Net position			
Net investment in capital assets	74,804,908	4,116,491	-
Restricted for other purposes	472,116	2,161,526	1,132,686
Unrestricted	1,763,173	22,508,078	-
Total net position	\$ 77,040,197	\$ 28,786,095	\$ 1,132,686

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



Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ 27,795	\$ 120,310	\$ 13,894,328	\$ 29,341,808
1,224,937	-	-	1,224,937
-	-	541,411	1,013,527
1,431,749	-	788,697	29,016,334
-	-	337,451	1,762,683
-	-	128,000	17,156,150
-	-	1,540,043	80,813,645
<u>2,684,481</u>	<u>120,310</u>	<u>17,229,930</u>	<u>160,329,084</u>
-	-	459,934	1,084,261
1,150,297	45,671	9,917,252	15,010,272
-	-	117,082	2,526,875
-	-	653,326	22,525,405
-	-	727,428	6,001,224
-	-	-	495,787
<u>1,150,297</u>	<u>45,671</u>	<u>11,415,088</u>	<u>46,559,563</u>
-	-	431,005	442,210
-	-	1,430,370	80,351,769
-	-	-	3,766,328
<u>1,534,184</u>	<u>74,639</u>	<u>4,413,401</u>	<u>30,293,475</u>
<u>\$ 1,534,184</u>	<u>\$ 74,639</u>	<u>\$ 5,843,771</u>	<u>\$ 114,411,572</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Activities

Component Units

For the Year Ended December 31, 2015

	Road Commission	Drain Commission	Brownfield Redevelopment Authority
Expenses			
Road commission	\$ 17,364,908	\$ -	\$ -
Drain commission	-	2,779,913	-
Brownfield redevelopment authority	-	-	446,946
Economic development corporation	-	-	-
Land bank authority	-	-	-
Community mental health authority	-	-	-
Total expenses	<u>17,364,908</u>	<u>2,779,913</u>	<u>446,946</u>
Program revenues			
Charges for services	-	4,500	18,052
Operating grants and contributions	<u>18,176,133</u>	<u>7,113,067</u>	<u>5,999</u>
Total program revenues	<u>18,176,133</u>	<u>7,117,567</u>	<u>24,051</u>
Net (expenses) revenues	811,225	4,337,654	(422,895)
General revenues			
Property taxes	<u>-</u>	<u>-</u>	<u>1,060,111</u>
Change in net position	811,225	4,337,654	637,216
Net position, beginning of year, as restated	<u>76,228,972</u>	<u>24,448,441</u>	<u>495,470</u>
Net position, end of year	<u>\$ 77,040,197</u>	<u>\$ 28,786,095</u>	<u>\$ 1,132,686</u>

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



Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ -	\$ -	\$ -	\$ 17,364,908
-	-	-	2,779,913
-	-	-	446,946
56,885	-	-	56,885
-	482,189	-	482,189
-	-	42,589,316	42,589,316
<u>56,885</u>	<u>482,189</u>	<u>42,589,316</u>	<u>63,720,157</u>
12,000	32,922	37,459,532	37,527,006
8,955	457,867	4,311,466	30,073,487
<u>20,955</u>	<u>490,789</u>	<u>41,770,998</u>	<u>67,600,493</u>
(35,930)	8,600	(818,318)	3,880,336
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,060,111</u>
(35,930)	8,600	(818,318)	4,940,447
<u>1,570,114</u>	<u>66,039</u>	<u>6,662,089</u>	<u>109,471,125</u>
<u>\$ 1,534,184</u>	<u>\$ 74,639</u>	<u>\$ 5,843,771</u>	<u>\$ 114,411,572</u>

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NOTES TO FINANCIAL STATEMENTS

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Berrien, Michigan (the "County") was incorporated in 1829 and covers an area of approximately 585 square miles in southwest lower Michigan. The County operates under a 12 member elected Board of Commissioners and an appointed County Administrator.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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

As required by generally accepted accounting principles, these 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 and data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

Blended Component Unit

Berrien County Building Authority (the "Building Authority") - The Berrien County Building Authority is governed by a five-member Board appointed by the Berrien County Board of Commissioners. Although legally separate from the County, the Building Authority is reported as if it were part of the primary government, because its sole purpose is to finance and construct the County's public buildings. The financial statements of the Building Authority funds have been consolidated with the County's related debt service funds and capital projects funds.

Discretely Presented Component Units

Berrien County Road Commission (the "Road Commission") - The Berrien County Road Commission, established pursuant to State statutes, is governed by a five member board appointed by the County. Its receipts are deposited with the County Treasurer, who invests certain of those deposits. The Road Commission may not issue debt or levy a tax without the approval of the County Board of Commissioners. If approval is granted, such taxes would be levied under the taxing authority of the County and included as part of the County's total tax levy as well as reported in the Road Commission. The Road Commission has a September 30 year end.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Berrien County Drain Commission (the "Drain Commission") - The Berrien County Drain Commission oversees all drainage districts established pursuant to the Michigan Drain Code of 1956, which are separate legal entities with the power to contract, to sue and be sued, and to hold, manage and dispose of real and personal property. The Drain Commission has sole responsibility to administer Chapter 3 and 4 drainage districts. A drainage board or Drain Commissioner, on behalf of the drainage district, may issue debt and levy special assessments without the prior approval of the County. The full faith and credit of the County may be given for the debt of the drainage district. The Drain Commissioner is required by law to make an annual report to the Board of County Commissioners in October. The Drain Commission is financially accountable to the County and is disclosed as a component unit, accordingly. The Drain Commission has a December 31 year end.

Berrien County Brownfield Redevelopment Authority (the "Authority") - The Berrien County Brownfield Redevelopment Authority was created pursuant to the provisions of Public Act 381 of 1996, in order to revitalize environmentally distressed Brownfield redevelopment areas. Its five-member Board is appointed by the Berrien County Board of Commissioners. The Authority's budget must be approved by the Berrien County Board of Commissioners. The Authority has a December 31 year end.

Berrien County Economic Development Corporation (the "EDC") - The Berrien County Economic Development Corporation, organized pursuant to State statutes, was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving or expanding within the County so as to provide needed services and facilities to the residents of the County. The governing body of the EDC is appointed by the County, and the EDC is financially accountable to the County and is disclosed as a component unit, accordingly. The EDC has a December 31 year end.

Berrien County Land Bank Authority - The Berrien County Land Bank Authority was created pursuant to the Michigan Land Bank Fast Track Act (Public Act 258). The governing body of the Land Bank Authority is appointed by the County, and is financially accountable to the County and is disclosed as a component unit, accordingly. The Land Bank Authority has a December 31 year end.

Berrien Mental Health Authority - The Berrien Mental Health Authority, established pursuant to State statutes, is governed by a 12-member board appointed by the Berrien County Board of Commissioners. The Mental Health Authority is financially accountable to the County and is disclosed as a component unit, accordingly. The Mental Health Authority has a September 30 year end.

Complete financial statements for the Road Commission, Brownfield Redevelopment Authority, Land Bank Authority, and Mental Health Authority may be obtained at the respective entities' administrative offices. The Drain Commission and Economic Development Corporation do not issue separate financial statements.

Berrien County Road Commission
2860 E. Napier Avenue
Benton Harbor, Michigan 49023

Berrien County Brownfield
Redevelopment Authority
701 Main Street
St. Joseph, Michigan 49085

Berrien County Land Bank Authority
701 Main Street
St. Joseph, Michigan 49085

Berrien Mental Health Authority
1485 S. M-139
Benton Harbor, Michigan 49022

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of 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 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 are 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 governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual 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 fund 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. Agency funds, a type of fiduciary fund, are unlike all other types of funds, as agency funds report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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, or within one year for reimbursement-based grants. 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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Property taxes, state revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and such 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 the financial resources of the general government, except those accounted for and reported in another fund.

The *911 county operational fund* accounts for the operations of the County's emergency 911 system funded through a special millage.

The *drug enforcement public safety fund* accounts for the operations of the County's drug enforcement system funded through a special millage and grants.

The *senior citizen fund* accounts for the operations of the County's senior centers which are funded through a special millage.

The County reports the following major proprietary funds:

The *delinquent tax revolving 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.

The *Benton Township Water System No. 27 fund* accounts for monies received under capital leases with a local governmental unit for the construction of, and subsequent debt retirement for, a water distribution system.

The *Coloma City Water System No. 30* accounts for monies received under capital leases with a local governmental unit for the construction of, and subsequent debt retirement for, a water distribution system.

Additionally, the County reports the following fund types:

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

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Enterprise funds are used to account for 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.

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis, such as the County's self-insurance programs.

The *pension and other postemployment benefit (OPEB) trust funds* are accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting. The pension and OPEB trust funds account for the assets of the County's defined benefit pension and OPEB plans.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity (such as taxes collected for other governments).

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.

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 on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Restricted net position consists of assets that are subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

Deposits and 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 from the date of acquisition.

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 that do not have established market values are reported at estimated fair value; and d) cash deposits are reported at carrying amount, which reasonably approximates fair value.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent 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 are offset by nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles, as applicable.

Inventories, Prepaid Items and Other Assets

All inventories are valued at cost using the first-in/first-out (FIFO) method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items 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. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value 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 assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Capital assets of the primary government and component units are depreciated over the useful life of the assets as follows:

	Depreciation Method	Useful Lives - Years
Primary government:		
Buildings	Straight-line	30
Public domain infrastructure	Straight-line	35
System infrastructure	Straight-line	35
Vehicles	Straight-line	3-20
Equipment	Straight-line	5-10
Road Commission:		
Buildings	Straight-line	40
Salt storage bins	Units of production	Various
Road equipment	Sum of years-digits	5-8
Other equipment	Straight-line	10-20
Roads	Straight-line	5-30
Other infrastructure	Straight-line	12-50
Drain Commission:		
Buildings	Straight-line	30
Public domain infrastructure	Straight-line	35
System infrastructure	Straight-line	35
Vehicles	Straight-line	3-20
Equipment	Straight-line	5-10
Community Mental Health Authority:		
Buildings and improvements	Straight-line	15-25
Vehicles	Straight-line	4
Equipment	Straight-line	5

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 position 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 plans.

Compensated Absences

Eligible employees are permitted to accumulate earned but unused vacation benefits in varying amounts based on length of service and certain other established criteria. Amounts not expected to be liquidated with expendable available financial resources are accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only if these amounts have matured, for example, as a result of employee resignations or retirements.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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 when incurred.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometime report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from property taxes. 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. The government also reports deferred pension inflows in the statement of net position. A deferred pension inflow results when there is a change in total pension liability due to benefit changes, differences between expected and actual experience, changes in actuarial assumptions, or differences between expected and actual investment returns. The amounts are deferred and amortized.

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 resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the government's highest level of decision-making authority). A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County may report assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners has delegated the authority to assign fund balance to the Finance Committee or its designee. The County has no assigned fund balance. Unassigned fund balance is the residual classification for the general fund.

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and certain special revenue funds. All annual appropriations lapse at year end. The legal level of budgetary control is at the department level. Management may make transfers of appropriations within funds. Transfers of appropriations between funds require the approval of the Board. The Board made several supplemental budgetary revisions throughout the year which were not considered material.

The annual budgeting process begins in July of each year. Department heads submit budget requests/recommendations to the responsible parent committee (i.e., Finance, Personnel, Administration) for approval. Once approved, the department heads are required to hold a budget hearing with the Finance Committee by the second Tuesday in September. The County Administrator tabulates a budget overview, including recommendations, for the Finance Committee to adjust and approve a final budget. Following truth in taxation hearings, the final budget is submitted to the Board of Commissioners for adoption. The Board has until December 31 to adopt the budget, although it normally targets mid-November for the general fund and for the special revenue funds.

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

State statutes provide that a local unit shall not incur expenditures in excess of the amounts appropriated. The approved budgets of the County were adopted on a department level basis for the general fund and the activity level for the special revenue funds.

Excess of expenditures or transfers out over appropriations in individual funds are as follows:

	Final Budget	Actual	Excess
General fund:			
General government -			
Cooperative extension service	\$ 293,029	\$ 293,382	\$ 353
Debt service -			
Principal	53,231	53,656	425

4. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposit and investment balances of December 31, 2015:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and cash equivalents	\$ 26,618,978	\$ 29,341,808	\$ 55,960,786
Investments	44,580,199	1,224,937	45,805,136
Restricted cash	1,771,986	1,013,527	2,785,513
Statement of Fiduciary Net Position			
Cash and cash equivalents	3,728,522	-	3,728,522
Investments	172,054,417	-	172,054,417
Total	<u>\$ 248,754,102</u>	<u>\$ 31,580,272</u>	<u>\$ 280,334,374</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

	Primary Government	Component Units	Totals
Deposits and investments			
Bank deposits:			
Checking/savings accounts			\$ 46,183,397
Certificates of deposit - due within one year			3,845,774
Certificates of deposit - due in one to five years			5,785,753
Investments in securities and mutual funds:			
Treasurer's investment pool			50,680,336
Pension and OPEB investments			172,054,417
Cash on deposit with agent			1,771,986
Cash on hand			<u>12,711</u>
Total			<u>\$ 280,334,374</u>

Restricted cash of the primary government consists of the County's deposits with the Michigan Municipal Risk Management Authority.

Bank Deposits and Treasurer's Investment Pool

Custodial Credit Risk - Deposits. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. At year-end, the carrying amount of the County's deposits was \$57,941,789. The combined bank balance of these deposits was \$60,464,755 of which \$53,910,386 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. Also, due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to insure all bank deposits. As a result, 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 County's investments as of December 31, 2015:

U.S. treasury notes	\$ 1,696,140
U.S. government agencies	10,674,982
Repurchase agreements (collateralized by U.S. government securities)	13,892,047
Money market and cash management funds	<u>24,417,167</u>
Total	<u>\$ 50,680,336</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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.

As of December 31, 2015, all of the County's investments in securities of U.S. agencies were rated AA+ by Standard & Poor's. United States treasury securities are explicitly guaranteed by the U.S. government and not considered to have credit risk. The County's money market funds were not rated.

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, 2015, the County had greater than 5% of its total investment portfolio concentrated as follows:

Investment Type	Issuer	% of Portfolio
Federal Home Loan Bank	Various	15.24%

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.

As of December 31, 2015, all of the County's debt securities had the following maturities:

	< 1 year	1 - 5 years	6 - 10 years	Total
U.S. treasury notes	\$ -	\$ 1,696,140	\$ -	\$ 1,696,140
U.S. government agencies	-	10,674,982	-	10,674,982
Repurchase agreements	13,892,047	-	-	13,892,047
	<u>\$ 13,892,047</u>	<u>\$ 12,371,122</u>	<u>\$ -</u>	<u>\$ 26,263,169</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Pension and Other Postemployment Benefit Trust Fund Investments

The Trusts' investments are primarily held in a bank administered trust fund. Following is a summary of the Trusts' investments as of December 31, 2015:

	Pension	Other Postemployment Benefit Trust Fund
Mutual funds at fair value, as determined by quoted market price:		
Equity funds:		
Russell Large Cap US Eq Fund	\$ 27,518,845	\$ -
Russell 1000 Index Fund Series 1	28,427,424	-
Russell Small Cap Fund	10,815,271	-
Russell International Fund	18,865,012	-
Russell Emerging Markets Fund	1,860,044	-
RIC U.S. Defensive Equity	-	10,429,366
RIC U.S. Small Cap Equity	-	2,105,359
RIC International developed markets	-	3,657,982
RIC emerging markets	-	404,701
Fixed income funds:		
Russell Quantitative Bond Fund	44,244,658	-
RIC investment grade bond fund	-	9,922,041
Commodities funds:		
Russell Commodities Fund	9,602,570	-
RIC commodity strategies fund	-	809,316
Real estate fund -		
Russell Real Estate Equity Fund	3,391,828	-
Money	-	-
Total investments	<u>\$ 144,725,652</u>	<u>\$ 27,328,765</u>

The Michigan Public Employees Retirement Systems' Investment Act, Public Act 314 of 1965, as amended, authorizes the System to invest in domestic and foreign stocks, government securities, corporate securities, mortgages, real estate and various other investment instruments, subject to certain limitations.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trusts' investment policy emphasizes appropriate risk/return parameters and compliance with Public Act 314, and gives discretionary authority to its investment managers as opposed to establishing specific credit rating benchmarks. The Trust invests in mutual funds, which is comprised of various securities. The percentages below represent the percent of the mutual fund that is invested in securities with a particular rating. As of December 31, 2015, the Trusts' investments in debt securities were rated by Standard & Poor's as follows:

Rating	Percentage	
	Pension	Other Postemployment Benefit Trust Fund
AAA	68.5%	61.8%
AA	1.9%	4.8%
A	11.3%	12.1%
BBB	18.3%	18.0%
BB	0.0%	0.6%
B	0.0%	0.3%
CCC & Below	0.0%	0.6%
not rated	0.0%	1.8%
	100.0%	100.0%

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 Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Trusts' investment policy requires that securities be held in trust by a third-party institution in the Trusts' name or its nominee custodian's name or in bearer form. Although uninsured and unregistered, the Trusts' investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department or agent in the Trusts' 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 Trusts' investment in a single issuer. At December 31, 2015, the Trusts' investment portfolio was not concentrated to a particular issuer due to the only investments being in shares of mutual funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Trusts' investment policy does not discuss the maximum maturity for any single fixed income security or the weighted average portfolio maturity.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

The Trust invests in mutual funds, which is comprised of various securities. The percentages below represent the percent of the mutual fund that is invested in securities with a particular maturity. As of December 31, 2015, maturities of the Trusts' debt securities, were as follows:

Maturity (Years)	Percentage	
	Pension	Other Employee Benefit Trust Fund
0 to 3	47.1%	54.0%
3 to 5	15.0%	12.4%
5 to 7	14.1%	8.9%
7 to 10	10.4%	12.5%
10 to 15	1.0%	1.2%
15 to 20	2.3%	1.8%
20 to 25	3.1%	1.8%
25+	7.0%	7.4%
	<u>100.0%</u>	<u>100.0%</u>

5. RECEIVABLES

Receivables at year end consisted of the following:

	Governmental Activities	Business-type Activities
Accounts	\$ 117,895	\$ 201,737
Taxes (current)	10,453,091	-
Taxes (delinquent)	-	8,615,858
Interest	-	950,607
Due from other governments	2,193,574	116,504
Leases, current portion	-	1,332,399
Leases, long-term portion	-	27,207,076
Advances to component units (not due within one year)	1,845,000	-
Notes (not due within one year)	232,643	-
	<u>\$ 14,842,203</u>	<u>\$ 38,424,181</u>

Of the amounts reported for receivables above, delinquent taxes receivable in the amount of \$6,957,933, advances to component units in the amount of \$1,845,000, notes receivable in the amount of \$232,643, and leases receivable in the amount of \$27,207,076 are not expected to be collected within one year.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

6. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2015 was as follows:

Primary government

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 6,022,232	\$ 211,995	\$ (814,762)	\$ -	\$ 5,419,465
Construction in progress	2,518,219	2,013,600	-	(3,324,742)	1,207,077
	<u>8,540,451</u>	<u>2,225,595</u>	<u>(814,762)</u>	<u>(3,324,742)</u>	<u>6,626,542</u>
Capital assets being depreciated:					
Land improvements	2,985,867	125,584	(37,800)	-	3,073,651
Buildings	40,309,881	284,852	(1,228,504)	3,220,056	42,586,285
Equipment	13,231,264	1,328,394	(645,592)	104,686	14,018,752
	<u>56,527,012</u>	<u>1,738,830</u>	<u>(1,911,896)</u>	<u>3,324,742</u>	<u>59,678,688</u>
Less accumulated depreciation for:					
Land improvements	(1,479,073)	(88,823)	35,213	-	(1,532,683)
Buildings	(17,383,670)	(874,504)	797,871	-	(17,460,303)
Equipment	(8,286,214)	(1,386,826)	568,182	-	(9,104,858)
	<u>(27,148,957)</u>	<u>(2,350,153)</u>	<u>1,401,266</u>	<u>-</u>	<u>(28,097,844)</u>
Total capital assets being depreciated, net	<u>29,378,055</u>	<u>(611,323)</u>	<u>(510,630)</u>	<u>3,324,742</u>	<u>31,580,844</u>
Governmental activities capital assets, net	<u>\$ 37,918,506</u>	<u>\$ 1,614,272</u>	<u>\$ (1,325,392)</u>	<u>\$ -</u>	<u>\$ 38,207,386</u>
Business-type activities					
Capital assets being depreciated - Equipment	\$ 809,512	\$ -	\$ -	\$ -	\$ 809,512
Less accumulated depreciation for - Equipment	(731,919)	(8,830)	-	-	(740,749)
Business-type activities capital assets, net	<u>\$ 77,593</u>	<u>\$ (8,830)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,763</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Discretely presented component units

Capital asset activity for the Road Commission component unit for the year ended September 30, 2015, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Road Commission				
Capital assets not being depreciated - Land	\$ 14,806,261	\$ 92,634	\$ -	\$ 14,898,895
Capital assets being depreciated:				
Land improvements	28,540	-	-	28,540
Buildings	2,648,475	147,540	(2,500)	2,793,515
Road equipment	10,705,736	956,483	(353,687)	11,308,532
Other equipment	974,046	75,979	(46,160)	1,003,865
Infrastructure	117,200,231	4,626,707	(2,172,738)	119,654,200
	<u>131,557,028</u>	<u>5,806,709</u>	<u>(2,575,085)</u>	<u>134,788,652</u>
Less accumulated depreciation for:				
Land improvements	(12,367)	(2,854)	-	(15,221)
Buildings	(2,010,137)	(71,015)	990	(2,080,162)
Road equipment	(10,316,589)	(261,167)	319,618	(10,258,138)
Other equipment	(819,583)	(50,555)	46,160	(823,978)
Infrastructure	(58,223,812)	(5,275,633)	2,172,738	(61,326,707)
	<u>(71,382,488)</u>	<u>(5,661,224)</u>	<u>2,539,506</u>	<u>(74,504,206)</u>
Total capital assets being depreciated, net	<u>60,174,540</u>	<u>145,485</u>	<u>(35,579)</u>	<u>60,284,446</u>
Road Commission capital assets, net	<u>\$ 74,980,801</u>	<u>\$ 238,119</u>	<u>\$ (35,579)</u>	<u>\$ 75,183,341</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Capital asset activity for the Drain Commission component unit for the year ended December 31, 2015, was as follows:

	Beginning Balance	Reclassification	Additions	Disposals	Ending Balance
Component Unit - Drain Commission					
Capital assets not being depreciated -					
Construction in progress	\$ 5,324,322	\$ (5,081,208)	\$ 1,886,141	\$ -	\$ 2,129,255
Capital assets being depreciated -					
Infrastructure	19,204,785	5,081,208	494,336	-	24,780,329
Less accumulated depreciation for -					
Infrastructure	(4,821,735)	-	(969,438)	-	(5,791,173)
Total capital assets being depreciated, net	14,383,050	5,081,208	(475,102)	-	18,989,156
Drain Commission capital assets, net	\$ 19,707,372	\$ -	\$ 1,411,039	\$ -	\$ 21,118,411

Capital asset activity for the Community Mental Health Authority component unit for the year ended September 30, 2015, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Mental Health Authority				
Capital assets not being depreciated -				
Land	\$ 128,000	\$ -	\$ -	\$ 128,000
Capital assets being depreciated:				
Buildings and improvements	1,051,630	-	-	1,051,630
Furniture, fixtures and equipment	3,048,854	470,405	-	3,519,259
Vehicles	389,958	67,296	(52,842)	404,412
	4,490,442	537,701	(52,842)	4,975,301
Less accumulated depreciation for:				
Buildings and improvements	(353,888)	(50,323)	-	(404,211)
Furniture, fixtures and equipment	(2,506,231)	(183,690)	-	(2,689,921)
Vehicles	(348,794)	(45,174)	52,842	(341,126)
	(3,208,913)	(279,187)	52,842	(3,435,258)
Total capital assets being depreciated, net	1,281,529	258,514	-	1,540,043
Mental Health Authority capital assets, net	\$ 1,409,529	\$ 258,514	\$ -	\$ 1,668,043

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows:

Depreciation of governmental activities by function	
Legislative	\$ 318,499
Judicial	48,718
General government	1,065,336
Public safety	586,430
Health and welfare	62,769
Recreation and cultural	81,242
Community development	187,159
	<u>\$ 2,350,153</u>
Depreciation of business-type activities by function	
Public works projects	<u>\$ 8,830</u>

7. ACCOUNTS PAYABLE

Accounts payable and accrued expenses in the government-wide financial statements are as follows:

	Governmental Activities	Business-type Activities
Accounts payable	\$ 698,199	\$ 407,056
Accrued and other liabilities	2,338,666	213,499
Due to other governments	272,557	929,555
	<u>\$ 3,309,422</u>	<u>\$ 1,550,110</u>

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The general fund has made long-term advances to the Drain Commission, Economic Development Corporation, and Land Bank Authority component units in the amounts of \$650,000, \$1,150,000, and \$45,000, respectively, and to the nonmajor governmental funds in the amount of \$250,000; and \$1,450,000 was advanced by the delinquent tax revolving fund to the general fund to provide sufficient resources for these advances.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

In addition, the nonmajor governmental funds with negative balances in the County’s pooled cash accounts reported interfund payables of \$354,961, which is equal to the interfund receivable of \$354,961 reported in the delinquent tax revolving fund.

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

For the year ended December 31, 2015, interfund transfers consisted of the following:

	Transfers in	Transfers out
General fund	\$ 1,150,643	\$ 9,591,181
Drug enforcement public safety fund	292,153	2,906,972
Nonmajor governmental funds	12,364,440	1,309,083
	<u>\$ 13,807,236</u>	<u>\$ 13,807,236</u>

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

9. LONG-TERM DEBT

Primary government

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

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds are typically issued as 10-20 year serial bonds with varying amounts of principal maturing each year.

Capital leases. The County had previously entered into a capital lease for copiers. All principal and interest payments were made during the fiscal year resulting in an elimination of the balance.

General obligation bonds currently outstanding are as follows:

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Business-type Activities

Bonds	Due	Annual Installments	Interest Rate	Amount
1999 Coloma Township Sewer System No. 24	2019	\$50,000-\$125,000	5.00% - 5.70%	\$ 495,000
2001 Village of Berrien Springs/Oronoko Township Water/Sewer System No. 26	2020	\$15,000-\$35,000	4.60% - 5.65%	150,000
2010 Benton Charter Township Water System No. 27	2031	\$675,000 - \$1,435,000	2.00% - 4.50%	16,710,000
2010 Village of Berrien Springs Water and Sewer System No. 29	2031	\$100,000-\$260,000	1.45% - 6.00%	2,760,000
2010 New Buffalo Water Supply System Bonds	2030	\$61,000-\$100,000	2.50%	1,239,924
2011 Benton Charter Township Water Supply System Bonds System No. 27	2031	\$55,000-\$105,000	1.00% - 4.35%	1,255,000
2013 City of Coloma Water and Sewer System Bonds System No. 30	2033	\$155,000-\$265,000	2.00% - 4.75%	3,685,000
2015 Village of Berrien Springs/Oronoko Township Water/Sewer System No. 31	2054	\$40,600-\$54,500	3.00%	<u>2,464,000</u>
Total business-type activities				<u>\$ 28,758,924</u>

Annual debt service requirements to maturity for business-type activities general obligation bonds are as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 1,339,000	\$ 1,119,594	\$ 2,458,594
2017	1,376,000	1,076,199	2,452,199
2018	1,441,000	1,028,617	2,469,617
2019	1,483,000	975,609	2,458,609
2020	1,403,000	921,026	2,324,026
2021-2025	7,730,000	3,752,138	11,482,138
2026-2030	9,593,924	1,981,939	11,575,863
2031-2035	2,847,000	355,589	3,202,589
2036-2040	330,000	212,700	542,700
2041-2045	380,000	160,200	540,200
2046-2050	440,000	99,840	539,840
2051-2054	396,000	29,820	425,820
	<u>\$ 28,758,924</u>	<u>\$ 11,713,271</u>	<u>\$ 40,472,195</u>

Road Commission Component Unit

Notes payable. The Road Commission also issues notes payable to local townships, and enters into equipment purchase agreements. Such notes are repayable at varying interest rates through 2020, and amounted to \$378,433 at September 30, 2015.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Annual debt service requirements to maturity for notes payable are as follows:

Year Ended September 30,	Principal	Interest	Total
2016	\$ 130,000	\$ -	\$ 130,000
2017	143,133	-	143,133
2018	74,800	30,200	105,000
2019	25,000	13,788	38,788
2020	5,500	-	5,500
	<u>\$ 378,433</u>	<u>\$ 43,988</u>	<u>\$ 422,421</u>

Drain Commission Component Unit

Special assessment bonds. The Drain Commission is authorized by State statutes to issue special assessment bonds for the construction or major maintenance of drainage districts. Such bonds are repaid from special assessments paid by local property owners.

Bonds	Due	Annual Installments	Interest Rate	Amount
2002 Hollywood Road Detention Drainage District Bonds	2022	\$15,000-\$20,000	4.13% - 5.00%	\$ 30,000
2008 Starr & Wellington Drainage District Bonds	2024	\$12,000-\$13,000	5.95%	109,000
2009 Close Drainage District Bonds	2019	\$120,000-\$165,000	2.50% - 4.00%	630,000
2010 Barnes and Hamilton Drain Bonds	2020	\$170,000-\$215,000	1.90% - 3.50%	1,000,000
2010 Hollywood Road Consolidated Drain Bonds	2030	\$100,000-\$190,000	2.50% - 4.75%	2,180,000
2010 Schwark Drain Bonds	2030	\$60,000-\$130,000	2.00% - 4.75%	1,445,000
2010 Lake Shore Drain Bonds	2030	\$140,000-\$280,000	0.85% - 4.00%	3,170,000
2012 Smith and Strong Drain Bonds	2032	\$30,000-\$55,000	1.00 - 4.05%	710,000
2012 Lakeside Drain Bonds	2032	\$25,000-\$40,000	0.90 - 4.65%	530,000
2012 Estates Drain Bonds	2032	\$30,000-\$55,000	4.00 - 5.00%	690,000
2012 Oak Hills Springs Drain Bonds	2037	\$30,000-45,000	3.20%	470,000
2013 Blue Jay Drain Bonds	2033	\$135,000-\$250,000	2.00 - 4.50%	3,315,000
2013 Hibbard Lake Drain Bonds	2033	\$50,000-\$90,000	2.00 - 4.00%	1,205,000
2015 North Royalton Drainage District Bonds	2035	\$248,000-\$285,000	2.00 - 3.63%	4,145,000
Total component unit - Drain Commission				<u>\$ 19,629,000</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

Year Ended December 31,	Principal	Interest	Total
2016	\$ 1,172,000	\$ 550,700	\$ 1,722,700
2017	1,202,000	521,412	1,723,412
2018	1,237,000	489,674	1,726,674
2019	1,267,000	455,464	1,722,464
2020	1,132,000	422,073	1,554,073
2021-2025	5,114,000	1,677,049	6,791,049
2026-2030	5,965,000	804,790	6,769,790
2031-2035	2,540,000	78,475	2,618,475
	<u>\$ 19,629,000</u>	<u>\$ 4,999,637</u>	<u>\$ 24,628,637</u>

Drain notes. The Drain Commission issues drain notes to finance various drain capital projects. Interest rates vary from 1.63% to 4.99%, with repayment based on actual collections of special assessments, which are subject to collection over a period of three to ten years. Drain notes outstanding at December 31, 2015, amounted to \$2,953,390.

Brownfield Redevelopment Authority Component Unit

Loans Payable. The Brownfield Redevelopment Authority has two loans outstanding for the purpose of rehabilitating local properties. These loans are to be repaid from property tax captures in future years.

Loan	Due	Annual Installments	Interest Rate	Amount
2007 DEQ Cleanup Revolving Fund Loan	2021	\$19,992	2.00%	\$ 679,170
2007 Michigan Cleanup Initiative Loan	2022	\$17,997	2.00%	648,329
Total component unit- Brownfield Redevelopment Authority				<u>\$ 1,327,499</u>

Annual debt service requirements to maturity for these loans are as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 166,642	\$ 26,550	\$ 193,192
2017	169,975	23,217	193,192
2018	173,374	19,817	193,191
2019	176,842	16,350	193,192
2020	180,379	12,814	193,193
2021-2022	460,287	11,170	471,457
	<u>\$ 1,327,499</u>	<u>\$ 109,918</u>	<u>\$ 1,437,417</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Mental Health Authority Component Unit

Notes Payable. The Mental Health Authority has two loans outstanding for the real estate purchased. The Authority has pledged the real property purchased as collateral on these loans.

Note	Due	Annual Installments	Interest Rate	Amount
2005 Real Estate note	2020	\$8,338-\$13,332	3.83%	\$ 55,784
2007 Real Estate note	2022	\$9,481-\$34,320	4.99%	<u>181,889</u>
Total component unit - Mental Health Authority				<u><u>\$ 237,673</u></u>

Annual debt service requirements to maturity for these loans are as follows:

Year Ended September 30,	Principal	Interest	Total
2016	\$ 37,172	\$ 10,480	\$ 47,652
2017	38,948	8,704	47,652
2018	40,810	6,842	47,652
2019	42,762	4,890	47,652
2020	38,823	2,901	41,724
2021-2022	<u>39,158</u>	<u>1,236</u>	<u>40,394</u>
	<u>\$ 237,673</u>	<u>\$ 35,053</u>	<u>\$ 272,726</u>

Changes in long-term debt.

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
Capital lease payable	\$ 53,656	\$ -	\$ (53,656)	\$ -	\$ -
Compensated absences	<u>2,078,890</u>	<u>1,951,717</u>	<u>(1,880,761)</u>	<u>2,149,846</u>	<u>2,149,846</u>
	<u>\$ 2,132,546</u>	<u>\$ 1,951,717</u>	<u>\$ (1,934,417)</u>	<u>\$ 2,149,846</u>	<u>\$ 2,149,846</u>
Business-type Activities					
General obligation bonds	\$ 27,589,924	\$ 2,498,000	\$ (1,329,000)	\$ 28,758,924	\$ 1,339,000
Unamortized bond discount	<u>(114,978)</u>	<u>-</u>	<u>6,353</u>	<u>(108,625)</u>	<u>(6,601)</u>
	<u>\$ 27,474,946</u>	<u>\$ 2,498,000</u>	<u>\$ (1,322,647)</u>	<u>\$ 28,650,299</u>	<u>\$ 1,332,399</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Road Commission Component Unit					
General obligation notes payable	\$ 663,433	\$ -	\$ (285,000)	\$ 378,433	\$ 130,000
Compensated absences	72,000	5,100	-	77,100	77,100
	<u>\$ 735,433</u>	<u>\$ 5,100</u>	<u>\$ (285,000)</u>	<u>\$ 455,533</u>	<u>\$ 207,100</u>

Drain Commission Component Unit					
Special assessment bonds payable	\$ 16,586,000	\$ 4,145,000	\$ (1,102,000)	\$ 19,629,000	\$ 1,172,000
Drain notes payable	2,876,179	928,000	(850,789)	2,953,390	870,000
Unamortized bond discount	(124,071)	-	7,595	(116,476)	(7,595)
Unamortized bond premium	-	32,926	-	32,926	1,646
	<u>\$ 19,338,108</u>	<u>\$ 5,105,926</u>	<u>\$ (1,945,194)</u>	<u>\$ 22,498,840</u>	<u>\$ 2,036,051</u>

Brownfield Redevelopment Authority Component Unit					
Loans payable	\$ 1,490,874	\$ -	\$ (163,375)	\$ 1,327,499	\$ 166,642

Mental Health Authority Component Unit					
Notes payable	\$ 273,059	\$ -	\$ (35,386)	\$ 237,673	\$ 37,172
Compensated absences	529,786	79,468	(76,519)	532,735	79,910
	<u>\$ 802,845</u>	<u>\$ 79,468</u>	<u>\$ (111,905)</u>	<u>\$ 770,408</u>	<u>\$ 117,082</u>

For the governmental activities, compensated absences, the net pension liability and the net other postemployment benefit obligation are generally liquidated by the general fund.

10. SHORT-TERM NOTES PAYABLE

During the year, the County issued \$12,000,000 for general obligation limited tax notes. The note carried an interest rate of .620% and is due March 15, 2017. The County paid these notes in advance during the year resulting in a zero balance.

Short-term debt activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities limited tax notes	\$ -	\$ 12,000,000	\$ (12,000,000)	\$ -

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

11. INVESTMENT IN CAPITAL ASSETS

As of December 31, 2015, the investment in capital assets was comprised of the following:

	Governmental activities	Business-type activities
Capital assets:		
Capital assets not being depreciated	\$ 6,626,542	\$ -
Capital assets being depreciated, net	31,580,844	68,763
	<u>\$ 38,207,386</u>	<u>\$ 68,763</u>
Total investment in capital assets		

12. FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	911 County Operational Fund	Drug Enforcement Public Safety Fund	Drug Enforcement Public Safety Fund	Nonmajor governmental funds	Total
Nonspendable:						
Advance to other funds	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Advance to component unit	1,845,000	-	-	-	-	1,845,000
Long-term notes receivable	89	-	-	-	150,676	150,765
Total nonspendable	<u>2,095,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,676</u>	<u>2,245,765</u>
Restricted:						
Judicial	-	-	-	-	150,934	150,934
General government	-	-	-	-	84,362	84,362
Public safety	-	2,193,647	638,064	24,647	43,684	2,900,042
Health and welfare	-	-	-	-	1,938,924	1,938,924
Recreation and cultural	-	-	-	-	202,237	202,237
Community development	-	-	-	-	481,326	481,326
Capital projects	-	-	-	-	910,951	910,951
Debt service	-	-	-	-	3,525	3,525
Total restricted	<u>-</u>	<u>2,193,647</u>	<u>638,064</u>	<u>24,647</u>	<u>3,815,943</u>	<u>6,672,301</u>
Committed:						
Judicial	-	-	-	-	231,124	231,124
General government	-	-	-	-	1,116,083	1,116,083
Public safety	-	-	-	-	1,607,312	1,607,312
Public works	-	-	-	-	1,308,179	1,308,179
Health and welfare	-	-	-	-	1,170,947	1,170,947
Recreation and cultural	-	-	-	-	800,836	800,836
Other governmental activities	-	-	-	-	34,626	34,626
Capital projects	-	-	-	-	3,519,619	3,519,619
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,788,726</u>	<u>9,788,726</u>
Unassigned	16,606,227	-	-	-	-	16,606,227
Total fund balances governmental funds	<u>\$ 18,701,316</u>	<u>\$ 2,193,647</u>	<u>\$ 638,064</u>	<u>\$ 24,647</u>	<u>\$ 13,755,345</u>	<u>\$ 35,313,019</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

13. RISK MANAGEMENT / SELF-INSURANCE PROGRAMS

The government manages its risk exposures and provides certain employee benefits through a combination of self insurance programs, risk management pools, and commercial insurance and excess coverage policies. On risks which are commercially insured, settlements have not exceeded insurance coverage in any of the past three years. Following is a summary of the self insurance programs and risk management pool participation.

Liability. The County participates in the Michigan Municipal Risk Management Authority (MMRMA) for general and automobile liability, motor vehicle physical damage and property damage coverages. The MMRMA provides risk management, underwriting, reinsurance and claim review and processing services for all member governments pursuant to its charter.

The government makes annual contributions to MMRMA based on actuarial studies using historical data and insurance industry statistics. These contributions are paid from an internal service fund (i.e., the Property/Liability Insurance Fund) using premiums paid into it by other funds of the government. Such contributions as received by MMRMA are allocated between its general and member retention funds. Economic resources in the MMRMA's general fund are expended for reinsurance coverage, claim payments and certain general and administrative costs, whereas resources in the member retention fund are used for loss payments and defense costs up to the members' self insured retention limits along with certain other member specific costs.

Accordingly, the government records a restricted asset for its portion of the unexpended member retention fund. At December 31, 2015, the balance of the County's member retention fund was \$1,771,986.

Under most circumstances, the County's maximum loss retention per occurrence was as follows:

Type of Risk	Maximum Retention Per Occurrence
General and automobile liability	\$200,000 specific occurrence
Motor vehicle physical damage	County assumes all risk
Property damage and crime	\$1,000 per occurrence plus 10% of the next \$100,000

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Changes in the balances of claims liabilities during the past two years, including provision for incurred but not reported (IBNR) claims, which are recorded in the property/liability insurance internal service fund, are as follows:

	2015	2014
Unpaid claims, beginning of year	\$ 1,050,721	\$ 862,102
Incurred claims (including change in IBNR provisions)	221,662	266,052
Claims payments	(244,672)	(77,433)
Unpaid claims, end of year	\$ 1,027,711	\$ 1,050,721

Health insurance. The County is self-insured for its employee health insurance. The plan is accounted for in the health care insurance internal service fund. The self-insured program is administered by a third-party administrator who provides claims review and processing services as well as illustrated premium rates, which are anticipated, over time, to approximate the actual cost of benefits. Premiums for the self-insured program are paid into the internal service fund by all other funds based on actual or illustrated rates. These premiums are available to pay claims and administrative costs.

	2015	2014
Unpaid claims, beginning of year	\$ 866,672	\$ 763,900
Incurred claims (including change in IBNR provisions)	12,033,788	13,051,546
Claims payments	(12,436,060)	(12,948,774)
Unpaid claims, end of year	\$ 464,400	\$ 866,672

Unemployment. The County is self-insured for unemployment benefits, which is accounted for in the unemployment insurance internal service fund. The reserve for unemployment benefits is determined by management based on prior experience. Unemployment benefits are expensed when paid:

	2015	2014
Unpaid claims, beginning of year	\$ -	\$ -
Incurred claims	17,226	42,746
Claims payments	(17,226)	(42,746)
Unpaid claims, end of year	\$ -	\$ -

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Workers' compensation. The government maintains a self insurance program for workers' compensation coverage which is accounted for in the workers' compensation insurance internal service fund. The program is administered by a third-party administrator who conducts safety inspections and provides claims review and processing services. Premiums are paid into the internal service fund by all other funds based on payrolls and are available to pay claims, claim reserves, excess coverage and administrative costs.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$300,000 subject to an annual aggregate limit of \$5 million. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay outs and other economic and social factors.

Changes in the balances of claims liabilities during the past two years are as follows:

	2015	2014
Unpaid claims, beginning of year	\$ 77,561	\$ 260,517
Incurred claims	58,035	90,207
Claims payments	<u>(122,498)</u>	<u>(273,163)</u>
Unpaid claims, end of year	<u>\$ 13,098</u>	<u>\$77,561</u>

Board errors and omissions. The County is also self-insured for Board errors and omissions, which is accounted for in the property/liability insurance internal service fund. No estimated claims liability was outstanding at December 31, 2015 or 2014, nor were the amount of claims paid or incurred during 2015 or 2014 of any consequence.

Road Commission. The Road Commission is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees. The Road Commission has purchased commercial insurance for medical benefit claims and participates in the Michigan County Road Commission self-insurance pool for workers' compensation and property liability. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

14. PROPERTY TAXES

Property taxes are levied on the assessed taxable value of the property as established by 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 limits annual increases in assessed values to the lesser of 5% or the rate of inflation with assessed value reverting to 50% of true cash value when the property is sold.

The assessed and taxable value of real and personal property for the 2015 levy was \$7,403,425,567. The general operating tax rate for this levy was 4.7723 mills. The taxable value of real and personal property for the 2014 levy was \$7,229,014,094. The tax rates for this levy was 0.4500 mills, 0.3500 mills, 0.3000 mills, and .1000 mills assessed for 911 emergency services, public safety operations, senior center operations, and parks respectively.

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.

15. PENSION PLAN

General Information about the Pension Plan

Plan Description. The County administers the Berrien County Employees' Retirement System, (the "Plan"), a single-employer defined benefit plan provided by authority section 12a of Act No. 156 of the Public Acts of 1851, which was adopted and established by the County in accordance with Michigan Compiled Laws Section 46.12a. The plan is included as a pension trust fund in the County's financial statements and a stand alone report of the Plan has been issued. Employer and employee contributions and benefit provisions are authorized and may be amended by County Board resolution and benefits may vary pursuant to collective bargaining agreements. Substantially all employees are covered by the Plan. Upon retirement, the plan pays a benefit percentage (depending on group), calculated using the percentage of final average compensation times years of credited service.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and mortality. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial values of trust assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Plan issues a publicly available financial report that can be obtained at <http://www.berriencounty.org/>.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Benefits Provided. Plan members may retire at age 55 or 60 with 5, 8, 10 or 25 years of credited service depending on which group the employee is in. Members are vested after completing 5, 8 or 10 years of credited service. Retirement options that provide for survivor benefits are available to members. The Plan also provides death and disability benefits. If a member leaves employment or dies before vesting, accumulated member contributions plus interest are refunded to the member or designated beneficiary.

Contributions. The contribution requirements of plan members and the County are established and may be amended by the County Board of Commissioners. Plan members are required to contribute 5.0% to 14.12% to the Plan, depending on their bargaining unit and hire date, with the County contributing additional amounts, as necessary, to provide assets sufficient to pay for member benefits.

Bargaining Unit / Employee Group	Benefits Multiplier	Contribution Percentage
AFSCME (Probate):	2.00%	7.06%
Riverwood		
Union members	2.20%	5.00%
Non-union members	2.20%	5.00%
Courthouse elected	2.20%	5.00%
GELC District Court Probation Members	2.20%	5.00%
Juvenile Court	2.00%	7.06%
Courthouse appointed	2.20%	5.00%
General non-bargaining members	2.20%	5.00%
FOPLC civilian members	2.20%	6.89%
Teamster FOC members	2.20%	8.00%
Road commission	2.00%	6.00%
Sheriff POLC Command Unit	2.80%	8.00%
Police Officers Labor Council (POLC)	2.80%	8.00%

Employees Covered by Benefit Terms. At December 31, 2014, the date of the latest actuarial valuation:

	County	Road Commission	Community Mental Health Authority	Total
Retirees and beneficiaries receiving benefits	482	77	72	631
Inactive plan members not yet receiving benefits	37	4	11	52
Active plan members	596	65	170	831
Total	1,115	146	253	1,514

Net Pension Liability. The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions.

Inflation	4.00%
Salary increases	4.00% to 6.30% including inflation
Investment rate of return	8.00%, net of investment expense and including inflation

RP-2000 Mortality Table projected to 2010 set forward 2 years for males and 1 year for females. Estimated margins for future mortality improvements of 8% for males and 18% for females are provided in these tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each asset class. These real 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. For each asset class that is included in the pension plan's target asset allocation as of December 31, 2014, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Tare of Return
U.S. large cap equities	35.00%	5.80%	2.03%
U.S. small cap equities	11.00%	7.60%	0.84%
International equities	12.00%	6.30%	0.76%
Core fixed income	35.00%	0.50%	0.18%
Global real estate	5.00%	3.90%	0.20%
Commodities	2.00%	3.90%	0.08%
	<u>100.00%</u>		4.09%
Inflation			4.00%
Risk adjustments			<u>-0.09%</u>
Investment rate of return			<u>8.00%</u>

Discount Rate. The discount rate used to measure the total pension liability was 8.00%. 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 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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

	County	Road Commission	Community Mental Health Authority	Total
Total pension liability	\$ 161,397,259	\$ 17,382,646	\$ 20,916,046	\$ 199,695,951
Plan fiduciary net position	(118,500,456)	(12,108,850)	(20,188,618)	(150,797,924)
County's net pension liability	<u>\$ 42,896,803</u>	<u>\$ 5,273,796</u>	<u>\$ 727,428</u>	<u>\$ 48,898,027</u>
		Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2013		<u>\$ 195,163,077</u>	<u>\$ 142,631,307</u>	<u>\$ 52,531,770</u>
Changes for the year:				
Service cost		4,669,602	-	4,669,602
Interest		15,305,513	-	15,305,513
Differences between expected and actual experience		(3,197,192)	-	(3,197,192)
Benefit changes		112,917	-	112,917
Employer contributions		-	7,172,057	(7,172,057)
Employee contributions		-	2,742,953	(2,742,953)
Net investment income		-	10,630,311	(10,630,311)
Benefit payments, including refunds of employee contributions		(12,357,966)	(12,357,966)	-
Administrative expense		-	(20,738)	20,738
Net changes		<u>4,532,874</u>	<u>8,166,617</u>	<u>(3,633,743)</u>
Balances at December 31, 2014		<u>\$ 199,695,951</u>	<u>\$ 150,797,924</u>	<u>\$ 48,898,027</u>

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 8.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
County	\$ 59,941,969	\$ 42,896,803	\$ 28,323,456
Road commission	6,897,112	5,273,796	3,864,998
Community mental health authority	3,044,764	727,428	(1,255,154)
County's net pension liability	<u>\$ 69,883,845</u>	<u>\$ 48,898,027</u>	<u>\$ 30,933,300</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is provided in the basic financial statements.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2015, the County, Road Commission, and Community Mental Health Authority recognized pension expense of \$5,011,037, \$539,434, and \$468,483, respectively. At December 31, 2015, 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:			
County	\$ -	\$ 2,090,677	\$ (2,090,677)
Road commission	-	11,205	(11,205)
Community mental health authority	-	431,005	(431,005)
	<u>-</u>	<u>2,532,887</u>	<u>(2,532,887)</u>
Net difference between projected and actual earnings on pension plan investments:			
County	60,504	-	60,504
Road commission	136,648	-	136,648
Community mental health authority	-	-	-
	<u>197,152</u>	<u>-</u>	<u>197,152</u>
Employer contributions to the plan subsequent to the measurement date:			
County	5,951,986	-	5,951,986
Road commission	487,679	-	487,679
Community mental health authority	459,934	-	459,934
	<u>6,899,599</u>	<u>-</u>	<u>6,899,599</u>
Total	<u>\$ 7,096,751</u>	<u>\$ 2,532,887</u>	<u>\$ 4,563,864</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

This amount includes deferred outflows of resources resulting from contributions subsequent to the measurement date of December 31, 2014 that will be recognized as a reduction in the net pension liability for the year ended September 30, 2016 for the Road Commission and the Community Mental Health Authority and the year ended December 31, 2016 for the County's primary government. 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,	County	Road Commission	Community Mental Health Authority
2016	\$ (543,080)	\$ 32,943	\$ (104,867)
2017	(543,080)	32,943	(104,867)
2018	(543,080)	32,943	(104,867)
2019	(437,909)	32,943	(104,868)
2020	31,978	(1,219)	(11,536)
Thereafter	4,998	(5,110)	-
Total	\$ (2,030,173)	\$ 125,443	\$ (431,005)

Payable to the pension plan. At December 31, 2015, the County did not have any outstanding contributions payable to the pension plan for the year then ended.

16. OTHER POSTEMPLOYMENT BENEFITS

General County

Plan description. The Berrien County Employees Amended Retirement Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by the County of Berrien. In addition to the retirement benefits described above, the Plan provides 50% health insurance benefits to certain retirees and their beneficiaries, which are advance-funded on a discretionary basis.

Basis of Accounting. The financial statements of the Plan are included in the County's financial statements as an other postemployment benefit trust fund and are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which they 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 Plan.

Methods Used to Value Investments. Investments are reported at fair value which is determined using selected bases as follows: 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 quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Board, with the assistance of a valuation service; and cash deposits are reported at carrying amounts which reasonably approximates fair value.

COUNTY OF BERRIEN, MICHIGAN

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Funding Policy. The contribution requirements of Plan members and the County are established and may be amended by the County Board of Commissioners. Plan members receiving benefits contributed \$1,182,012 or approximately 50% of total premiums, through their required contribution of \$138 - \$404 per month for retiree-only coverage and \$414 - \$1,212 for retiree and spouse coverage (offered to Sheriff department retirees only), depending on age and bargaining unit.

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Annual OPEB Cost and Net OPEB Asset. The County's annual other postemployment benefit (OPEB) cost and net OPEB asset to the Plan for the current year were as follows:

Annual required contribution	\$ 2,138,969
Interest on net OPEB asset	(98,757)
Adjustment to annual required contribution	<u>79,694</u>
Annual OPEB cost	2,119,906
Contributions made	<u>(1,714,040)</u>
Change in net OPEB asset	405,866
Net OPEB asset, beginning of year	<u>(1,234,465)</u>
Net OPEB asset, end of year	<u>\$ (828,599)</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB asset for the current and the two preceding years were as follows:

Three-Year Trend Information			
Years Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)
2013	\$ 2,434,561	86%	\$ (1,522,286)
2014	2,032,129	86%	(1,234,465)
2015	2,119,906	81%	(828,599)

Funded status and funding progress. As of December 31, 2015, the date of the most recent actuarial valuation, the Plan was 43 percent funded. The actuarial accrued liability for benefits was \$66,286,999, and the actuarial value of assets was \$28,640,255, resulting in an unfunded actuarial accrued liability (UAAL) of \$37,646,744. The covered payroll (annual payroll of the active employees covered by the Plan) was \$33,709,384 and the ratio of the UAAL to the covered payroll was 111.7 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefit.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Actuarial Methods and Assumptions. In the December 31, 2015 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions includes: (a) a rate of return on investments of 8.0%; (b) projected salary increases of 4.0% attributable to inflation; (c) additional projected salary increases ranging from 4.04% to 6.3%, depending on age, attributable to seniority/merit; and (d) projected healthcare benefit increases of 4.0% to 9.0%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over 30 years on an open basis.

Road Commission

Plan description. The Road Commission provides retiree health care benefits to eligible employees and their spouses. This is a single employer defined benefit plan administered by the Road Commission. The benefits are provided under the collective bargaining agreement for union employees and by the Road Commission resolution for nonunion employees. The Plan does not issue a publicly available financial report.

Funding Policy. The collective bargaining agreements require a contribution of \$500 per month for married employees and \$270 per month for single employees from retiree age 60 to 65. The Road Commission has no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a "pay-as-you-go" basis). Therefore, the Road Commission has elected not to fund the plan in advance.

Funding Progress. The Road Commission's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC). The Road Commission has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB No. 45 for employers in plans with fewer than 100 total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of 10 years.

The following table shows the components of the Road Commission's annual OPEB cost for the year ended September 30, 2015, the amount actually contributed to the plan, and the changes in the net OPEB obligation:

Annual required contribution	\$ 178,833
Interest on net OPEB obligation	14,439
Less: adjustment to the annual required contribution	<u>(48,548)</u>
Annual OPEB cost	144,724
Contributions made	<u>(9,900)</u>
Change in net OPEB obligation	134,824
Net OPEB obligation, beginning of year	<u>360,963</u>
Net OPEB obligation, end of year	<u>\$ 495,787</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

The annual OPEB costs, the percentage contributed to the Plan, and the net OPEB obligation for the current and two preceding years are as follows:

Three-Year Trend Information			
Years Ended September 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 77,515	27.4%	\$ 543,815
2014	80,883	18.6%	360,963
2015	144,724	6.8%	495,787

Funded status and funding progress. As of September 30, 2015, the date of the most recent actuarial valuation, the Plan was zero percent funded. The actuarial accrued liability for benefits was \$678,781, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$678,781. The covered payroll (annual payroll of the active employees covered by the Plan) was \$3,287,795 and the ratio of the UAAL to the covered payroll was 20.6 percent.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented above, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement Age for Active Employees - Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 60, or at the first subsequent year in which the member would qualify for benefits.

Marital Status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Turnover - Non-group-specific age-based turnover data from GASB Statement No. 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Health Insurance Premiums - Health insurance premiums of \$500 for married participants and \$270 for single participants were used as the basis for calculation of the present value of total benefits to be paid.

Based on the historical and expected returns of the County's short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level dollar contribution on a closed basis. The remaining amortization period at September 30, 2015 was 10 years.

17. COMBINING FINANCIAL INFORMATION - PENSION AND OTHER POSTEMPLOYMENT TRUST FUNDS

Financial statements for individual pension and employee benefit plans:

	Pension and Other Postemployment Benefits Net Position		
	Pension	Other Postemployment Benefit Trust Fund	Totals
Assets			
Cash and cash equivalents	\$ 573,510	\$ 174,994	\$ 748,504
Investments:			
Equity mutual funds	87,486,596	16,597,408	104,084,004
Fixed income mutual funds	44,244,658	9,922,041	54,166,699
Commodities mutual funds	9,602,570	809,316	10,411,886
Real estate mutual funds	3,391,828	-	3,391,828
Accrued interest receivable	14,626	-	14,626
Other assets	824,821	-	824,821
Total assets	146,138,609	27,503,759	173,642,368
Liabilities			
Accounts payable	137,486	-	137,486
Net position			
Restricted for pension and other postemployment benefits	<u>\$ 146,001,123</u>	<u>\$ 27,503,759</u>	<u>\$ 173,504,882</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

	Changes in Pension and Other Postemployment Benefits Net Position		
	Pension	Other Postemployment Benefit Trust Fund	Totals
Additions			
Investment income (loss):			
Net change in fair value of investments	\$ (1,889,839)	\$ (1,168,630)	\$ (3,058,469)
Interest and dividends	410,652	690,384	1,101,036
Less investment expenses	(612,152)	-	(612,152)
Net investment loss	(2,091,339)	(478,246)	(2,569,585)
Contributions:			
Employer	7,235,958	1,714,040	8,949,998
Employees	2,829,257	-	2,829,257
Total contributions	10,065,215	1,714,040	11,779,255
Total additions	7,973,876	1,235,794	9,209,670
Deductions			
Pension benefit payments	12,200,958	1,702,639	13,903,597
Contribution refunds	502,988	-	502,988
Administration	66,730	-	66,730
Total deductions	12,770,676	1,702,639	14,473,315
Change in net position	(4,796,800)	(466,845)	(5,263,645)
Net position, beginning of year	150,797,923	27,970,604	178,768,527
Net position, end of year	\$ 146,001,123	\$ 27,503,759	\$ 173,504,882

18. TRANSACTIONS WITH RELATED PARTIES

The County provides grant funding to a local ministry that does work to reduce the likelihood of convicts going back to prison once they are released. This ministry is operated by a relative of a County Commissioner.

19. RESTATEMENT

The County adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in the current year. As a result of this change, beginning net position of governmental activities, the Community Mental Health Authority and the Road Commission decreased by \$39,915,939, \$969,115 and \$4,751,082, respectively.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

20. SUBSEQUENT EVENTS

On May 4, 2016, the County issued general obligation limited tax notes with a face value of \$11,000,000 to finance the purchase of delinquent property taxes receivable from each taxing unit in the County, which is part of the normal financing activities of the County.

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REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF BERRIEN, MICHIGAN

Defined Benefit Pension Plan Required Supplementary Information

Schedule of Changes in the County's Net Pension Liability and Related Ratios

	Fiscal Year Ended December 31, 2015
Total pension liability	
Service cost	\$ 4,669,602
Interest on total pension liability	15,305,513
Benefit changes	112,917
Difference between expected and actual experience	(3,197,192)
Benefit payments and refunds	(12,357,966)
Net change in total pension liability	<u>4,532,874</u>
Total pension liability, beginning of year	<u>195,163,077</u>
Total pension liability, end of year	<u>199,695,951</u>
Plan fiduciary net position	
Employer contributions	7,172,058
Employee contributions	2,742,953
Pension plan net investment income	10,630,310
Benefit payments and refunds	(12,357,966)
Pension plan administrative expense	(20,738)
Net change in plan fiduciary net position	<u>8,166,617</u>
Plan fiduciary net position, beginning of year	<u>142,631,307</u>
Plan fiduciary net position, end of year	<u>150,797,924</u>
Net pension liability	<u>\$ 48,898,027</u>
Plan fiduciary net position as a percentage of total pension liability	75.51%
Covered employee payroll	<u>\$ 41,465,482</u>
Net pension liability as a percentage of covered employee payroll	117.92%

Notes to Schedule

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Measurement date. The County's net pension liability is measured as of December 31 of the year preceding the County's fiscal year end.

COUNTY OF BERRIEN, MICHIGAN

Defined Benefit Pension Plan
 Required Supplementary Information

Schedule of the Net Pension Liability

Fiscal Year Ended	Total Pension Liability	Plan Net Pension	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as Percentage of Covered Payroll
12/31/2015	\$ 199,695,951	\$ 150,797,924	\$48,898,027	75.5%	\$ 41,465,482	117.9%

Notes to Schedule

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Measurement date. The County's net pension liability is measured as of December 31 of the year preceding the County's fiscal year end.

COUNTY OF BERRIEN, MICHIGAN

Defined Benefit Pension Plan

Required Supplementary Information

Schedule of County Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2014	\$ 7,172,057	\$ 7,172,057	\$ -	\$ 41,465,482	17.3%
12/31/2015	7,235,958	7,235,958	-	43,865,207	16.5%

Notes to Schedule of Contributions

Valuation date December 31, 2014

Notes Actuarially determined contribution rates are calculated as of December 31 that is 24 months prior to the beginning of the fiscal year for which the contributions are reported.

Other information There were no changes in benefit provisions or actuarial assumptions as of the actuarial valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	General county - level percent of payroll, closed
Remaining amortization period	20 years
Asset valuation method	Market value with 5 year smoothing of gains and losses.
Inflation	4.00%
Salary increases	4.0%-6.3% including inflation
Investment rate of return	8.00% net of pension plan investment expense, including inflation
Mortality rates	RP-2000 Mortality Table projected to 2010 set forward 2 years for males and 1 year for females. Estimated margins for future mortality improvements of 8% for males and 18% for females are provided in these tables.

COUNTY OF BERRIEN, MICHIGAN

Other Postemployment Benefits Plan

General County

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded AAL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percent of Covered Payroll
* 12/31/2013	\$ 25,287,797	\$ 40,803,238	\$ (15,515,441)	61.97%	\$ 36,604,967	-42.39%
* 12/31/2014	26,760,072	48,254,391	(21,494,319)	55.46%	34,314,860	-62.64%
* 12/31/2015	28,640,255	66,286,999	(37,646,744)	43.21%	33,709,384	-111.68%

Schedule of Employer Contributions		
Year Ended December 31	Annual Required Contributions	Percentage Contributed
2013	\$ 2,058,046	84.76%
2014	2,032,129	85.84%
2015	2,138,969	80.13%

* After changes in benefit provisions

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2015

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
Assets				
Cash and cash equivalents	\$ 7,391,021	\$ 3,525	\$ 4,180,284	\$ 11,574,830
Investments	1,661,703	-	471,241	2,132,944
Receivables:				
Accounts	80,485	-	-	80,485
Taxes - current	701,719	-	-	701,719
Due from other governments	1,936,995	-	-	1,936,995
Notes	232,643	-	-	232,643
Prepaid expenditures	676	-	-	676
Total assets	\$ 12,005,242	\$ 3,525	\$ 4,651,525	\$ 16,660,292
Liabilities				
Accounts payable	\$ 313,450	\$ -	\$ 220,955	\$ 534,405
Accrued expenses	215,878	-	-	215,878
Due to other governments	272,557	-	-	272,557
Interfund payable	354,961	-	-	354,961
Advances from other funds	250,000	-	-	250,000
Unearned revenue	543,905	-	-	543,905
Total liabilities	1,950,751	-	220,955	2,171,706
Deferred inflows of resources				
Taxes levied for a subsequent period	733,241	-	-	733,241
Fund balances				
Nonspendable	150,676	-	-	150,676
Restricted	2,901,467	3,525	910,951	3,815,943
Committed	6,269,107	-	3,519,619	9,788,726
Total fund balances	9,321,250	3,525	4,430,570	13,755,345
Total liabilities, deferred inflows of resources and fund balances	\$ 12,005,242	\$ 3,525	\$ 4,651,525	\$ 16,660,292

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2015

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
Revenues				
Property taxes	\$ 721,848	\$ -	\$ -	\$ 721,848
Licenses and permits	331,612	-	-	331,612
Intergovernmental revenue	11,643,984	-	-	11,643,984
Charges for services	4,865,754	1	-	4,865,755
Fines and forfeitures	5,518	-	-	5,518
Interest revenue	11,096	-	2,834	13,930
Other revenue	2,651,943	-	160,277	2,812,220
Total revenues	20,231,755	1	163,111	20,394,867
Expenditures				
Current expenditures:				
Judicial	3,211,915	-	53,744	3,265,659
General government	1,089,111	-	2,845,048	3,934,159
Public safety	4,903,584	-	410,750	5,314,334
Public works	171,534	-	-	171,534
Health and welfare	16,377,979	-	62,841	16,440,820
Recreation and cultural	1,759,597	-	-	1,759,597
Community development	1,365,689	-	-	1,365,689
Debt service:				
Interest and fiscal charges	-	260	-	260
Total expenditures	28,879,409	260	3,372,383	32,252,052
Revenues under expenditures	(8,647,654)	(259)	(3,209,272)	(11,857,185)
Other financing sources (uses)				
Transfers in	11,078,321	-	1,286,119	12,364,440
Transfers out	(1,309,083)	-	-	(1,309,083)
Proceeds from sale of capital assets	-	-	544,819	544,819
Total other financing sources	9,769,238	-	1,830,938	11,600,176
Net change in fund balances	1,121,584	(259)	(1,378,334)	(257,009)
Fund balances, beginning of year	8,199,666	3,784	5,808,904	14,012,354
Fund balances, end of year	\$ 9,321,250	\$ 3,525	\$ 4,430,570	\$ 13,755,345

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2015

	Parks and Recreation (2080)	Parks Environmental Affairs (2082)	Parks and Recreation Grant (2085)
Assets			
Cash and cash equivalents	\$ 309,941	\$ 479,092	\$ -
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	-
Due from other governments	-	-	24,000
Notes	-	-	-
Prepaid expenditures	-	-	-
Total assets	\$ 309,941	\$ 479,092	\$ 24,000
Liabilities			
Accounts payable	\$ 3,491	\$ 40	\$ -
Accrued expenses	6,452	808	-
Due to other governments	-	-	-
Interfund payable	-	-	24,000
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	9,943	848	24,000
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	299,998	478,244	-
Total fund balances	299,998	478,244	-
Total liabilities, deferred inflows of resources and fund balances	\$ 309,941	\$ 479,092	\$ 24,000



Parks Millage (2087)	Historical Association Loan Fund (2110)	Berrien Community Foundation (2130)	Friend of the Court (2150)	Family Counseling Services (2155)	Health Department (2210)
\$ 191,537	\$ -	\$ 16,877	\$ -	\$ 151,257	\$ 632,511
-	-	-	-	-	-
-	-	-	-	-	4,844
701,719	-	-	-	-	-
-	-	5,717	597,765	-	-
-	150,000	-	-	-	-
-	-	-	-	-	-
<u>\$ 893,256</u>	<u>\$ 150,000</u>	<u>\$ 22,594</u>	<u>\$ 597,765</u>	<u>\$ 151,257</u>	<u>\$ 637,355</u>
\$ -	\$ -	\$ -	\$ 23,950	\$ 323	\$ 8,106
-	-	-	26,304	-	23,423
-	-	-	9,970	-	-
-	-	-	330,961	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	391,185	323	31,529
733,241	-	-	-	-	-
-	150,000	-	-	-	-
160,015	-	-	-	150,934	-
-	-	22,594	206,580	-	605,826
<u>160,015</u>	<u>150,000</u>	<u>22,594</u>	<u>206,580</u>	<u>150,934</u>	<u>605,826</u>
<u>\$ 893,256</u>	<u>\$ 150,000</u>	<u>\$ 22,594</u>	<u>\$ 597,765</u>	<u>\$ 151,257</u>	<u>\$ 637,355</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2015

	Drug Court Treatment (2211)	Health Department Grants (2215)	Berrien County Landfill Use (2270)
Assets			
Cash and cash equivalents	\$ 120,759	\$ 855,292	\$ 295,024
Investments	-	-	902,038
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	-
Due from other governments	-	205,958	-
Notes	-	-	-
Prepaid expenditures	-	-	-
Total assets	\$ 120,759	\$ 1,061,250	\$ 1,197,062
Liabilities			
Accounts payable	\$ -	\$ 19,137	\$ -
Accrued expenses	-	26,267	-
Due to other governments	-	262,587	-
Interfund payable	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	308,897	-
Total liabilities	-	616,888	-
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	120,759	444,362	1,197,062
Total fund balances	120,759	444,362	1,197,062
Total liabilities, deferred inflows of resources and fund balances	\$ 120,759	\$ 1,061,250	\$ 1,197,062



EDC Grants and Programs (2445)	Register of Deeds Automation (2560)	Register of Deeds Tax Foreclosure Search Fund (2561)	Homestead Audit Administration (2590)	Law Enforcement Funds (various #s)	Concealed Pistol Licensing Fund (2630)
\$ 3,392	\$ 89,964	\$ 14,760	\$ 66,607	\$ 1,024,740	\$ 20,127
-	-	-	258,652	310,008	-
-	-	-	-	75,641	-
-	-	-	-	-	-
-	-	-	-	261,564	-
-	-	-	-	-	-
-	-	-	-	440	-
<u>\$ 3,392</u>	<u>\$ 89,964</u>	<u>\$ 14,760</u>	<u>\$ 325,259</u>	<u>\$ 1,672,393</u>	<u>\$ 20,127</u>
\$ -	\$ 2,945	\$ 1,320	\$ -	\$ 13,022	\$ -
-	2,657	440	529	71,347	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	399	-
-	5,602	1,760	529	84,768	-
-	-	-	-	-	-
-	-	-	-	440	-
3,392	84,362	-	-	-	-
-	-	13,000	324,730	1,587,185	20,127
<u>3,392</u>	<u>84,362</u>	<u>13,000</u>	<u>324,730</u>	<u>1,587,625</u>	<u>20,127</u>
<u>\$ 3,392</u>	<u>\$ 89,964</u>	<u>\$ 14,760</u>	<u>\$ 325,259</u>	<u>\$ 1,672,393</u>	<u>\$ 20,127</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2015

	Public Safety Cigarette Tax (2665)	Animal Control Grant and Program (2675)	County Law Library (2690)
Assets			
Cash and cash equivalents	\$ 146,192	\$ 13,041	\$ 24,544
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	-
Due from other governments	-	-	-
Notes	-	-	-
Prepaid expenditures	-	-	-
Total assets	<u>\$ 146,192</u>	<u>\$ 13,041</u>	<u>\$ 24,544</u>
Liabilities			
Accounts payable	\$ -	\$ 635	\$ -
Accrued expenses	-	-	-
Due to other governments	-	-	-
Interfund payable	-	-	-
Advances from other funds	-	-	-
Unearned revenue	90,267	-	-
Total liabilities	<u>90,267</u>	<u>635</u>	<u>-</u>
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	-	-	-
Restricted	55,925	12,406	-
Committed	-	-	24,544
Total fund balances	<u>55,925</u>	<u>12,406</u>	<u>24,544</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 146,192</u>	<u>\$ 13,041</u>	<u>\$ 24,544</u>



Small Bus Program (2810)	Berrien Bus Grant and Program (2815)	Four Winds Casino Revenue Sharing (2851)	Three Oaks Land Purchase (2860)	Campaign Finance Administration (2870)	Social Services (2900)
\$ 328,993	\$ 53,458	\$ 769,614	\$ 209,745	\$ 8,739	\$ 105,864
191,005	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
41,058	-	-	-	-	-
-	-	-	82,643	-	-
-	-	-	-	-	-
<u>\$ 561,056</u>	<u>\$ 53,458</u>	<u>\$ 769,614</u>	<u>\$ 292,388</u>	<u>\$ 8,739</u>	<u>\$ 105,864</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	185
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	250,000	-	-
83,122	53,458	-	7,762	-	-
<u>83,122</u>	<u>53,458</u>	<u>-</u>	<u>257,762</u>	<u>-</u>	<u>185</u>
-	-	-	-	-	-
-	-	-	-	-	-
477,934	-	-	-	-	105,679
-	-	769,614	34,626	8,739	-
<u>477,934</u>	<u>-</u>	<u>769,614</u>	<u>34,626</u>	<u>8,739</u>	<u>105,679</u>
<u>\$ 561,056</u>	<u>\$ 53,458</u>	<u>\$ 769,614</u>	<u>\$ 292,388</u>	<u>\$ 8,739</u>	<u>\$ 105,864</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2015

	Child Care Probate (2920)	Child Care Social Services (2921)	Generous Juror Program (2925)
Assets			
Cash and cash equivalents	\$ 796,913	\$ 528,827	\$ 17,575
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	-
Due from other governments	688,371	112,562	-
Notes	-	-	-
Prepaid expenditures	236	-	-
Total assets	\$ 1,485,520	\$ 641,389	\$ 17,575
Liabilities			
Accounts payable	\$ 229,111	\$ 11,370	\$ -
Accrued expenses	57,321	-	-
Due to other governments	-	-	-
Interfund payable	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	286,432	11,370	-
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	236	-	-
Restricted	1,198,852	630,019	17,575
Committed	-	-	-
Total fund balances	1,199,088	630,019	17,575
Total liabilities, deferred inflows of resources and fund balances	\$ 1,485,520	\$ 641,389	\$ 17,575

Soldiers and Sailors Relief (2930)	Veteran's Trust (2940)	Board of Public Works (2960)	Total
\$ 2,156	\$ 2,218	\$ 111,262	\$ 7,391,021
-	-	-	1,661,703
-	-	-	80,485
-	-	-	701,719
-	-	-	1,936,995
-	-	-	232,643
-	-	-	676
<u>\$ 2,156</u>	<u>\$ 2,218</u>	<u>\$ 111,262</u>	<u>\$ 12,005,242</u>
\$ -	\$ -	\$ -	\$ 313,450
-	-	145	215,878
-	-	-	272,557
-	-	-	354,961
-	-	-	250,000
-	-	-	543,905
<u>-</u>	<u>-</u>	<u>145</u>	<u>1,950,751</u>
-	-	-	733,241
-	-	-	150,676
2,156	2,218	-	2,901,467
-	-	111,117	6,269,107
<u>2,156</u>	<u>2,218</u>	<u>111,117</u>	<u>9,321,250</u>
<u>\$ 2,156</u>	<u>\$ 2,218</u>	<u>\$ 111,262</u>	<u>\$ 12,005,242</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Parks and Recreation (2080)	Parks Environmental Affairs (2082)	Parks and Recreation Grant (2085)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	164,230
Charges for services	540,529	3,782	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	133,414	-	78,500
Total revenues	673,943	3,782	242,730
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	1,274,796	199,076	285,725
Community development	-	-	-
Total expenditures	1,274,796	199,076	285,725
Revenue over (under) expenditures	(600,853)	(195,294)	(42,995)
Other financing sources (uses)			
Transfers in	672,801	-	54,445
Transfers out	(60,871)	(87,996)	(11,450)
Total other financing sources (uses)	611,930	(87,996)	42,995
Net change in fund balances	11,077	(283,290)	-
Fund balances, beginning of year	288,921	761,534	-
Fund balances, end of year	\$ 299,998	\$ 478,244	\$ -

Parks Millage (2087)	Historical Association Loan Fund (2110)	Berrien Community Foundation (2130)	Friend of the Court (2150)	Family Counseling Services (2155)	Health Department (2210)
\$ 721,848	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	19,620	289,608
-	-	-	1,996,071	-	383,409
-	-	-	230,474	-	60,869
-	-	-	-	-	-
-	-	-	-	-	-
-	-	35,906	61,790	148	1,516,375
<u>721,848</u>	<u>-</u>	<u>35,906</u>	<u>2,288,335</u>	<u>19,768</u>	<u>2,250,261</u>
-	-	-	3,123,834	17,733	-
-	-	-	-	-	-
-	-	25,622	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,284,222
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>25,622</u>	<u>3,123,834</u>	<u>17,733</u>	<u>3,284,222</u>
<u>721,848</u>	<u>-</u>	<u>10,284</u>	<u>(835,499)</u>	<u>2,035</u>	<u>(1,033,961)</u>
-	-	-	874,920	-	1,360,037
(623,351)	-	(2,500)	(23,078)	-	(149,276)
<u>(623,351)</u>	<u>-</u>	<u>(2,500)</u>	<u>851,842</u>	<u>-</u>	<u>1,210,761</u>
98,497	-	7,784	16,343	2,035	176,800
61,518	150,000	14,810	190,237	148,899	429,026
<u>\$ 160,015</u>	<u>\$ 150,000</u>	<u>\$ 22,594</u>	<u>\$ 206,580</u>	<u>\$ 150,934</u>	<u>\$ 605,826</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Drug Court Treatment (2211)	Health Department Grants (2215)	Berrien County Landfill Use (2270)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	3,734,273	-
Charges for services	-	238,148	734,152
Fines and forfeitures	-	-	-
Interest revenue	-	-	762
Other revenue	-	31,636	-
Total revenues	-	4,004,057	734,914
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	157,708
Health and welfare	-	4,813,509	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	-	4,813,509	157,708
Revenue over (under) expenditures	-	(809,452)	577,206
Other financing sources (uses)			
Transfers in	-	836,883	-
Transfers out	-	-	(48,000)
Total other financing sources (uses)	-	836,883	(48,000)
Net change in fund balances	-	27,431	529,206
Fund balances, beginning of year	120,759	416,931	667,856
Fund balances, end of year	\$ 120,759	\$ 444,362	\$ 1,197,062



EDC Grants and Programs (2445)	Register of Deeds Automation (2560)	Register of Deeds Tax Foreclosure Search Fund (2561)	Homestead Audit Administration (2590)	Law Enforcement Funds (various #s)	Concealed Pistol Licensing Fund (2630)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	22,384
130,412	-	-	-	856,953	-
-	157,620	226,625	91,602	2,114,570	-
-	-	-	-	5,518	-
-	-	-	1,557	310	-
28,595	-	-	-	273,707	-
<u>159,007</u>	<u>157,620</u>	<u>226,625</u>	<u>93,159</u>	<u>3,251,058</u>	<u>22,384</u>
-	-	-	-	-	-
-	195,721	46,585	51,233	793,688	-
-	-	-	-	4,851,355	2,257
-	-	-	-	-	-
-	-	-	-	-	-
171,325	-	-	-	-	-
<u>171,325</u>	<u>195,721</u>	<u>46,585</u>	<u>51,233</u>	<u>5,645,043</u>	<u>2,257</u>
<u>(12,318)</u>	<u>(38,101)</u>	<u>180,040</u>	<u>41,926</u>	<u>(2,393,985)</u>	<u>20,127</u>
-	-	-	-	2,430,561	-
-	-	(179,822)	-	(69,909)	-
-	-	(179,822)	-	2,360,652	-
(12,318)	(38,101)	218	41,926	(33,333)	20,127
15,710	122,463	12,782	282,804	1,620,958	-
<u>\$ 3,392</u>	<u>\$ 84,362</u>	<u>\$ 13,000</u>	<u>\$ 324,730</u>	<u>\$ 1,587,625</u>	<u>\$ 20,127</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Public Safety Cigarette Tax (2665)	Animal Control Grant and Program (2675)	County Law Library (2690)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	24,608	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	13,270	6,500
Total revenues	24,608	13,270	6,500
Expenditures			
Judicial	-	-	70,348
General government	-	-	-
Public safety	15,990	8,360	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	15,990	8,360	70,348
Revenue over (under) expenditures	8,618	4,910	(63,848)
Other financing sources (uses)			
Transfers in	1,382	-	30,168
Transfers out	-	(19,950)	-
Total other financing sources (uses)	1,382	(19,950)	30,168
Net change in fund balances	10,000	(15,040)	(33,680)
Fund balances, beginning of year	45,925	27,446	58,224
Fund balances, end of year	\$ 55,925	\$ 12,406	\$ 24,544



Small Bus Program (2810)	Berrien Bus Grant and Program (2815)	Four Winds Casino Revenue Sharing (2851)	Three Oaks Land Purchase (2860)	Campaign Finance Administration (2870)	Social Services (2900)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
509,401	169,386	-	-	-	-
460,584	-	-	-	6,524	-
-	-	-	-	-	-
44	-	-	8,423	-	-
15,515	-	209,243	-	-	-
<u>985,544</u>	<u>169,386</u>	<u>209,243</u>	<u>8,423</u>	<u>6,524</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	1,884	-
-	-	-	-	-	-
-	-	-	-	-	20,897
-	-	-	-	-	-
1,024,978	169,386	-	-	-	-
<u>1,024,978</u>	<u>169,386</u>	<u>-</u>	<u>-</u>	<u>1,884</u>	<u>20,897</u>
<u>(39,434)</u>	<u>-</u>	<u>209,243</u>	<u>8,423</u>	<u>4,640</u>	<u>(20,897)</u>
-	-	-	-	-	11,592
-	-	(32,880)	-	-	-
-	-	(32,880)	-	-	11,592
(39,434)	-	176,363	8,423	4,640	(9,305)
<u>517,368</u>	<u>-</u>	<u>593,251</u>	<u>26,203</u>	<u>4,099</u>	<u>114,984</u>
<u>\$ 477,934</u>	<u>\$ -</u>	<u>\$ 769,614</u>	<u>\$ 34,626</u>	<u>\$ 8,739</u>	<u>\$ 105,679</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Child Care Probate (2920)	Child Care Social Services (2921)	Generous Juror Program (2925)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	3,374,697	277,677	-
Charges for services	275	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	166,342	49,207	10,521
Total revenues	3,541,314	326,884	10,521
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	7,629,983	603,523	2,746
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	7,629,983	603,523	2,746
Revenue over (under) expenditures	(4,088,669)	(276,639)	7,775
Other financing sources (uses)			
Transfers in	4,278,264	527,268	-
Transfers out	-	-	-
Total other financing sources (uses)	4,278,264	527,268	-
Net change in fund balances	189,595	250,629	7,775
Fund balances, beginning of year	1,009,493	379,390	9,800
Fund balances, end of year	\$ 1,199,088	\$ 630,019	\$ 17,575

Soldiers and Sailors Relief (2930)	Veteran's Trust (2940)	Board of Public Works (2960)	Total
\$ -	\$ -	\$ -	\$ 721,848
-	-	-	331,612
-	22,864	3	11,643,984
-	-	-	4,865,754
-	-	-	5,518
-	-	-	11,096
-	-	21,274	2,651,943
-	22,864	21,277	20,231,755
-	-	-	3,211,915
-	-	-	1,089,111
-	-	-	4,903,584
-	-	13,826	171,534
-	23,099	-	16,377,979
-	-	-	1,759,597
-	-	-	1,365,689
-	23,099	13,826	28,879,409
-	(235)	7,451	(8,647,654)
-	-	-	11,078,321
-	-	-	(1,309,083)
-	-	-	9,769,238
-	(235)	7,451	1,121,584
2,156	2,453	103,666	8,199,666
\$ 2,156	\$ 2,218	\$ 111,117	\$ 9,321,250

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Parks and Recreation (2080)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	505,709	540,529	34,820
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	126,000	133,414	7,414
Total revenues	631,709	673,943	42,234
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	1,431,060	1,274,796	(156,264)
Community development	-	-	-
Total expenditures	1,431,060	1,274,796	(156,264)
Revenues over (under) expenditures	(799,351)	(600,853)	198,498
Other financing sources (uses)			
Transfers in	727,272	672,801	(54,471)
Transfers out	(66,450)	(60,871)	5,579
Total other financing sources (uses)	660,822	611,930	(48,892)
Net change in fund balances	(138,529)	11,077	149,606
Fund balances, beginning of year	288,921	288,921	-
Fund balances, end of year	\$ 150,392	\$ 299,998	\$ 149,606

Parks Environmental Affairs (2082)			Parks and Recreation Grant (2085)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	141,483	164,230	22,747
4,000	3,782	(218)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	102,500	78,500	(24,000)
<u>4,000</u>	<u>3,782</u>	<u>(218)</u>	<u>243,983</u>	<u>242,730</u>	<u>(1,253)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
214,895	199,076	(15,819)	285,728	285,725	(3)
-	-	-	-	-	-
<u>214,895</u>	<u>199,076</u>	<u>(15,819)</u>	<u>285,728</u>	<u>285,725</u>	<u>(3)</u>
<u>(210,895)</u>	<u>(195,294)</u>	<u>15,601</u>	<u>(41,745)</u>	<u>(42,995)</u>	<u>(1,250)</u>
-	-	-	53,195	54,445	1,250
<u>(88,000)</u>	<u>(87,996)</u>	<u>4</u>	<u>(11,450)</u>	<u>(11,450)</u>	<u>-</u>
<u>(88,000)</u>	<u>(87,996)</u>	<u>4</u>	<u>41,745</u>	<u>42,995</u>	<u>1,250</u>
<u>(298,895)</u>	<u>(283,290)</u>	<u>15,605</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>761,534</u>	<u>761,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 462,639</u>	<u>\$ 478,244</u>	<u>\$ 15,605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Parks Millage (2087)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 729,067	\$ 721,848	\$ (7,219)
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Total revenues	<u>729,067</u>	<u>721,848</u>	<u>(7,219)</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>729,067</u>	<u>721,848</u>	<u>(7,219)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(689,272)	(623,351)	65,921
Total other financing sources (uses)	<u>(689,272)</u>	<u>(623,351)</u>	<u>65,921</u>
Net change in fund balances	39,795	98,497	58,702
Fund balances, beginning of year	<u>61,518</u>	<u>61,518</u>	<u>-</u>
Fund balances, end of year	<u>\$ 101,313</u>	<u>\$ 160,015</u>	<u>\$ 58,702</u>



Historical Association Loan Fund (2110)			Berrien Community Foundation (2130)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	37,043	35,906	(1,137)
-	-	-	37,043	35,906	(1,137)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	32,043	25,622	(6,421)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,500	-	(2,500)
-	-	-	-	-	-
-	-	-	34,543	25,622	(8,921)
-	-	-	2,500	10,284	7,784
-	-	-	-	-	-
-	-	-	(5,000)	(2,500)	2,500
-	-	-	(5,000)	(2,500)	2,500
-	-	-	(2,500)	7,784	10,284
150,000	150,000	-	14,810	14,810	-
\$ 150,000	\$ 150,000	\$ -	\$ 12,310	\$ 22,594	\$ 10,284

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Friend of the Court (2150)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	2,059,279	1,996,071	(63,208)
Charges for services	279,000	230,474	(48,526)
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	61,790	61,790
Total revenues	2,338,279	2,288,335	(49,944)
Expenditures			
Judicial	3,249,193	3,123,834	(125,359)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	3,249,193	3,123,834	(125,359)
Revenues over (under) expenditures	(910,914)	(835,499)	75,415
Other financing sources (uses)			
Transfers in	874,914	874,920	6
Transfers out	(30,000)	(23,078)	6,922
Total other financing sources (uses)	844,914	851,842	6,928
Net change in fund balances	(66,000)	16,343	82,343
Fund balances, beginning of year	190,237	190,237	-
Fund balances, end of year	\$ 124,237	\$ 206,580	\$ 82,343

Family Counseling Services (2155)			Health Department (2210)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20,000	19,620	(380)	283,400	289,608	6,208
-	-	-	390,216	383,409	(6,807)
-	-	-	56,750	60,869	4,119
-	-	-	-	-	-
-	-	-	-	-	-
-	148	148	1,567,555	1,516,375	(51,180)
20,000	19,768	(232)	2,297,921	2,250,261	(47,660)
45,000	17,733	(27,267)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,634,427	3,284,222	(350,205)
-	-	-	-	-	-
-	-	-	-	-	-
45,000	17,733	(27,267)	3,634,427	3,284,222	(350,205)
(25,000)	2,035	27,035	(1,336,506)	(1,033,961)	302,545
-	-	-	1,264,644	1,360,037	95,393
-	-	-	(149,276)	(149,276)	-
-	-	-	1,115,368	1,210,761	95,393
(25,000)	2,035	27,035	(221,138)	176,800	397,938
148,899	148,899	-	429,026	429,026	-
\$ 123,899	\$ 150,934	\$ 27,035	\$ 207,888	\$ 605,826	\$ 397,938

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Drug Court Treatment (2211)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	<u>120,759</u>	<u>120,759</u>	<u>-</u>
Fund balances, end of year	<u>\$ 120,759</u>	<u>\$ 120,759</u>	<u>\$ -</u>

Health Department Grants (2215)			Berrien County Landfill Use (2270)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
4,948,181	3,734,273	(1,213,908)	-	-	-
303,196	238,148	(65,048)	590,000	734,152	144,152
-	-	-	-	-	-
-	-	-	-	762	762
208,389	31,636	(176,753)	-	-	-
<u>5,459,766</u>	<u>4,004,057</u>	<u>(1,455,709)</u>	<u>590,000</u>	<u>734,914</u>	<u>144,914</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	166,500	157,708	(8,792)
7,124,328	4,813,509	(2,310,819)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,124,328</u>	<u>4,813,509</u>	<u>(2,310,819)</u>	<u>166,500</u>	<u>157,708</u>	<u>(8,792)</u>
<u>(1,664,562)</u>	<u>(809,452)</u>	<u>855,110</u>	<u>423,500</u>	<u>577,206</u>	<u>153,706</u>
1,620,157	836,883	(783,274)	-	-	-
-	-	-	(423,500)	(48,000)	375,500
<u>1,620,157</u>	<u>836,883</u>	<u>(783,274)</u>	<u>(423,500)</u>	<u>(48,000)</u>	<u>375,500</u>
(44,405)	27,431	71,836	-	529,206	529,206
416,931	416,931	-	667,856	667,856	-
<u>\$ 372,526</u>	<u>\$ 444,362</u>	<u>\$ 71,836</u>	<u>\$ 667,856</u>	<u>\$ 1,197,062</u>	<u>\$ 529,206</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	EDC Grants and Programs (2445)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	172,960	130,412	(42,548)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	33,100	28,595	(4,505)
Total revenues	206,060	159,007	(47,053)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	217,060	171,325	(45,735)
Total expenditures	217,060	171,325	(45,735)
Revenues over (under) expenditures	(11,000)	(12,318)	(1,318)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(11,000)	(12,318)	(1,318)
Fund balances, beginning of year	15,710	15,710	-
Fund balances, end of year	\$ 4,710	\$ 3,392	\$ (1,318)

Register of Deeds Automation (2560)			Register of Deeds Tax Foreclosure Search Fund (2561)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
160,000	157,620	(2,380)	243,796	226,625	(17,171)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>160,000</u>	<u>157,620</u>	<u>(2,380)</u>	<u>243,796</u>	<u>226,625</u>	<u>(17,171)</u>
-	-	-	-	-	-
212,000	195,721	(16,279)	76,756	46,585	(30,171)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>212,000</u>	<u>195,721</u>	<u>(16,279)</u>	<u>76,756</u>	<u>46,585</u>	<u>(30,171)</u>
<u>(52,000)</u>	<u>(38,101)</u>	<u>13,899</u>	<u>167,040</u>	<u>180,040</u>	<u>13,000</u>
-	-	-	-	-	-
-	-	-	(179,822)	(179,822)	-
-	-	-	(179,822)	(179,822)	-
(52,000)	(38,101)	13,899	(12,782)	218	13,000
<u>122,463</u>	<u>122,463</u>	<u>-</u>	<u>12,782</u>	<u>12,782</u>	<u>-</u>
<u>\$ 70,463</u>	<u>\$ 84,362</u>	<u>\$ 13,899</u>	<u>\$ -</u>	<u>\$ 13,000</u>	<u>\$ 13,000</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Homestead Audit Administration (2590)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	82,275	91,602	9,327
Fines and forfeitures	-	-	-
Interest revenue	625	1,557	932
Other revenue	-	-	-
Total revenues	82,900	93,159	10,259
Expenditures			
Judicial	-	-	-
General government	69,837	51,233	(18,604)
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	69,837	51,233	(18,604)
Revenues over (under) expenditures	13,063	41,926	28,863
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(10,000)	-	10,000
Total other financing sources (uses)	(10,000)	-	10,000
Net change in fund balances	3,063	41,926	38,863
Fund balances, beginning of year	282,804	282,804	-
Fund balances, end of year	\$ 285,867	\$ 324,730	\$ 38,863

Law Enforcement Funds (various #s)			Concealed Pistol Licensing (2630)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	18,858	22,384	3,526
995,844	856,953	(138,891)	-	-	-
2,128,676	2,114,570	(14,106)	-	-	-
9,600	5,518	(4,082)	-	-	-
-	310	310	-	-	-
219,709	273,707	53,998	-	-	-
<u>3,353,829</u>	<u>3,251,058</u>	<u>(102,771)</u>	<u>18,858</u>	<u>22,384</u>	<u>3,526</u>
-	-	-	-	-	-
821,855	793,688	(28,167)	-	-	-
5,342,497	4,851,355	(491,142)	18,858	2,257	(16,601)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,164,352</u>	<u>5,645,043</u>	<u>(519,309)</u>	<u>18,858</u>	<u>2,257</u>	<u>(16,601)</u>
<u>(2,810,523)</u>	<u>(2,393,985)</u>	<u>416,538</u>	<u>-</u>	<u>20,127</u>	<u>20,127</u>
2,466,137	2,430,561	(35,576)	-	-	-
(93,469)	(69,909)	23,560	-	-	-
<u>2,372,668</u>	<u>2,360,652</u>	<u>(12,016)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(437,855)	(33,333)	404,522	-	20,127	20,127
<u>1,620,958</u>	<u>1,620,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,183,103</u>	<u>\$ 1,587,625</u>	<u>\$ 404,522</u>	<u>\$ -</u>	<u>\$ 20,127</u>	<u>\$ 20,127</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Public Safety Cigarette Tax (2665)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	26,732	24,608	(2,124)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Total revenues	26,732	24,608	(2,124)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	64,467	15,990	(48,477)
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	64,467	15,990	(48,477)
Revenues over (under) expenditures	(37,735)	8,618	46,353
Other financing sources (uses)			
Transfers in	-	1,382	1,382
Transfers out	-	-	-
Total other financing sources (uses)	-	1,382	1,382
Net change in fund balances	(37,735)	10,000	47,735
Fund balances, beginning of year	45,925	45,925	-
Fund balances, end of year	\$ 8,190	\$ 55,925	\$ 47,735

Animal Control Grant and Program (2675)			County Law Library (2690)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,000	13,270	4,270	-	6,500	6,500
<u>9,000</u>	<u>13,270</u>	<u>4,270</u>	<u>-</u>	<u>6,500</u>	<u>6,500</u>
9,000	13,270	4,270	-	6,500	6,500
-	-	-	83,510	70,348	(13,162)
-	-	-	-	-	-
10,200	8,360	(1,840)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,200</u>	<u>8,360</u>	<u>(1,840)</u>	<u>83,510</u>	<u>70,348</u>	<u>(13,162)</u>
(1,200)	4,910	6,110	(83,510)	(63,848)	19,662
-	-	-	36,670	30,168	(6,502)
<u>(19,950)</u>	<u>(19,950)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(19,950)	(19,950)	-	36,670	30,168	(6,502)
(21,150)	(15,040)	6,110	(46,840)	(33,680)	13,160
27,446	27,446	-	58,224	58,224	-
<u>\$ 6,296</u>	<u>\$ 12,406</u>	<u>\$ 6,110</u>	<u>\$ 11,384</u>	<u>\$ 24,544</u>	<u>\$ 13,160</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Library Board (2710)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	89,906	-	(89,906)
Community development	-	-	-
Total expenditures	<u>89,906</u>	<u>-</u>	<u>(89,906)</u>
Revenues over (under) expenditures	<u>(89,906)</u>	<u>-</u>	<u>89,906</u>
Other financing sources (uses)			
Transfers in	89,906	-	(89,906)
Transfers out	-	-	-
Total other financing sources (uses)	<u>89,906</u>	<u>-</u>	<u>(89,906)</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Small Bus Program (2810)			Berrien Bus Grant and Program (2815)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
659,861	509,401	(150,460)	170,140	169,386	(754)
455,000	460,584	5,584	-	-	-
-	-	-	-	-	-
2,000	44	(1,956)	-	-	-
8,500	15,515	7,015	-	-	-
<u>1,125,361</u>	<u>985,544</u>	<u>(139,817)</u>	<u>170,140</u>	<u>169,386</u>	<u>(754)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,271,450</u>	<u>1,024,978</u>	<u>(246,472)</u>	<u>170,140</u>	<u>169,386</u>	<u>(754)</u>
<u>1,271,450</u>	<u>1,024,978</u>	<u>(246,472)</u>	<u>170,140</u>	<u>169,386</u>	<u>(754)</u>
<u>(146,089)</u>	<u>(39,434)</u>	<u>106,655</u>	-	-	-
-	-	-	-	-	-
<u>(1)</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(1)</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(146,090)</u>	<u>(39,434)</u>	<u>106,656</u>	-	-	-
<u>517,368</u>	<u>517,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 371,278</u>	<u>\$ 477,934</u>	<u>\$ 106,656</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Four Winds Casino Revenue Sharing (2851)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	200,000	209,243	9,243
Total revenues	<u>200,000</u>	<u>209,243</u>	<u>9,243</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>200,000</u>	<u>209,243</u>	<u>9,243</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(45,380)	(32,880)	12,500
Total other financing sources (uses)	<u>(45,380)</u>	<u>(32,880)</u>	<u>12,500</u>
Net change in fund balances	154,620	176,363	21,743
Fund balances, beginning of year	<u>593,251</u>	<u>593,251</u>	<u>-</u>
Fund balances, end of year	<u>\$ 747,871</u>	<u>\$ 769,614</u>	<u>\$ 21,743</u>

Three Oaks Land Purchase (2860)			Campaign Finance Administration (2870)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	500	6,524	6,024
-	-	-	-	-	-
2,648	8,423	5,775	-	-	-
-	-	-	-	-	-
<u>2,648</u>	<u>8,423</u>	<u>5,775</u>	<u>500</u>	<u>6,524</u>	<u>6,024</u>
-	-	-	-	-	-
-	-	-	3,600	1,884	(1,716)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,600	1,884	(1,716)
<u>2,648</u>	<u>8,423</u>	<u>5,775</u>	<u>(3,100)</u>	<u>4,640</u>	<u>7,740</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,648</u>	<u>8,423</u>	<u>5,775</u>	<u>(3,100)</u>	<u>4,640</u>	<u>7,740</u>
<u>26,203</u>	<u>26,203</u>	<u>-</u>	<u>4,099</u>	<u>4,099</u>	<u>-</u>
<u>\$ 28,851</u>	<u>\$ 34,626</u>	<u>\$ 5,775</u>	<u>\$ 999</u>	<u>\$ 8,739</u>	<u>\$ 7,740</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Social Services (2900)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	21,790	20,897	(893)
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>21,790</u>	<u>20,897</u>	<u>(893)</u>
Revenues over (under) expenditures	<u>(21,790)</u>	<u>(20,897)</u>	<u>893</u>
Other financing sources (uses)			
Transfers in	11,586	11,592	6
Transfers out	-	-	-
Total other financing sources (uses)	<u>11,586</u>	<u>11,592</u>	<u>6</u>
Net change in fund balances	<u>(10,204)</u>	<u>(9,305)</u>	<u>899</u>
Fund balances, beginning of year	<u>114,984</u>	<u>114,984</u>	<u>-</u>
Fund balances, end of year	<u>\$ 104,780</u>	<u>\$ 105,679</u>	<u>\$ 899</u>

Child Care Probate (2920)			Child Care Social Services (2921)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,416,159	3,374,697	(41,462)	677,269	277,677	(399,592)
303	275	(28)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
185,143	166,342	(18,801)	56,000	49,207	(6,793)
<u>3,601,605</u>	<u>3,541,314</u>	<u>(60,291)</u>	<u>733,269</u>	<u>326,884</u>	<u>(406,385)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,054,571	7,629,983	(424,588)	1,410,539	603,523	(807,016)
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,054,571</u>	<u>7,629,983</u>	<u>(424,588)</u>	<u>1,410,539</u>	<u>603,523</u>	<u>(807,016)</u>
<u>(4,452,966)</u>	<u>(4,088,669)</u>	<u>364,297</u>	<u>(677,270)</u>	<u>(276,639)</u>	<u>400,631</u>
4,278,249	4,278,264	15	527,270	527,268	(2)
-	-	-	-	-	-
<u>4,278,249</u>	<u>4,278,264</u>	<u>15</u>	<u>527,270</u>	<u>527,268</u>	<u>(2)</u>
(174,717)	189,595	364,312	(150,000)	250,629	400,629
1,009,493	1,009,493	-	379,390	379,390	-
<u>\$ 834,776</u>	<u>\$ 1,199,088</u>	<u>\$ 364,312</u>	<u>\$ 229,390</u>	<u>\$ 630,019</u>	<u>\$ 400,629</u>

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COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Generous Juror Program (2925)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	5,000	10,521	5,521
Total revenues	<u>5,000</u>	<u>10,521</u>	<u>5,521</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	5,000	2,746	(2,254)
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>5,000</u>	<u>2,746</u>	<u>(2,254)</u>
Revenues over (under) expenditures	<u>-</u>	<u>7,775</u>	<u>7,775</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>7,775</u>	<u>7,775</u>
Fund balances, beginning of year	<u>9,800</u>	<u>9,800</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,800</u>	<u>\$ 17,575</u>	<u>\$ 7,775</u>

Soldiers and Sailors Relief (2930)			Veteran's Trust (2940)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	70,100	22,864	(47,236)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	70,100	22,864	(47,236)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	70,100	23,099	(47,001)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	70,100	23,099	(47,001)
-	-	-	-	(235)	(235)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(235)	(235)
2,156	2,156	-	2,453	2,453	-
\$ 2,156	\$ 2,156	\$ -	\$ 2,453	\$ 2,218	\$ (235)

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COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Board of Public Works (2960)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	3	3
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	21,274	21,274
Total revenues	-	21,277	21,277
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	14,161	13,826	(335)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	14,161	13,826	(335)
Revenues over (under) expenditures	(14,161)	7,451	21,612
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(14,161)	7,451	21,612
Fund balances, beginning of year	103,666	103,666	-
Fund balances, end of year	\$ 89,505	\$ 111,117	\$ 21,612



Total Nonmajor Special Revenue Funds		
Amended Budget	Actual	Over (Under) Budget
\$ 729,067	\$ 721,848	\$ (7,219)
322,258	331,612	9,354
13,728,224	11,643,984	(2,084,240)
4,809,205	4,865,754	56,549
9,600	5,518	(4,082)
5,273	11,096	5,823
2,757,939	2,651,943	(105,996)
<u>22,361,566</u>	<u>20,231,755</u>	<u>(2,129,811)</u>
3,377,703	3,211,915	(165,788)
1,184,048	1,089,111	(94,937)
5,468,065	4,903,584	(564,481)
180,661	171,534	(9,127)
20,320,755	16,377,979	(3,942,776)
2,024,089	1,759,597	(264,492)
1,658,650	1,365,689	(292,961)
<u>34,213,971</u>	<u>28,879,409</u>	<u>(5,334,562)</u>
<u>(11,852,405)</u>	<u>(8,647,654)</u>	<u>3,204,751</u>
11,950,000	11,078,321	(871,679)
<u>(1,811,570)</u>	<u>(1,309,083)</u>	<u>502,487</u>
<u>10,138,430</u>	<u>9,769,238</u>	<u>(369,192)</u>
(1,713,975)	1,121,584	2,835,559
<u>8,093,547</u>	<u>8,199,666</u>	<u>106,119</u>
<u>\$ 6,379,572</u>	<u>\$ 9,321,250</u>	<u>\$ 2,941,678</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Debt Service Funds

December 31, 2015

	Bridge Bond (3010)	Building Authority (4500)	Total
Assets			
Cash and cash equivalents	\$ -	\$ 3,525	\$ 3,525
Fund balances			
Restricted	\$ -	\$ 3,525	\$ 3,525

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds
For the Year Ended December 31, 2015

	Bridge Bond (3010)	Building Authority (4500)	Total
Revenues			
Charges for services	\$ -	\$ 1	\$ 1
Expenditures			
Debt service -			
Interest and fiscal charges	260	-	260
Net change in fund balances	(260)	1	(259)
Fund balances, beginning of year	260	3,524	3,784
Fund balances, end of year	\$ -	\$ 3,525	\$ 3,525

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet Nonmajor Capital Projects Funds December 31, 2015

	Capital Improvement (2450) & (4010)	Vehicle / Equipment Replacement (4020)	Capital Reserve (4030)
Assets			
Cash and cash equivalents	\$ 3,460,264	\$ 280,310	\$ 403,651
Investments	-	-	-
Total assets	\$ 3,460,264	\$ 280,310	\$ 403,651
Liabilities			
Accounts payable	\$ 219,587	\$ 1,368	\$ -
Fund balances			
Restricted	-	-	403,651
Committed	3,240,677	278,942	-
Total fund balances	3,240,677	278,942	403,651
Total liabilities and fund balances	\$ 3,460,264	\$ 280,310	\$ 403,651



Animal Shelter (4130)	Total
\$ 36,059	\$ 4,180,284
<u>471,241</u>	<u>471,241</u>
<u>\$ 507,300</u>	<u>\$ 4,651,525</u>
<u>\$ -</u>	<u>\$ 220,955</u>
507,300	910,951
<u>-</u>	<u>3,519,619</u>
<u>507,300</u>	<u>4,430,570</u>
<u>\$ 507,300</u>	<u>\$ 4,651,525</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended December 31, 2015

	Capital Improvement (2450) & (4010)	Vehicle / Equipment Replacement (4020)	Capital Reserve (4030)
Revenues			
Interest revenue	\$ -	\$ -	\$ -
Other revenue	144,028	-	-
Total revenues	<u>144,028</u>	<u>-</u>	<u>-</u>
Expenditures			
Current expenditures:			
Judicial	26,136	27,608	-
General government	2,757,520	87,528	-
Public safety	75,758	334,992	-
Health and welfare	62,841	-	-
Total expenditures	<u>2,922,255</u>	<u>450,128</u>	<u>-</u>
Revenues over (under) expenditures	<u>(2,778,227)</u>	<u>(450,128)</u>	<u>-</u>
Other financing sources			
Transfers in	881,140	404,979	-
Proceeds from sale of capital assets	544,819	-	-
Total other financing sources	<u>1,425,959</u>	<u>404,979</u>	<u>-</u>
Net change in fund balances	(1,352,268)	(45,149)	-
Fund balances, beginning of year	<u>4,592,945</u>	<u>324,091</u>	<u>403,651</u>
Fund balances, end of year	<u>\$ 3,240,677</u>	<u>\$ 278,942</u>	<u>\$ 403,651</u>



Animal Shelter (4130)	Total
\$ 2,834	\$ 2,834
16,249	160,277
<u>19,083</u>	<u>163,111</u>
-	53,744
-	2,845,048
-	410,750
-	62,841
<u>-</u>	<u>3,372,383</u>
<u>19,083</u>	<u>(3,209,272)</u>
-	1,286,119
-	544,819
<u>-</u>	<u>1,830,938</u>
19,083	(1,378,334)
<u>488,217</u>	<u>5,808,904</u>
<u>\$ 507,300</u>	<u>\$ 4,430,570</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Nonmajor Enterprise Funds

December 31, 2015

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Assets			
Current assets:			
Cash and cash equivalents	\$ 1,111,258	\$ 2,680	\$ 406,167
Investments	-	150,537	-
Accounts receivable	-	14,740	-
Taxes receivable, delinquent	-	296,107	-
Leases receivable, current	-	-	-
Due from other governments	-	-	-
Inventories	-	-	41,988
Total current assets	<u>1,111,258</u>	<u>464,064</u>	<u>448,155</u>
Noncurrent assets:			
Leases receivable, net of current portion	-	-	-
Capital assets being depreciated, net	-	-	68,763
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>68,763</u>
Total assets	<u>1,111,258</u>	<u>464,064</u>	<u>516,918</u>
Liabilities			
Current liabilities:			
Accounts payable	192,540	15,540	5,142
Accrued expenses	1,484	1,171	-
Due to other governments	-	295,541	-
Current portion of long-term debt	-	-	-
Total current liabilities	<u>194,024</u>	<u>312,252</u>	<u>5,142</u>
Long-term liabilities -			
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>194,024</u>	<u>312,252</u>	<u>5,142</u>
Net position			
Investment in capital assets	-	-	68,763
Unrestricted	<u>917,234</u>	<u>151,812</u>	<u>443,013</u>
Total net position	<u>\$ 917,234</u>	<u>\$ 151,812</u>	<u>\$ 511,776</u>

Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Oronoko Township Water / Sewer System No. 31 (5763)	Total
\$ 7,653	\$ -	\$ 8,810	\$ 1,531	\$ -	\$ 550	\$ 1,538,649
-	-	-	-	-	-	150,537
-	-	-	-	-	-	14,740
-	-	-	-	-	-	296,107
-	118,399	25,000	70,000	115,000	34,000	362,399
-	-	-	-	-	116,504	116,504
-	-	-	-	-	-	41,988
<u>7,653</u>	<u>118,399</u>	<u>33,810</u>	<u>71,531</u>	<u>115,000</u>	<u>151,054</u>	<u>2,520,924</u>
-	381,283	117,579	1,176,143	2,660,895	2,460,168	6,796,068
-	-	-	-	-	-	68,763
-	<u>381,283</u>	<u>117,579</u>	<u>1,176,143</u>	<u>2,660,895</u>	<u>2,460,168</u>	<u>6,864,831</u>
<u>7,653</u>	<u>499,682</u>	<u>151,389</u>	<u>1,247,674</u>	<u>2,775,895</u>	<u>2,611,222</u>	<u>9,385,755</u>
-	-	-	-	-	116,504	329,726
-	4,682	1,389	7,750	23,527	30,718	70,721
7,653	-	-	-	-	-	303,194
-	118,399	25,000	70,000	115,000	34,000	362,399
<u>7,653</u>	<u>123,081</u>	<u>26,389</u>	<u>77,750</u>	<u>138,527</u>	<u>181,222</u>	<u>1,066,040</u>
-	376,601	125,000	1,169,924	2,637,368	2,430,000	6,738,893
<u>7,653</u>	<u>499,682</u>	<u>151,389</u>	<u>1,247,674</u>	<u>2,775,895</u>	<u>2,611,222</u>	<u>7,804,933</u>
-	-	-	-	-	-	68,763
-	-	-	-	-	-	1,512,059
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,580,822</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2015

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Operating revenues			
Charges for services	\$ 1,307,584	\$ 22,746	\$ 79,537
Intergovernmental revenue	-	-	-
Total operating revenue	1,307,584	22,746	79,537
Operating expense			
Operation and maintenance	1,521,033	30,344	22,882
Depreciation	-	-	8,830
Total operating expense	1,521,033	30,344	31,712
Operating income (loss)	(213,449)	(7,598)	47,825
Nonoperating revenues (expenses)			
Interest revenue	-	557	-
Interest and fiscal charges	-	-	-
Total nonoperating revenues (expenses)	-	557	-
Change in net position	(213,449)	(7,041)	47,825
Net position, beginning of year	1,130,683	158,853	463,951
Net position, end of year	\$ 917,234	\$ 151,812	\$ 511,776

Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Oronoko Township Water / Sewer System No. 31 (5763)	Total
\$ 967	\$ 30,673	\$ 9,535	\$ 32,311	\$ 144,166	\$ 2,543,534	\$ 4,171,053
-	-	-	-	-	1,392,804	1,392,804
<u>967</u>	<u>30,673</u>	<u>9,535</u>	<u>32,311</u>	<u>144,166</u>	<u>3,936,338</u>	<u>5,563,857</u>
-	-	-	-	31,654	3,890,326	5,496,239
-	-	-	-	-	-	8,830
-	-	-	-	31,654	3,890,326	5,505,069
<u>967</u>	<u>30,673</u>	<u>9,535</u>	<u>32,311</u>	<u>112,512</u>	<u>46,012</u>	<u>58,788</u>
-	-	-	-	-	72	629
<u>(967)</u>	<u>(30,673)</u>	<u>(9,535)</u>	<u>(32,311)</u>	<u>(112,512)</u>	<u>(46,084)</u>	<u>(232,082)</u>
<u>(967)</u>	<u>(30,673)</u>	<u>(9,535)</u>	<u>(32,311)</u>	<u>(112,512)</u>	<u>(46,012)</u>	<u>(231,453)</u>
-	-	-	-	-	-	(172,665)
-	-	-	-	-	-	1,753,487
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,580,822</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Year Ended December 31, 2015

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Cash flows from operating activities			
Cash received from customers	\$ 1,307,584	\$ 22,746	\$ 79,537
Cash payments to suppliers for goods and services	(1,352,589)	(51,572)	(34,633)
Cash payments to employees for services	(90,595)	(1,244)	-
Net cash provided by (used in) operating activities	<u>(135,600)</u>	<u>(30,070)</u>	<u>44,904</u>
Cash flows from noncapital financing activities			
Proceeds from issuance of long-term debt	-	-	-
Principal payments	-	-	-
Interest payments	-	-	-
Net cash used in noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Proceeds from sale of investments	-	8,514	-
Interest received	-	557	-
Purchase of leased assets	-	-	-
Amounts collected on leases receivable	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>9,071</u>	<u>-</u>
Net change in cash and cash equivalents	<u>(135,600)</u>	<u>(20,999)</u>	<u>44,904</u>
Cash and cash equivalents, beginning of year	<u>1,246,858</u>	<u>23,679</u>	<u>361,263</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,111,258</u></u>	<u><u>\$ 2,680</u></u>	<u><u>\$ 406,167</u></u>

Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Oronoko Township Water / Sewer System No. 31 (5763)	Total
\$ 8,620 (483) -	\$ 30,673 (916) -	\$ 9,535 (225) -	\$ 32,311 (437) -	\$ 144,166 (32,130) -	\$ 3,936,338 (3,859,608) -	\$ 5,571,510 (5,332,593) (91,839)
8,137	29,757	9,310	31,874	112,036	76,730	147,078
-	-	-	-	-	2,498,000	2,498,000
(50,000) (967)	(100,000) (30,673)	(25,000) (9,535)	(70,000) (32,311)	(110,000) (112,036)	(34,000) (46,084)	(389,000) (231,606)
(50,967)	(130,673)	(34,535)	(102,311)	(222,036)	2,417,916	1,877,394
6,358	-	7,527	-	-	-	22,399
-	-	-	-	-	72	629
-	-	-	-	-	(2,494,168)	(2,494,168)
42,901	100,916	25,225	70,437	110,000	-	349,479
49,259	100,916	32,752	70,437	110,000	(2,494,096)	(2,121,661)
6,429	-	7,527	-	-	550	(97,189)
1,224	-	1,283	1,531	-	-	1,635,838
\$ 7,653	\$ -	\$ 8,810	\$ 1,531	\$ -	\$ 550	\$ 1,538,649

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2015

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (213,449)	\$ (7,598)	\$ 47,825
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	-	-	8,830
Changes in:			
Accounts receivable	-	(14,110)	-
Taxes receivable - delinquent	-	(29,625)	-
Due from other governments	-	-	-
Inventories	-	-	(8,164)
Accounts payable	81,000	11,983	(3,587)
Accrued expenses	(3,151)	1,171	-
Due to other governments	-	8,109	-
Net cash provided by (used in) operating activities	<u>\$ (135,600)</u>	<u>\$ (30,070)</u>	<u>\$ 44,904</u>

Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Oronoko Township Water / Sewer System No. 31 (5763)	Total
\$ 967	\$ 30,673	\$ 9,535	\$ 32,311	\$ 112,512	\$ 46,012	\$ 58,788
-	-	-	-	-	-	8,830
-	-	-	-	-	-	(14,110)
-	-	-	-	-	-	(29,625)
-	-	-	-	-	(116,504)	(116,504)
-	-	-	-	-	-	(8,164)
-	-	-	-	-	116,504	205,900
(483)	(916)	(225)	(437)	(476)	30,718	26,201
7,653	-	-	-	-	-	15,762
<u>\$ 8,137</u>	<u>\$ 29,757</u>	<u>\$ 9,310</u>	<u>\$ 31,874</u>	<u>\$ 112,036</u>	<u>\$ 76,730</u>	<u>\$ 147,078</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

December 31, 2015

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Assets					
Current assets:					
Cash and cash equivalents	\$ 108,746	\$ 921,600	\$ 4,663,341	\$ 118,151	\$ 5,811,838
Investments	2,389,112	-	-	-	2,389,112
Total current assets	<u>2,497,858</u>	<u>921,600</u>	<u>5,899,214</u>	<u>118,151</u>	<u>9,436,823</u>
Noncurrent assets -					
Restricted cash	<u>1,771,986</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,771,986</u>
Total assets	4,269,844	921,600	5,899,214	118,151	11,208,809
Liabilities					
Current liabilities:					
Accrued expenses	<u>1,027,711</u>	<u>13,098</u>	<u>464,400</u>	<u>-</u>	<u>1,505,209</u>
Net position					
Restricted for self-insurance claims	1,771,986	-	-	-	1,771,986
Unrestricted	<u>1,470,147</u>	<u>908,502</u>	<u>5,434,814</u>	<u>118,151</u>	<u>7,931,614</u>
Total net position	<u>\$ 3,242,133</u>	<u>\$ 908,502</u>	<u>\$ 5,434,814</u>	<u>\$ 118,151</u>	<u>\$ 9,703,600</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Internal Service Funds
 For the Year Ended December 31, 2015

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Operating revenues					
Charges for services	\$ 865,372	\$ 3,468	\$ 12,306,847	\$ 51,012	\$ 13,226,699
Operating expenses					
Operation and maintenance	-	-	11,534	1,600	13,134
Benefits and claims	571,662	58,035	12,033,788	17,226	12,680,711
Total operating expenses	571,662	58,035	12,045,322	18,826	12,693,845
Operating income (loss)	293,710	(54,567)	261,525	32,186	532,854
Nonoperating revenues					
Interest income	-	3	-	-	3
Change in net position	293,710	(54,564)	261,525	32,186	532,857
Net position, beginning of year	2,948,423	963,066	5,173,289	85,965	9,170,743
Net position, end of year	\$ 3,242,133	\$ 908,502	\$ 5,434,814	\$ 118,151	\$ 9,703,600

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COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2015

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Cash flows from operating activities					
Cash received from interfund services provided	\$ 865,372	\$ 3,468	\$ 12,306,847	\$ 51,012	\$ 13,226,699
Cash payments to suppliers for services	(594,672)	(122,632)	(13,683,467)	(18,826)	(14,419,597)
Net cash provided by (used in) operating activities	270,700	(119,164)	(1,376,620)	32,186	(1,192,898)
Cash flows from investing activities					
Purchase of investments	(3,733)	-	-	-	(3,733)
Interest received	-	3	-	-	3
Net cash provided by (used in) investing activities	(3,733)	3	-	-	(3,730)
Net change in cash and cash equivalents	266,967	(119,161)	(1,376,620)	32,186	(1,196,628)
Cash and cash equivalents, beginning of year	1,613,765	1,040,761	6,039,961	85,965	8,780,452
Cash and cash equivalents, end of year	\$ 1,880,732	\$ 921,600	\$ 4,663,341	\$ 118,151	\$ 7,583,824
Statement of net position classification of cash and investments					
Cash and cash equivalents	\$ 108,746	\$ 921,600	\$ 4,663,341	\$ 118,151	\$ 5,811,838
Restricted cash	1,771,986	-	-	-	1,771,986
	\$ 1,880,732	\$ 921,600	\$ 4,663,341	\$ 118,151	\$ 7,583,824
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 293,710	\$ (54,567)	\$ 261,525	\$ 32,186	\$ 532,854
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -					
Changes in:					
Prepaid items	-	-	(1,235,873)	-	(1,235,873)
Accounts payable	-	(134)	-	-	(134)
Accrued expenses	(23,010)	(64,463)	(402,272)	-	(489,745)
Net cash provided by (used in) operating activities	\$ 270,700	\$ (119,164)	\$ (1,376,620)	\$ 32,186	\$ (1,192,898)

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Fiduciary Assets and Liabilities

All Agency Funds
December 31, 2015

	Trust and Agency (7010)	Court Orders Payable (7020)	Imprest Payroll (7040)	Library Trust (7210)
Assets				
Cash and cash equivalents	\$ 1,254,585	\$ 89,556	\$ 457,320	\$ 712,743
Accounts receivable	39,122	-	-	-
Total assets	\$ 1,293,707	\$ 89,556	\$ 457,320	\$ 712,743
Liabilities				
Undistributed receipts	\$ 1,293,707	\$ 89,556	\$ 457,320	\$ 712,743



District Court Trust (7600)	Jail Inmate Trust (7640)	Total
\$ 455,426	\$ 10,388	\$ 2,980,018
-	-	39,122
<u>\$ 455,426</u>	<u>\$ 10,388</u>	<u>\$ 3,019,140</u>
<u>\$ 455,426</u>	<u>\$ 10,388</u>	<u>\$ 3,019,140</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Changes in Fiduciary Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
Trust and Agency Fund				
Assets				
Cash and cash equivalents	\$ 1,452,470	\$ 111,794,527	\$ 111,992,412	\$ 1,254,585
Accounts receivable	39,122	-	-	39,122
Total assets	\$ 1,491,592	\$ 111,794,527	\$ 111,992,412	\$ 1,293,707
Liabilities				
Undistributed receipts	\$ 1,491,592	\$ 111,794,527	\$ 111,992,412	\$ 1,293,707
Court Orders Payable Fund				
Assets				
Cash and cash equivalents	\$ 107,847	\$ 542,539	\$ 560,830	\$ 89,556
Liabilities				
Undistributed receipts	\$ 107,847	\$ 542,539	\$ 560,830	\$ 89,556
Imprest Payroll Fund				
Assets				
Cash and cash equivalents	\$ 90,787	\$ 158,805,768	\$ 158,439,235	\$ 457,320
Liabilities				
Undistributed receipts	\$ 90,787	\$ 158,805,768	\$ 158,439,235	\$ 457,320
Library Trust Fund				
Assets				
Cash and cash equivalents	\$ 113,920	\$ 8,159,053	\$ 7,560,230	\$ 712,743
Investments	810,062	-	810,062	-
Total assets	\$ 923,982	\$ 8,159,053	\$ 8,370,292	\$ 712,743
Liabilities				
Undistributed receipts	\$ 923,982	\$ 8,159,053	\$ 8,370,292	\$ 712,743

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Changes in Fiduciary Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
District Court Trust Fund				
Assets				
Cash and cash equivalents	\$ 499,393	\$ 455,427	\$ 499,394	\$ 455,426
Liabilities				
Undistributed receipts	\$ 499,393	\$ 455,427	\$ 499,394	\$ 455,426
Jail Inmate Trust Fund				
Assets				
Cash and cash equivalents	\$ 15,848	\$ 58,631	\$ 64,091	\$ 10,388
Liabilities				
Undistributed receipts	\$ 15,848	\$ 58,631	\$ 64,091	\$ 10,388
Total - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 2,280,265	\$ 279,815,945	\$ 279,116,192	\$ 2,980,018
Investments	810,062	-	810,062	-
Accounts receivable	39,122	-	-	39,122
Total assets	\$ 3,129,449	\$ 279,815,945	\$ 279,926,254	\$ 3,019,140
Liabilities				
Undistributed receipts	\$ 3,129,449	\$ 279,815,945	\$ 279,926,254	\$ 3,019,140

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Drain Commission Component Unit

December 31, 2015

	Capital Projects Funds		
	Drain (8010)	Drain Revolving (8020)	Hollywood Road Detention Bonds (8053)
Assets			
Cash and cash equivalents	\$ 2,771,275	\$ 106,595	\$ 18,062
Special assessments receivable	2,953,389	-	30,000
Due from other funds	-	558,352	-
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	-	-	-
Total assets	\$ 5,724,664	\$ 664,947	\$ 48,062
Liabilities			
Accounts payable	\$ 149,083	\$ -	\$ -
Accrued expenses	-	-	-
Due to other funds	558,352	-	-
Advances from primary government	-	650,000	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	707,435	650,000	-
Deferred inflows of resources			
Unavailable revenue - special assessments	2,953,389	-	30,000
Fund balances			
Restricted	-	-	-
Committed	2,063,840	14,947	18,062
Total fund balances	2,063,840	14,947	18,062
Total liabilities, deferred inflows of resources and fund balances	\$ 5,724,664	\$ 664,947	\$ 48,062
Net position			
Net investment in capital assets			
Restricted			
Unrestricted			
Total net position			

Starr & Wellington Drain (8054)	Close Drain (8055)	Schwarck Drain Drainage District (8056)	Hollywood Road Consolidated Drain (8057)	Barnes & Hamilton Drain Drainage District (8058)	Lakeshore Drain Drainage District (8059)
\$ 42,865	\$ 176,911	\$ 381,263	\$ 98,799	\$ 572,711	\$ 889,043
109,000	630,000	1,445,000	2,180,000	1,000,000	3,170,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 151,865</u>	<u>\$ 806,911</u>	<u>\$ 1,826,263</u>	<u>\$ 2,278,799</u>	<u>\$ 1,572,711</u>	<u>\$ 4,059,043</u>
\$ -	\$ -	\$ 66	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	66	-	-	-
<u>109,000</u>	<u>630,000</u>	<u>1,445,000</u>	<u>2,180,000</u>	<u>1,000,000</u>	<u>3,170,000</u>
42,865	176,911	381,197	98,799	572,711	889,043
-	-	-	-	-	-
<u>42,865</u>	<u>176,911</u>	<u>381,197</u>	<u>98,799</u>	<u>572,711</u>	<u>889,043</u>
<u>\$ 151,865</u>	<u>\$ 806,911</u>	<u>\$ 1,826,263</u>	<u>\$ 2,278,799</u>	<u>\$ 1,572,711</u>	<u>\$ 4,059,043</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Drain Commission Component Unit

December 31, 2015

	Smith & Strong Drain Drainage District (8060)	Lakeside Drain Drainage District (8061)	Estates Drain Drainage District (8062)
Assets			
Cash and cash equivalents	\$ 45,680	\$ 37,703	\$ 123,020
Special assessments receivable	710,000	530,000	690,000
Due from other funds	-	-	-
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	-	-	-
Total assets	\$ 755,680	\$ 567,703	\$ 813,020
Liabilities			
Accounts payable	\$ 1,150	\$ 270	\$ -
Accrued expenses	-	-	-
Due to other funds	-	-	-
Advances from primary government	-	-	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	1,150	270	-
Deferred inflows of resources			
Unavailable revenue - special assessments	710,000	530,000	690,000
Fund balances			
Restricted	-	-	-
Committed	44,530	37,433	123,020
Total fund balances	44,530	37,433	123,020
Total liabilities, deferred inflows of resources and fund balances	\$ 755,680	\$ 567,703	\$ 813,020
Net position			
Net investment in capital assets			
Restricted			
Unrestricted			
Total net position			

Oak Hill Springs Drain Drainage District (8063)	Blue Jay Drain Drainage District (8064)	Hibbard Lake Drain Drainage District (8065)	North Royalton Drain Drainage District (8066)	Total Capital Projects Funds	Adjustments	Statement of Net Position
\$ 154,872	\$ 68,046	\$ 187,544	\$ 2,923,792	\$ 8,598,181	\$ -	\$ 8,598,181
470,000	3,315,000	1,205,000	4,145,000	22,582,389	-	22,582,389
-	-	-	-	558,352	(558,352)	-
-	-	-	-	-	2,129,255	2,129,255
-	-	-	-	-	18,989,156	18,989,156
<u>\$ 624,872</u>	<u>\$ 3,383,046</u>	<u>\$ 1,392,544</u>	<u>\$ 7,068,792</u>	<u>\$ 31,738,922</u>	<u>20,560,059</u>	<u>52,298,981</u>
\$ -	\$ -	\$ 484	\$ 77,884	\$ 228,937	-	228,937
-	-	-	-	-	135,109	135,109
-	-	-	-	558,352	(558,352)	-
-	-	-	-	650,000	-	650,000
-	-	-	-	-	2,036,051	2,036,051
-	-	-	-	-	20,462,789	20,462,789
-	-	484	77,884	1,437,289	22,075,597	23,512,886
470,000	3,315,000	1,205,000	4,145,000	22,582,389	(22,582,389)	-
-	-	-	-	2,161,526	(2,161,526)	-
154,872	68,046	187,060	2,845,908	5,557,718	(5,557,718)	-
154,872	68,046	187,060	2,845,908	7,719,244	(7,719,244)	-
<u>\$ 624,872</u>	<u>\$ 3,383,046</u>	<u>\$ 1,392,544</u>	<u>\$ 7,068,792</u>	<u>\$ 31,738,922</u>		
					4,116,491	4,116,491
					2,161,526	2,161,526
					22,508,078	22,508,078
					<u>\$ 28,786,095</u>	<u>\$ 28,786,095</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities and Governmental Funds Revenues,
Expenditures and Changes in Fund Balances
Drain Commission Component Unit
For the Year Ended December 31, 2015

	Capital Projects Funds		
	Drain (8010)	Drain Revolving (8020)	Hollywood Road Detention Bonds (8053)
Expenditures / expenses			
Public works	\$ 1,497,672	\$ -	\$ 751
Debt service:			
Principal	850,789	-	130,000
Interest	74,439	-	4,470
Total expenditures / expenses	<u>2,422,900</u>	<u>-</u>	<u>135,221</u>
Program revenues			
Operating grants and contributions	2,136,892	-	27,406
Charges for services	4,500	-	-
Interest revenue	-	-	1
Special assessments / capital grants and contributions	-	-	-
Total program revenues	<u>2,141,392</u>	<u>-</u>	<u>27,407</u>
Net (expense) revenue	<u>(281,508)</u>	<u>-</u>	<u>(107,814)</u>
Other financing sources			
Issuance of long-term debt	928,000	-	-
Bond premium	-	-	-
Total other financing sources	<u>928,000</u>	<u>-</u>	<u>-</u>
Change in fund balance / change in net position	646,492	-	(107,814)
Fund balances / net position, beginning of year	<u>1,417,348</u>	<u>14,947</u>	<u>125,876</u>
Fund balances / net position, end of year	<u>\$ 2,063,840</u>	<u>\$ 14,947</u>	<u>\$ 18,062</u>

Starr & Wellington Drain (8054)	Close Drain (8055)	Schwark Drain Drainage District (8056)	Hollywood Road Consolidated Drain (8057)	Barnes & Hamilton Drain Drainage District (8058)	Lakeshore Drain Drainage District (8059)
\$ -	\$ 9,940	\$ 22,596	\$ 472	\$ 998	\$ 1,828
12,000	140,000	65,000	110,000	185,000	155,000
7,194	26,338	59,824	92,263	35,678	106,838
<u>19,194</u>	<u>176,278</u>	<u>147,420</u>	<u>202,735</u>	<u>221,676</u>	<u>263,666</u>
19,514	168,107	69,088	209,372	408,781	252,166
-	-	-	-	-	-
4	107	266	65	238	532
-	-	-	-	-	-
<u>19,518</u>	<u>168,214</u>	<u>69,354</u>	<u>209,437</u>	<u>409,019</u>	<u>252,698</u>
<u>324</u>	<u>(8,064)</u>	<u>(78,066)</u>	<u>6,702</u>	<u>187,343</u>	<u>(10,968)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>324</u>	<u>(8,064)</u>	<u>(78,066)</u>	<u>6,702</u>	<u>187,343</u>	<u>(10,968)</u>
<u>42,541</u>	<u>184,975</u>	<u>459,263</u>	<u>92,097</u>	<u>385,368</u>	<u>900,011</u>
<u>\$ 42,865</u>	<u>\$ 176,911</u>	<u>\$ 381,197</u>	<u>\$ 98,799</u>	<u>\$ 572,711</u>	<u>\$ 889,043</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances Drain Commission Component Unit For the Year Ended December 31, 2015

	Smith & Strong Drain Drainage District (8060)	Lakeside Drain Drainage District (8061)	Estates Drain Drainage District (8062)
Expenditures / expenses			
Public works	\$ 1,332	\$ 126,755	\$ 19,014
Debt service:			
Principal	30,000	25,000	30,000
Interest	23,625	18,978	32,528
Total expenditures / expenses	54,957	170,733	81,542
Program revenues			
Operating grants and contributions	55,236	48,247	62,530
Charges for services	-	-	-
Interest revenue	-	-	-
Special assessments / capital grants and contributions	-	-	-
Total program revenues	55,236	48,247	62,530
Net (expense) revenue	279	(122,486)	(19,012)
Other financing sources			
Issuance of long-term debt	-	-	-
Bond premium	-	-	-
Total other financing sources	-	-	-
Change in fund balance / change in net position	279	(122,486)	(19,012)
Fund balances / net position, beginning of year	44,251	159,919	142,032
Fund balances / net position, end of year	\$ 44,530	\$ 37,433	\$ 123,020

Oak Hill Springs Drain Drainage District (8063)	Blue Jay Drain Drainage District (8064)	Hibbard Lake Drain Drainage District (8065)	North Royalton Drain Drainage District (8066)	Total Capital Funds	Adjustments	Statement of Activities
\$ -	\$ 218,371	\$ 259,068	\$ 1,372,134	\$ 3,530,931	\$ (1,374,441)	\$ 2,156,490
30,000	140,000	50,000	-	1,952,789	(1,952,789)	-
15,517	112,208	44,500	(30,977)	623,423	-	623,423
<u>45,517</u>	<u>470,579</u>	<u>353,568</u>	<u>1,341,157</u>	<u>6,107,143</u>	<u>(3,327,230)</u>	<u>2,779,913</u>
43,330	290,380	191,455	-	3,982,504	-	3,982,504
-	-	-	-	4,500	-	4,500
-	-	-	9,139	10,352	-	10,352
-	-	-	-	-	3,120,211	3,120,211
<u>43,330</u>	<u>290,380</u>	<u>191,455</u>	<u>9,139</u>	<u>3,997,356</u>	<u>3,120,211</u>	<u>7,117,567</u>
<u>(2,187)</u>	<u>(180,199)</u>	<u>(162,113)</u>	<u>(1,332,018)</u>	<u>(2,109,787)</u>	<u>6,447,441</u>	<u>4,337,654</u>
-	-	-	4,145,000	5,073,000	(5,073,000)	-
-	-	-	32,926	32,926	(32,926)	-
-	-	-	4,177,926	5,105,926	(5,105,926)	-
<u>(2,187)</u>	<u>(180,199)</u>	<u>(162,113)</u>	<u>2,845,908</u>	<u>2,996,139</u>	<u>1,341,515</u>	<u>4,337,654</u>
<u>157,059</u>	<u>248,245</u>	<u>349,173</u>	<u>-</u>	<u>4,723,105</u>	<u>19,725,336</u>	<u>24,448,441</u>
<u>\$ 154,872</u>	<u>\$ 68,046</u>	<u>\$ 187,060</u>	<u>\$ 2,845,908</u>	<u>\$ 7,719,244</u>	<u>\$ 21,066,851</u>	<u>\$ 28,786,095</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position

Economic Development Corporation Component Unit

December 31, 2015

	Governmental Activities	Business-type Activities	
	Supplemental Services Special Revenue Fund (2440)	Enterprise Funds	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ (76,502)	\$ 104,297	\$ 27,795
Investments	334,824	890,113	1,224,937
Total current assets	<u>258,322</u>	<u>994,410</u>	<u>1,252,732</u>
Noncurrent assets:			
Notes receivable	-	281,749	281,749
Advance to other component unit	-	1,150,000	1,150,000
Total noncurrent assets	<u>-</u>	<u>1,431,749</u>	<u>1,431,749</u>
Total assets	<u>258,322</u>	<u>2,426,159</u>	<u>2,684,481</u>
Liabilities			
Current liabilities -			
Accrued expenses	297	-	297
Long-term liabilities -			
Advances from primary government	-	1,150,000	1,150,000
Total liabilities	<u>297</u>	<u>1,150,000</u>	<u>1,150,297</u>
Net position			
Unrestricted	<u>\$ 258,025</u>	<u>\$ 1,276,159</u>	<u>\$ 1,534,184</u>

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities

Economic Development Corporation Component Unit

For the Year Ended December 31, 2015

	Governmental Activities	Business-type Activities	
	Supplemental Services Special Revenue Fund (2440)	Enterprise Funds	Total
Expenses			
Economic development	\$ 56,885	\$ -	\$ 56,885
Program revenues			
Charges for services	12,000	-	12,000
Interest revenue	670	8,285	8,955
Total program revenues	12,670	8,285	20,955
Change in net position	(44,215)	8,285	(35,930)
Net position, beginning of year	302,240	1,267,874	1,570,114
Net position, end of year	\$ 258,025	\$ 1,276,159	\$ 1,534,184

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Economic Development Corporation Component Unit

Enterprise Funds

December 31, 2015

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 65,226	\$ -	\$ 39,071	\$ 104,297
Investments	890,113	-	-	890,113
Total current assets	<u>955,339</u>	<u>-</u>	<u>39,071</u>	<u>994,410</u>
Noncurrent assets:				
Notes receivable	281,749	-	-	281,749
Advance to other component unit	-	1,150,000	-	1,150,000
Total noncurrent assets	<u>281,749</u>	<u>1,150,000</u>	<u>-</u>	<u>1,431,749</u>
Total assets	<u>1,237,088</u>	<u>1,150,000</u>	<u>39,071</u>	<u>2,426,159</u>
Liabilities				
Advances from primary government	-	1,150,000	-	1,150,000
Net position, unrestricted	<u>\$ 1,237,088</u>	<u>\$ -</u>	<u>\$ 39,071</u>	<u>\$ 1,276,159</u>

COUNTY OF BERRIEN, MICHIGAN

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

Economic Development Corporation Component Unit

Enterprise Funds

For the Year Ended December 31, 2015

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Nonoperating revenues				
Interest revenue	\$ 8,285	\$ -	\$ -	\$ 8,285
Change in net position	8,285	-	-	8,285
Net position, beginning of year	1,228,803	-	39,071	1,267,874
Net position, end of year	<u>\$ 1,237,088</u>	<u>\$ -</u>	<u>\$ 39,071</u>	<u>\$ 1,276,159</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Economic Development Corporation Component Unit

Enterprise Funds

For the Year Ended December 31, 2015

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Cash flows from operating activities				
Cash received on long-term leases receivable	\$ 31,215	\$ -	\$ -	\$ 31,215
Cash flows from investing activities				
Interest received	8,285	-	-	8,285
Net change in cash and cash equivalents	39,500	-	-	39,500
Cash and cash equivalents, beginning of year	25,726	-	39,071	64,797
Cash and cash equivalents, end of year	<u>\$ 65,226</u>	<u>\$ -</u>	<u>\$ 39,071</u>	<u>\$ 104,297</u>
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities -				
Changes in -				
Notes receivable	31,215	-	-	31,215
Net cash provided by operating activities	<u>\$ 31,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,215</u>