

COUNTY OF BERRIEN, MICHIGAN

Audited Financial Statements

**For the Year Ended
December 31, 2009**

COUNTY OF BERRIEN, MICHIGAN
For the Year Ended December 31, 2009

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INDEPENDENT AUDITORS' REPORT

June 28, 2010

Board of Commissioners of the
County of Berrien, Michigan
St. Joseph, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *County of Berrien, Michigan*, as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Berrien County Road Commission or the Berrien Mental Health Authority, which represent 75.1% and 9.5% of the assets, respectively, and 33.7% and 60.1% of the revenues, respectively, of the aggregate discretely presented component units of the County. Those financial statements were audited by other auditors whose report was furnished to us, and our opinion, insofar as it relates to the amounts included for the Berrien County Road Commission and the Berrien Mental Health Authority, is based on the report 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the report of other auditors, provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons for the general fund and each major special revenue fund, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3-16 , the historical pension information on page 73 and the historical other postemployment benefit information on page 74 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2010, on our consideration of the County of Berrien, Michigan's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County of Berrien, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based upon our audit and the report of other auditors, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Lehmann Lobson". The signature is written in a cursive, flowing style.

MANAGEMENT'S DISCUSSION and ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management team of **Berrien County** offers readers of the County's financial statements a narrative overview and analysis of the financial activities of the County for the **fiscal year ended December 31, 2009**. Readers are encouraged to consider the information presented here in conjunction with the accompanying audited financial statements.

Using this Annual Report

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

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

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. This is limited to a schedule concerning the County's progress in funding its obligation to provide pension benefits to its employees including an overview of the pension funding status.

Reporting the County as a Whole

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

These two statements report the County's net assets and changes in them. One can think of the County's net assets – the difference between assets and liabilities – as a way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. **The 2009 net assets of the County increased by \$441,628. The answer is yes, the County as a whole is better off as a result of activity during 2009.** The Statement of Net Assets and the Statement of Activities present information about the following:

Governmental Activities. All of the County's basic services are considered to be governmental activities, including legislative, judicial, general government, public safety, public works, health and welfare, recreation and cultural, community development and other activities. Property taxes, state revenue sharing, grants and charges for services finance most of these activities.

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

Component Units. The County includes six legally separate entities in its financial statements: the Berrien County Road Commission, the Berrien County Drain Commission, the Berrien County Brownfield Redevelopment Authority, the Berrien Mental Health Authority, the Berrien County Land Bank Authority, and the Berrien County Economic Development Corporation. Although legally separate, these component units are important because the County is financially accountable for them. Financial information for these component units is reported separately from the financial information presented for the primary government. The Berrien County Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and therefore, has been included as an integral part of the primary government. **Financial information for component units are reported separately from the financial information presented for the primary government itself and are excluded from this summary analysis.**

Reporting the County's Most Significant Funds

Fund Financial Statements. The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law and by bond covenants. However, the County establishes other funds to help it control and manage money for particular purposes and to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The County's two primary kinds of funds – **governmental and proprietary** – use different accounting approaches.

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

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The County maintains many 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, Revenue Sharing Reserve Fund and the Capital Reserve Fund which are considered to be major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds are accounted for using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This accounting method is similar to the method used by private companies. The County maintains two different types of proprietary funds. **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for delinquent tax operations, property foreclosures and public works projects funds. **Internal service funds** are an accounting device used to accumulate and allocate costs equitably among the County's various functions. The County uses internal service funds to account for its self-insurance programs for health insurance, property/liability insurance, workers' compensation and unemployment compensation. Because these services predominantly benefit governmental, rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the delinquent tax operations, property foreclosures and public works projects funds. Similarly, a combining statement of the four internal service funds (Property/Liability, Workers' Compensation, Health Care, and Unemployment Insurance) is prepared to show the detail that makes up the total for internal service funds.

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or fiduciary, for certain amounts held on behalf of others. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. **Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not directly available to support the County's own programs.** The County maintains a Pension Trust Fund and a Retiree Healthcare Trust Fund which are considered to be fiduciary funds because the total assets are held to pay current and future pension and retiree health insurance benefits. **The funds had total assets of \$118,947,217 at December 31, 2009, a gain of \$19,778,854 during the year. For the Pension Fund, the ratio of actuarial valuation assets of \$127,414,760 to actuarial accrued liabilities of \$152,122,494 was 83.8% at December 31, 2009.** The County's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Additional Information

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain **required supplementary information.** This is limited to a schedule concerning the County's progress in funding its obligation to provide pension benefits to certain employees.

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

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$107,505,104 (net assets). As summarized on the table that follows, the majority of these net assets are restricted for investment in capital assets or for other purposes and may not be used to meet the government's regular ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$441,628 during 2009. Net assets from governmental activities decreased by \$1,617,592 while net assets from business-type activities (i.e., Delinquent Tax funds, Public Works Projects funds) increased by \$2,059,220.
- As of the close of 2009, the County's governmental funds (which includes the general fund, revenue sharing reserve, special revenue, debt service, and capital projects funds) reported combined ending fund balances of \$38,183,247, a decrease of \$2,133,702 during the year. Of this fund balance amount, \$37,180,747 is unreserved fund balance while the remaining balance of \$1,002,500 is reserved for advances to other funds and component units (\$852,500) and long term receivables (\$150,000).
- The General Fund showed an increase of \$1,078,652 during 2009. At December 31, 2009, unreserved fund balance for the General Fund was \$13,626,995, or 33.28% of total general fund expenditures. A healthy General Fund balance is necessary due to the discontinuance of State Shared Revenue payments for counties, increasing health and retirement plan costs, and the loss of other State funding. The total fund balance for the General Fund was \$14,479,495 at December 31, 2009.
- Effective October 1, 2004 the State of Michigan eliminated revenue sharing payments to counties and replaced it with a funding mechanism that involves a gradual shift in county operating property tax millage from a winter tax levy to a summer tax levy. The new legislation required the establishment of a restricted fund known as the Revenue Sharing Reserve Fund which is used to accumulate monies to replace the revenue sharing payments formerly made by the State. The fund balance in the Revenue Sharing Reserve Fund was \$7,653,662 at December 31, 2009.
- The County's total long-term installment debt increased by \$282,237 during 2009 and was a total of \$21,276,657 at December 31, 2009. Total debt was \$130.97 on a per capita basis (162,453 population-2000 Census). The County maintains low debt levels in comparison with other local units of government in Michigan and borrows only for public works, capital improvements and tax revolving fund purposes—not for ongoing operations.
- As of June 8, 2010 Standard & Poor's rating agency rated Berrien County's bond credit at AA. This rating reflects the County's recent history of strong financial reserves and maintenance of low overall debt burden.

Financial Analysis of the County as a Whole

The government-wide financial analysis focuses on the net assets and changes in net assets of the County’s governmental and business-type activities. As noted earlier, net assets may, over time, serve as a useful indicator of a government’s financial position. **As the following table demonstrates, the assets for Berrien County exceeded its liabilities by \$107,505,104 for the fiscal year ending December 31, 2009.**

**Berrien County’s Net Assets
December 31, 2009-2008**

	Governmental Activities		Business-Type Activities		Total	
	12/31/09	12/31/08	12/31/09	12/31/08	12/31/09	12/31/08
Current/other Assets	\$63,284,000	\$65,103,596	\$50,356,599	\$46,279,399	\$113,640,599	\$111,382,955
Capital Assets	30,770,628	31,174,149	246,567	269,148	31,017,195	31,443,297
Total Assets	94,054,628	96,277,745	50,603,166	46,548,547	144,657,794	142,826,292
Long-Term Liabilities	10,002,978	11,438,949	13,401,512	11,611,284	23,404,490	23,050,233
Other Liabilities	12,364,542	11,534,096	1,383,658	1,178,487	13,748,200	12,712,583
Total Liabilities	22,367,520	22,973,045	14,785,170	12,789,771	37,152,690	35,762,816
Net Assets: Invested in Capital Assets, Net of Related Debt	23,060,542	21,998,080	246,567	208,745	23,307,109	22,206,825
Restricted	25,355,179	28,043,321	-	-	25,355,179	28,043,321
Unrestricted	23,271,387	23,263,299	35,571,429	33,550,031	58,842,816	56,813,330
Total Net Assets	\$71,687,108	\$73,304,700	\$35,817,996	\$33,758,776	\$107,505,104	\$107,063,476

Berrien County had a net investment in capital assets of \$23,307,109 at December 31, 2009. This represents 21.68% of total net assets. The County’s investment in capital assets (i.e., land, buildings, vehicles, computers, and equipment) is shown net of 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. The County conducts an annual inventory of its capital assets using the services of Asset Works.

In addition, the County has restricted net assets of \$25,355,179 at December 31, 2009. This represents 23.59% total net assets. Restricted net assets represents resources that are subject to external restrictions on how they may be used. Restricted net assets include, for example, restrictions for capital projects, debt service, grants, 911 operations and the Register of Deeds Automation Fund. Restricted net assets decreased by \$2,688,142 during 2009. The major contributor to the decline is related to state mandated programs and other items.

Finally, the County has unrestricted net assets in the amount of \$58,842,816 at December 31, 2009. This represents 54.73% of total net assets. Unrestricted net assets may be used to meet the government’s ongoing obligations to its citizens and creditors.

The County's net assets increased \$441,628 during 2009.

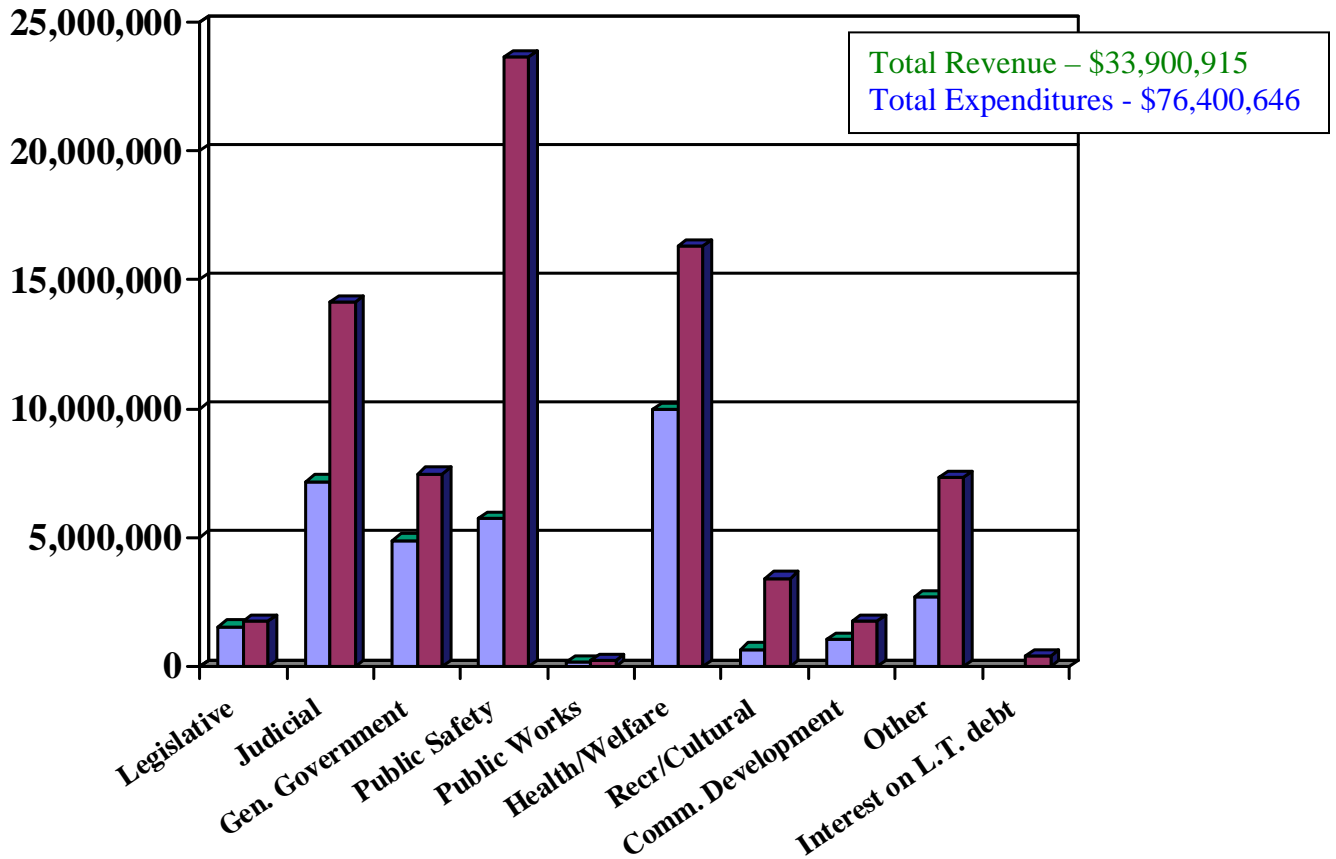
Berrien County's Changes in Net Assets For the Years Ended December 31, 2009-2008

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	12/31/09	12/31/08	12/31/09	12/31/08	12/31/09	12/31/08
Revenue:						
Program Revenue:						
Charges for Services	\$12,414,171	\$13,013,971	\$2,914,062	\$2,912,730	\$15,328,233	\$ 15,918,147
Operating Grants & Contributions	21,486,744	23,010,285	272,146	971,986	21,758,890	23,990,825
General Revenue:						
Property Taxes	39,737,678	36,765,129	-	-	39,737,678	36,765,129
Unrestricted Grants & Contributions	568,760	381,796	-	-	568,760	381,796
Unrestricted Investment Earnings	1,377,872	1,583,390	-	-	1,377,872	1,583,390
Loss on Sale of Capital Assets	-	-	-	-	-	-
Transfers-Internal Act.	(802,171)	-	802,171	-	-	-
Total Revenue	74,783,054	74,754,571	3,988,379	3,884,716	78,771,433	78,639,287
Expenses:						
Legislative	1,737,976	1,743,043	-	-	1,737,976	1,743,043
Judicial	14,138,879	12,869,526	-	-	14,138,879	12,869,526
General Government	7,481,757	8,077,809	-	-	7,481,757	8,077,809
Public Safety	23,622,591	21,208,920	-	-	23,622,591	21,208,920
Public Works	228,982	450,831	-	-	228,982	450,831
Health & Welfare	16,318,671	15,757,877	-	-	16,318,671	15,757,877
Recreation/Cultural	3,411,437	3,193,415	-	-	3,411,437	3,193,415
Community Dev.	1,751,620	1,194,733	-	-	1,751,620	1,194,733
Other Gov. Activity	7,331,941	9,779,066	-	-	7,331,941	9,779,066
Interest on L.T. Debt	376,792	414,804	-	-	376,792	414,804
Delinquent Tax Coll / Forfeitures	-	-	1,507,245	950,475	1,507,245	950,475
Public Works Projects	-	-	421,914	512,840	421,914	512,840
Total Expenses	76,400,646	74,690,024	1,929,159	1,463,315	78,329,805	76,153,339
Increase (decrease) in Net Assets	(1,617,592)	64,547	2,059,220	2,421,401	441,628	2,485,948
Net Assets - Beg.	73,304,700	73,240,153	33,758,776	31,337,375	107,063,476	104,577,528
Net Assets - End	\$71,687,108	\$73,304,700	\$35,817,996	\$33,758,776	\$107,505,104	\$107,063,476

Governmental Activities. Governmental activities decreased the County's net assets by \$1,617,592 during 2009. For the most part, increases in expenses in governmental activities closely follow inflation and growth in the demand for services. Increasing health insurance and pension costs continue to have an impact across many departments and activities. Also included are costs for continued facilities renovations and technology updates.

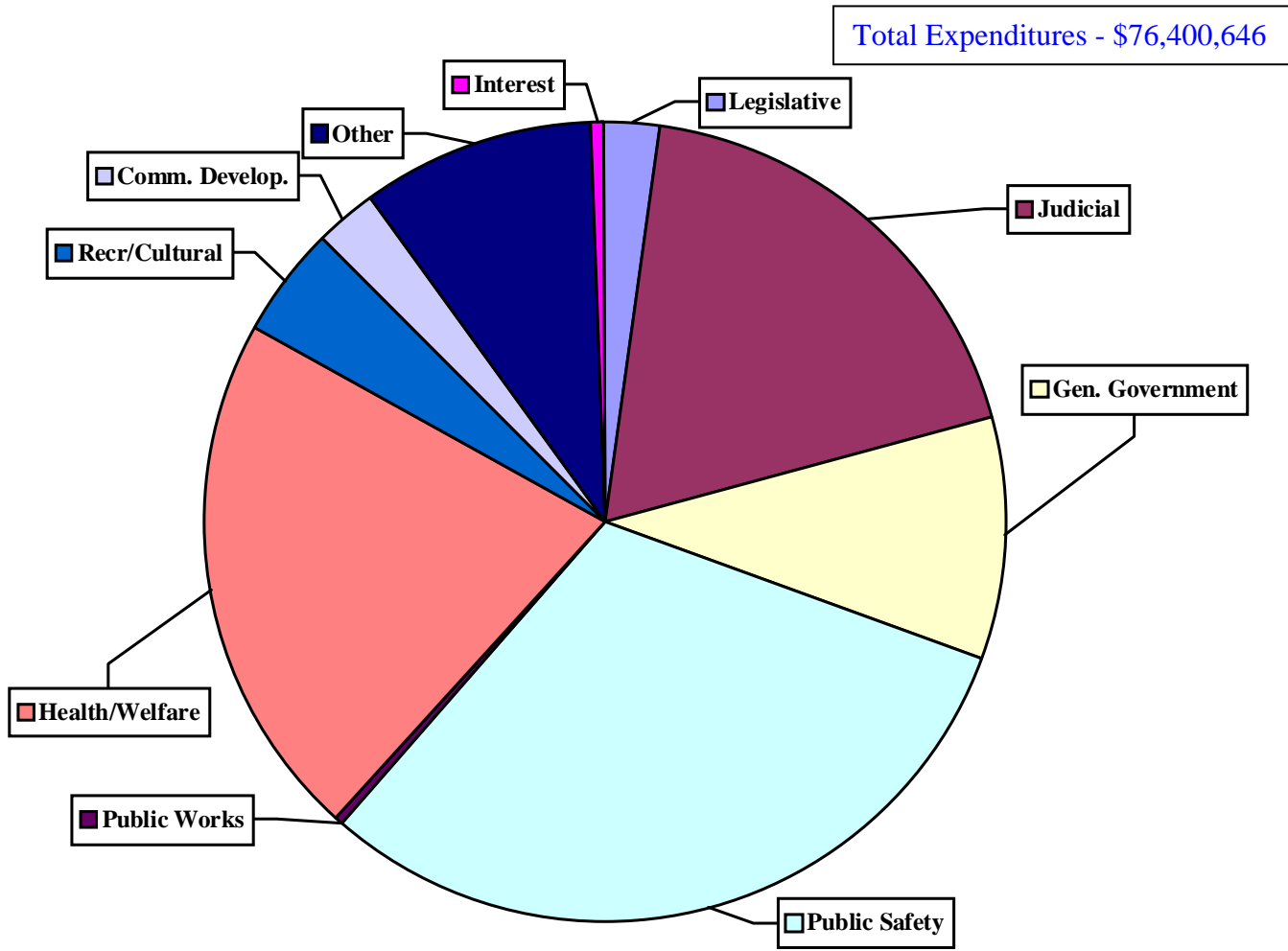
A chart of program revenue and expenses for governmental activities is as follows:

Program Revenue and Expenses Governmental Activities



A chart of expenses of governmental activities by type is as follows:

Governmental Activities Expenses

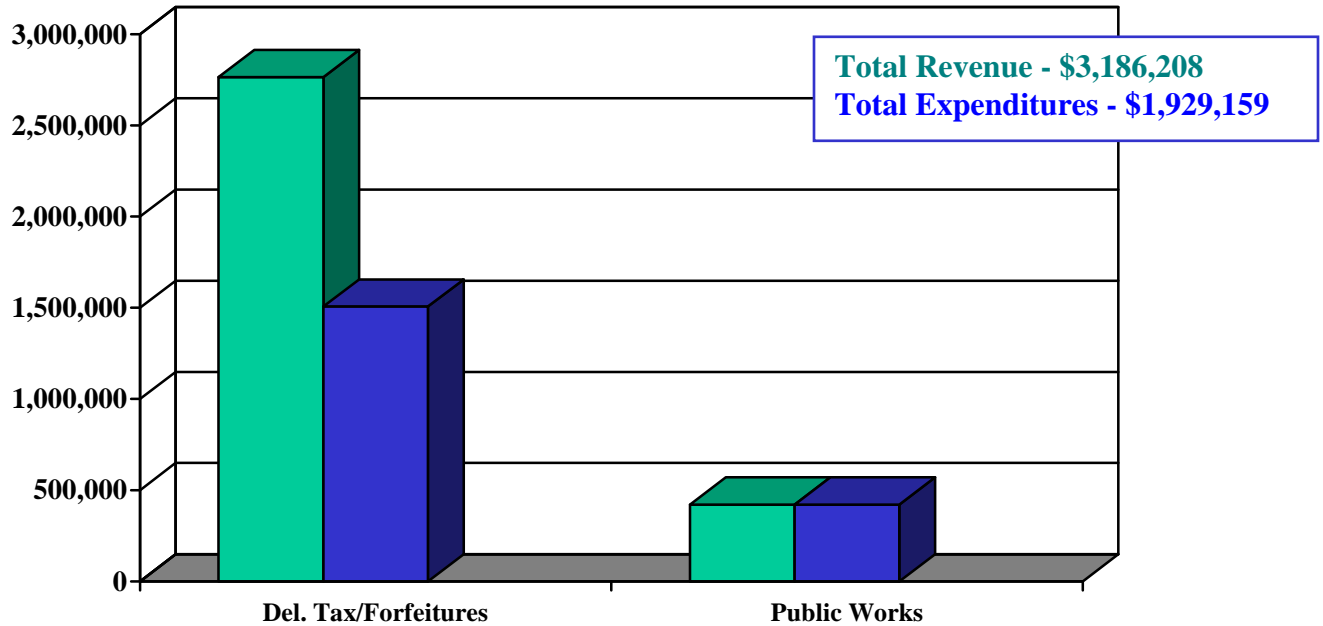


Business-Type Activities. Business-type activities (i.e. Delinquent Tax Revolving funds, Delinquent Tax Forfeiture funds and the Public Works Projects funds) **increased the County's net assets by \$2,059,220 during 2009.** Key elements of the current year increase are as follows:

- Charges for services for business-type activities were \$2,914,062 or 73.06% of revenue. These charges include delinquent tax administration fees to property owners, interest on taxes, loan forfeiture charges and other charges for services. Operating grants and contributions make up an additional \$272,146 or 6.83% of revenue. Funding from governmental activities were \$802,171 or 20.11% of revenue. This funding was due to transfers related to internal service funds.
- Growth in the net assets of \$2,059,220 was driven by Delinquent Tax/Forefeiture activities for a net increase of \$1,257,736 and transfers from governmental activities for internal service funding of \$802,171.

A chart of program revenue and expenses for business-type activities is as follows:

Program Revenue and Expenses Business-type Activities



Financial Analysis of the County's Funds

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

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

At December 31, 2009, the County's governmental funds reported a combined ending fund balance of \$38,183,247. This is a decrease of \$2,133,702 in comparison with the prior year. The decrease is due primarily to the annual distribution of funds from the Revenue Sharing Fund to the General Fund, the amount of the 2009 distribution was \$3,578,103. Of the total fund balance amount, \$1,002,500 has been reserved for advances to other funds and component units (\$852,500) and long term receivables (\$150,000). A total of \$37,180,747 is unreserved fund balance.

The General Fund is the chief operating fund of the County. At the end of the fiscal year, unreserved fund balance of the General Fund was \$13,626,995 while total fund balance was \$14,479,495. The total General Fund balance increased by \$1,078,652 during 2009. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 33.28% of total General Fund expenditures. The County has determined that it is important to maintain an adequate unreserved General Fund balance in order to maintain fiscal flexibility in difficult economic times and due to the precarious nature of State of Michigan funding to counties and increasing operating costs.

The fund balance of the revenue sharing fund decreased by \$3,488,657, which is primarily due to the transfer out of funds to the general fund, in an amount determined annually by the state.

The fund balance of the capital reserve fund increased by \$143,159, which is entirely attributable to interest earnings and investment gains.

Proprietary Funds. The County's proprietary funds (i.e. Delinquent Tax Revolving, Self-insurance) provide the same type of information found in the government-wide financial statements, but in greater detail. Proprietary funds focus on total **economic resources** (not just spendable resources) and use the accrual basis of accounting. The proprietary fund statements provide a long-term view of fund activities.

Unrestricted net assets of the delinquent tax, property foreclosure, self-insurance and other proprietary funds were \$44,876,556 at year-end. The Delinquent Tax Revolving funds had net assets of \$35,104,906 at December 31, 2009, an increase of \$2,490,254 during the year. The internal service funds decreased \$828,444 during 2009. The internal service funds had net assets of \$10,107,893 at December 31, 2009.

General Fund Budgetary Highlights

The original budget for revenue and incoming transfers in the General Fund was \$51,237,301 for 2009. Actual revenue and incoming transfers for 2009 were \$50,640,184.

The original budget for expenditures and outgoing transfers in the General Fund was \$51,237,301 for 2009. Additional year-end appropriations were made to several funds totaling \$2,018,500 (detail below). The additional appropriations were financed from savings in other budgeted accounts. Actual expenditures and outgoing transfers for 2009 were \$49,561,532.

Berrien County's Transfer Detail December 31, 2009

Vehicle Fund	\$ 257,500
Public Maintenance And Improvement	1,106,000
Nurse Family Partnership Fund	155,000
Health Department Administrative Fund	100,000
Community Development Fund	50,000
Tether Fund	50,000
Friend Of The Court	200,000
Social Services	20,000
Social Services-Child Care	80,000
2009 Year End Transfers	\$2,018,500

Overall during the 2009, the general fund revenue exceeded budgeted total and expenditures were less than the final budget, resulting in an increase in the General Fund balance of \$1,078,652 during 2009.

Capital Asset and Debt Administration

Capital Assets. The County's cost of capital assets for its governmental activities at December 31, 2009 was \$30,770,628 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery, computers and equipment. The County's business-type activities (i.e. Delinquent Tax Revolving funds, Public Works Projects funds) had net capital assets of \$246,567 at the end of the year. **Total capital assets, net were \$31,017,195 at December 31, 2009.**

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

- Ongoing replacement of Sheriff's Department vehicles and computer equipment.
- Built a crime lab at the 2100 E. Empire Building.

Berrien County's Capital Assets December 31, 2009 – 2008

	<u>Governmental Activities</u>		<u>Business-Types Activities</u>		<u>Total</u>	
	12/31/09	12/31/08	12/31/09	12/31/08	12/31/09	12/31/08
Land	\$4,814,779	\$4,814,779	\$ -	\$ -	\$4,814,779	\$ 4,814,779
Land						
Improvements	1,444,436	1,444,436	-	-	1,444,436	1,444,436
Buildings	34,945,609	34,698,600	-	-	34,945,609	34,698,600
Equipment	10,446,757	9,642,392	748,302	741,445	11,195,059	10,383,837
Total Cost	51,651,581	50,600,207	748,302	741,445	52,399,883	51,341,652
Less Accr Depr	(20,880,953)	(19,426,058)	(501,735)	(472,297)	(21,382,688)	(19,998,355)
Net Cost	\$30,770,628	\$31,174,149	\$246,567	\$269,148	\$31,017,195	\$31,443,297

Long-Term Debt. At the end of the fiscal year, the County had total long-term installment debt outstanding of \$21,276,657. This long-term debt is summarized as follows:

Berrien County's Outstanding Debt December 31, 2009 – 2008

	<u>Governmental Activities</u>		<u>Business - Type Activities</u>		<u>Total</u>	
	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008
General						
Obligation Bonds	\$7,850,000	\$8,775,000	\$5,550,000	\$6,010,000	\$13,400,000	\$14,785,000
DPW Notes	-	-	-	-	-	-
Delinquent Tax						
Notes	-	-	7,851,512	5,540,881	7,851,512	5,540,881
Capital Leases	-	608,136	-	60,403	-	668,539
Notes Payable	25,145	-	-	-	25,145	-
Total	\$7,875,145	\$9,383,136	\$13,401,512	\$11,611,284	\$21,276,657	\$ 20,994,420

At December 31, 2009, general obligation bonds include \$7,850,000 in Building Authority debt and \$5,550,000 in Public Works debt for water/sewer projects with local units of government. The County's total debt increased by \$282,237 during 2009. The County retired debt of \$925,000 in general obligation bonds/notes and \$10,459,369 in delinquent tax notes during 2009.

During 2009, the County borrowed \$12,770,000 in delinquent tax notes. Debt service requirements for general obligation bonds are \$1,400,000 in principal and \$573,439 in interest for 2010. Principal and interest is paid on the delinquent tax notes as delinquent tax proceeds are received.

As indicated previously, Standard & Poor's increased Berrien County's credit rating for general obligation bonds is AA. This is a very strong and solid rating and reflects the strong financial position of the County. The County's Delinquent Limited Tax Notes are not rated.

State statute limits the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation (State Equalized Value). The current legal debt limitation for the County is \$950,027,171, while the County has only utilized \$13,400,000 (1.41%) of its legal borrowing capacity.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the County's budget for the 2010 fiscal year:

- The cost of maintaining the defined benefit retirement plan has impacted the fiscal operations of the county. Employer Contributions for the Sheriff's Unit remained at 25.90% for 2010 and employer contribution for the Courthouse unit at 9.41%. Investment earnings increased through 2009 with expectations for 2010 difficult to predict.
- Interest rates on investments have been low the past few years, but decreased during periods of 2009 as the Federal Reserve decreased its discount rate. The 2010 budget assumes similar rates of investment earnings. In Michigan, local units of government are restricted to investing operating funds in fixed income investments and may not invest in equities. Pension funds may invest in the stock market. Unrestricted investment earnings were \$568,760 during 2009 as compared to \$1,583,390 during 2008.
- The County is self-funded for its property and liability insurance with the Michigan Municipal Risk Management Authority, one of the largest public entity insurance pools in the United States. Property and liability insurance premiums, especially for governmental entities, have dramatically increased due to many factors, including poor investment earnings by the insurance companies and the hard re-insurance market. The County has net assets in its Property/Liability Insurance Fund of \$1,472,463 at December 31, 2009.
- The County is also self-funded for its health insurance coverage. Some national projections point to a double-digit increase in health care costs over the next five years. Expenditures for health care are budgeted to increase from a 2009 budget of \$14,345,014 to \$15,202,800 for 2010. The County has net assets in its Health Care Insurance Fund of \$6,798,978 at December 31, 2009.
- The unemployment rate for Berrien County is 14.9% for March 2010, which is an increase from the unemployment rate of 12.4% in March 2009. The unemployment rate for Berrien County is higher than the State of Michigan average of 14.1% (March 2010) and the United States average of 9.7% (April 2010). During 2010, the County will undertake economic development initiatives to encourage job growth and retention. Historically, the County has used monies in its Delinquent Tax Revolving Funds and Brownfield Redevelopment Authority Fund for economic development projects.
- The County has committed to maintaining a sufficient General Fund balance to provide fiscal flexibility and to meet unforeseen emergencies. The County's unreserved General Fund balance was \$13,626,995 at December 31, 2009.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Berrien County's finances for all those who may be interested. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to **Berrien County Administration Center, Financial Services Department, 701 Main Street, St. Joseph, Michigan 49085-1316**. You may also contact us at **(269) 982-8623**. A complete copy of this financial report is available at the County Website: **www.berriencounty.org**.

Thank you for your interest in Berrien County!

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

COUNTY OF BERRIEN, MICHIGAN
Statement of Net Assets
December 31, 2009

	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
Assets				
Cash and investments	\$ 55,716,109	\$ 29,092,441	\$ 84,808,550	\$ 13,971,726
Restricted cash	802,766	-	802,766	876,391
Receivables, net	13,372,816	13,617,425	26,990,241	13,168,428
Internal balances	(7,614,500)	7,614,500	-	-
Prepaid items and other assets	1,006,809	32,233	1,039,042	1,741,028
Capital assets not being depreciated	4,814,779	-	4,814,779	16,583,411
Capital assets being depreciated, net	25,955,849	246,567	26,202,416	69,944,598
	<hr/>			
Total assets	94,054,628	50,603,166	144,657,794	116,285,582
	<hr/>			
Liabilities				
Accounts payable and accrued expenses	6,148,834	1,383,658	7,532,492	9,309,977
Unearned revenue	6,215,708	-	6,215,708	228,306
Long-term liabilities:				
Due within one year	3,109,066	8,276,512	11,385,578	3,404,113
Due in more than one year	6,893,912	5,125,000	12,018,912	7,194,274
Net other postemployment benefit obligation	-	-	-	280,531
	<hr/>			
Total liabilities	22,367,520	14,785,170	37,152,690	20,417,201
	<hr/>			
Net assets				
Invested in capital assets, net of related debt	23,060,542	246,567	23,307,109	79,149,460
Restricted for:				
Capital projects	1,625,426	-	1,625,426	-
Public safety	3,529,394	-	3,529,394	-
Culture and recreation	260,197	-	260,197	-
Health and welfare	1,938,923	-	1,938,923	-
Community development	479,413	-	479,413	-
Judicial	1,225,597	-	1,225,597	-
State mandated programs and other purposes	16,296,229	-	16,296,229	439,184
Unrestricted	23,271,387	35,571,429	58,842,816	16,279,737
	<hr/>			
Total net assets	\$ 71,687,108	\$ 35,817,996	\$ 107,505,104	\$ 95,868,381
	<hr/>			

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Activities
For the Year Ended December 31, 2009

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$ 1,737,976	\$ 2,085	\$ 1,528,473	\$ -	\$ (207,418)
Judicial	14,138,879	4,487,545	2,690,527	-	(6,960,807)
General government	7,481,757	2,426,959	2,466,588	-	(2,588,210)
Public safety	23,622,591	2,206,757	3,544,055	-	(17,871,779)
Public works	228,982	-	162,584	-	(66,398)
Health and welfare	16,318,671	899,595	9,090,513	-	(6,328,563)
Recreation and cultural	3,411,437	487,719	174,466	-	(2,749,252)
Community development	1,751,620	255,199	789,479	-	(706,942)
Other governmental activities	7,331,941	1,648,312	1,040,059	-	(4,643,570)
Interest on long-term debt	376,792	-	-	-	(376,792)
Total governmental activities	<u>76,400,646</u>	<u>12,414,171</u>	<u>21,486,744</u>	<u>-</u>	<u>(42,499,731)</u>
Business-type activities:					
Delinquent tax collections/forfeitures	1,507,245	2,492,902	272,079	-	1,257,736
Public works projects	421,914	421,160	67	-	(687)
Total business-type activities	<u>1,929,159</u>	<u>2,914,062</u>	<u>272,146</u>	<u>-</u>	<u>1,257,049</u>
Total primary government	<u>\$ 78,329,805</u>	<u>\$ 15,328,233</u>	<u>\$ 21,758,890</u>	<u>\$ -</u>	<u>\$ (41,242,682)</u>
Component units					
County roads	\$ 15,744,855	\$ -	\$ 16,521,831	\$ 80,100	\$ 857,076
County drains	2,558,638	-	1,559,703	1,034,000	35,065
Brownfield redevelopment	347,575	195,785	95,562	-	(56,228)
Economic development	91,577	85,220	-	-	(6,357)
Land bank	10,633	8,298	-	-	(2,335)
Community mental health	28,672,445	23,297,111	6,305,781	-	930,447
Total component units	<u>\$ 47,425,723</u>	<u>\$ 23,586,414</u>	<u>\$ 24,482,877</u>	<u>\$ 1,114,100</u>	<u>\$ 1,757,668</u>

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COUNTY OF BERRIEN, MICHIGAN
Statement of Activities (Concluded)
For the Year Ended December 31, 2009

Functions/Programs	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net assets				
Net (expense) revenue	\$ (42,499,731)	\$ 1,257,049	\$ (41,242,682)	\$ 1,757,668
General revenue:				
Property taxes	39,737,678	-	39,737,678	44,240
Grants and contributions not restricted to specific programs	1,377,872	-	1,377,872	-
Unrestricted investment earnings	568,760	-	568,760	-
Transfers - internal activities	(802,171)	802,171	-	-
 Total general revenue and transfers	 40,882,139	 802,171	 41,684,310	 44,240
 Change in net assets	 (1,617,592)	 2,059,220	 441,628	 1,801,908
 Net assets, beginning of year	 73,304,700	 33,758,776	 107,063,476	 94,066,473
 Net assets, end of year	 \$ 71,687,108	 \$ 35,817,996	 \$ 107,505,104	 \$ 95,868,381

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

FUND FINANCIAL STATEMENTS

COUNTY OF BERRIEN, MICHIGAN
Balance Sheet
Governmental Funds
December 31, 2009

	General 101.00	Revenue Sharing Reserve 285.00	Capital Reserve 403.00	Other Governmental Funds	Total
<u>ASSETS</u>					
Assets					
Cash and investments	\$ 13,973,580	\$ 7,653,662	\$ 6,427,989	\$ 14,964,594	\$ 43,019,825
Receivables:					
Taxes receivable - current	2,021,417	-	-	5,512,978	7,534,395
Taxes receivable - delinquent	101,474	-	-	18,968	120,442
Due from other governments	234,862	-	-	2,720,465	2,955,327
Due from other funds	-	-	-	9,950	9,950
Advances to other funds	6,117,000	-	-	-	6,117,000
Advances to component units	2,350,000	-	-	-	2,350,000
Notes receivable	-	-	-	412,652	412,652
<u>TOTAL ASSETS</u>	\$ 24,798,333	\$ 7,653,662	\$ 6,427,989	\$ 23,639,607	\$ 62,519,591
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities					
Accounts payable	\$ 312,895	\$ -	\$ -	\$ 499,003	\$ 811,898
Accrued and other liabilities	680,438	-	-	411,532	1,091,970
Due to other funds	1	-	-	9,949	9,950
Interfund payable	-	-	-	655,003	655,003
Advances from other governments	-	-	-	90,000	90,000
Advances from other funds	7,614,500	-	5,414,500	702,500	13,731,500
Undistributed receipts	-	-	-	343	343
Deferred revenue	1,711,004	-	-	6,234,676	7,945,680
Total liabilities	10,318,838	-	5,414,500	8,603,006	24,336,344
Fund balance					
Reserved for:					
Long-term receivables	-	-	-	150,000	150,000
Advances to other funds and component units	852,500	-	-	-	852,500
Unreserved:					
Designated for subsequent years' expenditures, reported in nonmajor special revenue funds	-	-	-	1,746,100	1,746,100
Designated for subsequent years' expenditures, reported in nonmajor capital projects funds	-	-	-	215,000	215,000
Undesignated	13,626,995	7,653,662	1,013,489	-	22,294,146
Undesignated, reported in nonmajor:					
Special revenue funds	-	-	-	12,363,245	12,363,245
Debt service funds	-	-	-	260	260
Capital projects funds	-	-	-	561,996	561,996
Total fund balance	14,479,495	7,653,662	1,013,489	15,036,601	38,183,247
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	\$ 24,798,333	\$ 7,653,662	\$ 6,427,989	\$ 23,639,607	\$ 62,519,591

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

COUNTY OF BERRIEN, MICHIGAN
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Assets
of Governmental Activities on the Statement of Net Assets
December 31, 2009

Fund balances - total governmental funds	\$ 38,183,247
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Amounts reported for *governmental activities* in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources, and therefore not reported in the funds.

Add - capital assets not being depreciated	4,814,779
Add - capital assets being depreciated, net	25,955,849

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred revenues in the governmental funds, and thus are not included in fund balance.

Add - deferred property taxes	1,729,972
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Governmental funds report expenditures equal to amounts contributed to defined benefit OPEB plans. However, in the statement of activities, net OPEB costs are equal to actuarially determined net OPEB costs. Differences between actuarially determined net OPEB costs and annual contributions are accumulated and reported as a net OPEB asset.

Add - net OPEB asset	1,006,809
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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 assets.

Add - net assets of governmental activities accounted for in internal service funds	10,107,893
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Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.

Subtract - bonds and notes payable	(7,875,145)
Subtract - compensated absences	(2,127,833)
Subtract - accrued interest on long-term liabilities	(108,463)

Net assets of governmental activities	<u><u>\$ 71,687,108</u></u>
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The accompanying notes are an integral part of these financial statements.

COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General 101.00	Revenue Sharing Reserve 285.00	Capital Reserve 403.00	Other Governmental Funds	Total
Revenue					
Taxes	\$ 32,959,258	\$ -	\$ -	\$ 6,783,929	\$ 39,743,187
Licenses and permits	237,000	-	-	256,698	493,698
Intergovernmental revenue	3,055,775	-	-	14,282,623	17,338,398
Charges for services	7,092,893	-	-	5,968,674	13,061,567
Fines and forfeitures	740,377	-	-	101,829	842,206
Interest revenue	(50,365)	89,446	143,159	14,731	196,971
Other revenue and reimbursements	1,920,898	-	-	3,600,825	5,521,723
Total revenue	45,955,836	89,446	143,159	31,009,309	77,197,750
Expenditures					
Current expenditures:					
Legislative	1,713,564	-	-	-	1,713,564
Judicial	9,790,867	-	-	3,893,561	13,684,428
General government	8,332,082	-	-	141,703	8,473,785
Public safety	14,502,868	-	-	8,449,263	22,952,131
Public works	-	-	-	228,982	228,982
Health and welfare	730,703	-	-	15,302,588	16,033,291
Recreation and cultural	360,237	-	-	2,974,469	3,334,706
Community development	955,544	-	-	725,038	1,680,582
Other governmental activities	4,558,626	-	-	3,973,599	8,532,225
Debt service:					
Principal	-	-	-	1,539,991	1,539,991
Interest and fiscal charges	-	-	-	387,596	387,596
Total expenditures	40,944,491	-	-	37,616,790	78,561,281
Revenue over (under) expenditures	5,011,345	89,446	143,159	(6,607,481)	(1,363,531)
Other financing sources (uses)					
Issuance of long-term debt	-	-	-	32,000	32,000
Transfers in	4,684,348	-	-	11,583,291	16,267,639
Transfers out	(8,617,041)	(3,578,103)	-	(4,874,666)	(17,069,810)
Total other financing sources (uses)	(3,932,693)	(3,578,103)	-	6,740,625	(770,171)
Net changes in fund balances	1,078,652	(3,488,657)	143,159	133,144	(2,133,702)
Fund balance, beginning of year	13,400,843	11,142,319	870,330	14,903,457	40,316,949
Fund balance, end of year	\$ 14,479,495	\$ 7,653,662	\$ 1,013,489	\$ 15,036,601	\$ 38,183,247

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

COUNTY OF BERRIEN, MICHIGAN
Reconciliation of the Statement of Revenue, Expenditures
and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2009

Net change in fund balances - total governmental funds \$ (2,133,702)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	1,140,290
Subtract - depreciation expense	(1,543,811)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Subtract - change in deferred property taxes and special assessments	(5,509)
Subtract - change in long-term receivables	(700,000)

Governmental funds report expenditures equal to amounts contributed to defined benefit OPEB plans. However, in the statement of activities, net OPEB costs are equal to actuarially determined net OPEB costs.

Deduct - excess net OPEB cost over contributions	1,006,809
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Subtract - issuance of long-term debt	(32,000)
Add - principal payments on long-term liabilities	1,539,991

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.

Add - change in accrued interest on bonds	10,804
Subtract - change in the accrual of compensated absences	(72,020)

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 (expense) of the internal service fund is reported with governmental activities.

Add - interest revenue from governmental internal service fund	376,284
Subtract - operating income from governmental activities accounted for in internal service fund	<u>(1,204,728)</u>

Change in net assets of governmental activities	<u><u>\$ (1,617,592)</u></u>
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The accompanying notes are an integral part of these financial statements.

COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenue				
Taxes	\$ 31,819,650	\$ 31,819,650	\$ 32,959,258	\$ 1,139,608
Licenses and permits	196,250	196,250	237,000	40,750
Intergovernmental revenues	3,121,099	3,121,099	3,055,775	(65,324)
Charges for services	7,412,267	7,412,267	7,092,893	(319,374)
Fines and forfeitures	599,500	599,500	740,377	140,877
Interest revenue	915,000	915,000	(50,365)	(965,365)
Other revenue and reimbursements	1,838,310	1,838,310	1,920,898	82,588
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	45,902,076	45,902,076	45,955,836	53,760
Expenditures				
Legislative:				
Board of Commissioners	656,816	571,183	571,174	(9)
Appropriations to outside agencies	947,098	941,407	896,818	(44,589)
County Administrator	251,554	245,579	245,572	(7)
	<hr/>	<hr/>	<hr/>	<hr/>
Total legislative	1,855,468	1,758,169	1,713,564	(44,605)
Judicial:				
Circuit court	791,208	763,575	763,565	(10)
District court	2,962,445	2,830,037	2,829,968	(69)
Probate court	289,268	252,260	252,254	(6)
Jury board	10,006	26,147	26,144	(3)
Family Court Intake	636,207	639,696	639,686	(10)
Tri-court cashiering unit	317,665	304,418	304,413	(5)
Trial court	2,374,325	2,396,732	2,346,718	(50,014)
District court probation	632,759	588,087	588,081	(6)
Adult probation	28,826	11,306	11,300	(6)
Juvenile probation	885,023	799,986	799,977	(9)
Probate court administration	1,043,965	992,596	992,588	(8)
Tri-court enforcement services	242,596	236,176	236,173	(3)
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Total judicial	10,214,293	9,841,016	9,790,867	(50,149)

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COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual (Continued)
General Fund
For the Year Ended December 31, 2009

Expenditures (continued)	Original Budget	Amended Budget	Actual	Over (Under) Budget
General government:				
Elections	\$ 94,590	\$ 81,338	\$ 81,309	\$ (29)
Clerk	1,098,597	1,060,384	1,060,374	(10)
Equalization	592,257	578,473	578,464	(9)
Personnel	369,487	343,373	343,370	(3)
Purchasing	67,697	69,988	69,983	(5)
Corporate counsel	83,001	86,991	86,986	(5)
Prosecutor	2,778,859	2,597,805	2,597,748	(57)
Register of deeds	288,541	286,211	286,207	(4)
Treasurer	373,009	401,053	401,047	(6)
Courthouse and grounds	1,295,816	1,209,763	1,206,600	(3,163)
Building authority	1,000	711	711	-
South county building	349,917	279,132	279,118	(14)
Other county property	161,050	135,115	134,913	(202)
Administration center	289,341	249,993	248,673	(1,320)
2100 complex	228,721	141,529	140,164	(1,365)
Training facility	26,150	7,661	7,658	(3)
Drain commissioner	503,694	268,734	274,126	5,392
Building security	123,800	123,800	120,669	(3,131)
Financial services	410,801	413,972	413,962	(10)
Total general government	9,136,328	8,336,026	8,332,082	(3,944)
Public safety:				
Sheriff's office and road patrol	4,660,892	4,726,774	4,443,128	(283,646)
Jail inmate rehabilitation	88,478	91,781	87,514	(4,267)
Sheriff's department radios	95,191	95,191	89,661	(5,530)
Sheriff's department marine safety	280,973	283,218	266,067	(17,151)
Motorcycle division	6,435	6,435	5,510	(925)
Jail division	8,181,716	8,180,573	7,993,694	(186,879)
Jail maintenance	1,011,652	1,019,652	863,659	(155,993)
Emergency management	304,070	305,530	285,042	(20,488)
Animal shelter	504,262	508,748	468,593	(40,155)
Total public safety	15,133,669	15,217,902	14,502,868	(715,034)
Health and welfare:				
Contagious disease	35,500	35,500	18,274	(17,226)
Medical examiner	110,500	110,500	89,280	(21,220)
Veterans services	111,166	111,166	110,549	(617)
Veterans burial	16,000	16,000	12,600	(3,400)
Mental health	500,000	500,000	500,000	-
Total health and welfare	773,166	773,166	730,703	(42,463)

continued...

COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual (Concluded)
General Fund
For the Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (concluded)				
Recreation and cultural:				
Cooperative extension service	\$ 285,477	\$ 253,265	\$ 253,259	\$ (6)
Historical association	106,978	106,978	106,978	-
Total recreation and cultural	<u>392,455</u>	<u>360,243</u>	<u>360,237</u>	<u>(6)</u>
Community development:				
Economic development	1,857,587	1,436,182	583,023	(853,159)
Surveyor	100	-	-	-
Plat board	4,916	4,916	4,353	(563)
Survey and remonumentation	96,158	96,158	60,230	(35,928)
GIS/mapping	422,934	308,151	307,938	(213)
Total community development	<u>2,381,695</u>	<u>1,845,407</u>	<u>955,544</u>	<u>(889,863)</u>
Other expenditures:				
Information systems	2,203,807	2,094,091	2,094,081	(10)
Automation upgrade	59,800	64,702	64,699	(3)
Central supply	98,600	100,569	100,568	(1)
Livestock claims	1,000	1,000	-	(1,000)
Mailing services	360,256	321,174	318,737	(2,437)
Motor pool	324,265	287,768	287,757	(11)
Telephone switchboard-central	279,743	253,100	249,045	(4,055)
Printing and microfilming	482,999	473,018	472,071	(947)
Copy center	38,405	38,405	28,644	(9,761)
Insurance and surety bonds	853,905	858,136	836,618	(21,518)
Drains at large	121,845	121,845	106,406	(15,439)
Total other expenditures	<u>4,824,625</u>	<u>4,613,808</u>	<u>4,558,626</u>	<u>(55,182)</u>
Total expenditures	<u>44,711,699</u>	<u>42,745,737</u>	<u>40,944,491</u>	<u>(1,801,246)</u>
Revenue over expenditures	<u>1,190,377</u>	<u>3,156,339</u>	<u>5,011,345</u>	<u>1,855,006</u>
Other financing sources (uses)				
Transfers in	5,335,225	5,335,225	4,684,348	(650,877)
Transfers out	(6,525,602)	(8,491,564)	(8,617,041)	125,477
Total other financing uses	<u>(1,190,377)</u>	<u>(3,156,339)</u>	<u>(3,932,693)</u>	<u>(776,354)</u>
Net change in fund balances	-	-	1,078,652	1,078,652
Fund balance, beginning of year	<u>13,400,843</u>	<u>13,400,843</u>	<u>13,400,843</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 13,400,843</u></u>	<u><u>\$ 13,400,843</u></u>	<u><u>\$ 14,479,495</u></u>	<u><u>\$ 1,078,652</u></u>

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenditures, and
Changes in Fund Balance - Budget and Actual
Revenue Sharing Reserve Special Revenue Fund
For the Year Ended December 31, 2009

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenue				
Interest revenue	\$ -	\$ 210,000	\$ 89,446	\$ (120,554)
Other financing uses				
Transfers out	<u>(3,866,049)</u>	<u>(3,866,049)</u>	<u>(3,578,103)</u>	<u>287,946</u>
Net change in fund balances	(3,866,049)	(3,656,049)	(3,488,657)	167,392
Fund balances, beginning of year	<u>11,142,319</u>	<u>11,142,319</u>	<u>11,142,319</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 7,276,270</u></u>	<u><u>\$ 7,486,270</u></u>	<u><u>\$ 7,653,662</u></u>	<u><u>\$ 167,392</u></u>

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Net Assets
Proprietary Funds
December 31, 2009

	Business-type Activities - Enterprise Funds				Governmental Activities
	Royalton Township			Total	Internal Service Funds
	Delinquent Tax Revolving	Water System No. 25 851.84	Other Enterprise Funds		
Assets					
Current assets:					
Cash and investments	\$ 27,953,123	\$ 46	\$ 484,269	\$ 28,437,438	\$ 13,351,287
Receivables:					
Taxes receivable - delinquent	7,038,237	-	-	7,038,237	-
Interest	1,046,049	-	-	1,046,049	-
Interfund	655,003	-	-	655,003	-
Current portion of leases receivable	-	100,000	325,000	425,000	-
Advance to other funds	7,614,500	-	-	7,614,500	-
Inventories	-	-	32,233	32,233	-
Total current assets	<u>44,306,912</u>	<u>100,046</u>	<u>841,502</u>	<u>45,248,460</u>	<u>13,351,287</u>
Noncurrent assets:					
Restricted cash	-	-	-	-	802,766
Leases receivable, net of current portion	-	2,049,954	3,058,185	5,108,139	-
Capital assets being depreciated, net	-	-	246,567	246,567	-
Total non-current assets	<u>-</u>	<u>2,049,954</u>	<u>3,304,752</u>	<u>5,354,706</u>	<u>802,766</u>
Total assets	<u>44,306,912</u>	<u>2,150,000</u>	<u>4,146,254</u>	<u>50,603,166</u>	<u>14,154,053</u>
Liabilities					
Current liabilities:					
Accounts payable	6,411	-	29,381	35,792	-
Accrued and other liabilities	-	-	3,783	3,783	4,046,160
Due to other governments	1,344,083	-	-	1,344,083	-
Current portion of long-term debt	7,851,512	100,000	325,000	8,276,512	-
Total current liabilities	<u>9,202,006</u>	<u>100,000</u>	<u>358,164</u>	<u>9,660,170</u>	<u>4,046,160</u>
Long-term liabilities:					
Due in more than one year	-	2,050,000	3,075,000	5,125,000	-
Total liabilities	<u>9,202,006</u>	<u>2,150,000</u>	<u>3,433,164</u>	<u>14,785,170</u>	<u>4,046,160</u>
Net assets					
Invested in capital assets, net of related debt	-	-	246,567	246,567	-
Restricted for self-insurance claims	-	-	-	-	802,766
Unrestricted, undesignated	35,104,906	-	466,523	35,571,429	9,305,127
Total net assets	<u>\$ 35,104,906</u>	<u>\$ -</u>	<u>\$ 713,090</u>	<u>\$ 35,817,996</u>	<u>\$ 10,107,893</u>

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Revenue, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2009

	Business-type Activities - Enterprise Funds				Governmental
	Royalton Township			Total	Activities
	Delinquent Tax Revolving	Water System No. 25 851.84	Other Enterprise Funds		Internal Service Funds
Operating revenue					
Charges for services	\$ 442,199	\$ 85,090	\$ 1,028,680	\$ 1,555,969	\$ 12,281,809
Interest on taxes	1,358,093	-	-	1,358,093	-
Total operating revenue	<u>1,800,292</u>	<u>85,090</u>	<u>1,028,680</u>	<u>2,914,062</u>	<u>12,281,809</u>
Operating expenses					
Operation and maintenance	386,217	-	1,187,311	1,573,528	3,122,067
Public works projects	-	-	35,587	35,587	-
Benefits and claims	-	-	-	-	10,364,470
Depreciation	-	-	45,477	45,477	-
Total operating expenses	<u>386,217</u>	<u>-</u>	<u>1,268,375</u>	<u>1,654,592</u>	<u>13,486,537</u>
Operating income (loss)	<u>1,414,075</u>	<u>85,090</u>	<u>(239,695)</u>	<u>1,259,470</u>	<u>(1,204,728)</u>
Nonoperating revenue (expenses)					
Interest income	274,008	(2)	(1,860)	272,146	376,284
Interest and fiscal charges	-	(85,088)	(189,479)	(274,567)	-
Total nonoperating revenue (expenses)	<u>274,008</u>	<u>(85,090)</u>	<u>(191,339)</u>	<u>(2,421)</u>	<u>376,284</u>
Income (loss) before transfers	1,688,083	-	(431,034)	1,257,049	(828,444)
Transfers in	<u>802,171</u>	<u>-</u>	<u>-</u>	<u>802,171</u>	<u>-</u>
Change in net assets	2,490,254	-	(431,034)	2,059,220	(828,444)
Net assets, beginning of year	<u>32,614,652</u>	<u>-</u>	<u>1,144,124</u>	<u>33,758,776</u>	<u>10,936,337</u>
Net assets, end of year	<u>\$ 35,104,906</u>	<u>\$ -</u>	<u>\$ 713,090</u>	<u>\$ 35,817,996</u>	<u>\$ 10,107,893</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, 2009

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Royalton Township Water System No. 25 851.84	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities					
Cash received from customers	\$ 10,272,522	\$ 85,090	\$ 1,028,680	\$ 11,386,292	\$ -
Cash received from interfund services provided	-	-	-	-	12,281,809
Cash payments to suppliers for goods and services	(869,975)	-	(1,068,934)	(1,938,909)	(13,117,965)
Cash payments for delinquent tax rolls	(10,257,188)	-	-	(10,257,188)	-
Cash payments to employees for services	-	-	(157,718)	(157,718)	-
Net cash provided by (used in) operating activities	(854,641)	85,090	(197,972)	(967,523)	(836,156)
Cash flows from noncapital financing activities					
Principal payments	(10,459,369)	-	-	(10,459,369)	-
Proceeds from issuance of long-term debt	12,770,000	-	-	12,770,000	-
Transfers in	802,171	-	-	802,171	-
Net cash provided by noncapital financing activities	3,112,802	-	-	3,112,802	-
Cash flows from capital and related financing activities					
Principal payments	-	(100,000)	(420,403)	(520,403)	-
Interest payments	-	(85,088)	(189,479)	(274,567)	-
Purchases of capital assets	-	-	(22,896)	(22,896)	-
Net cash used in capital and related financing activities	-	(185,088)	(632,778)	(817,866)	-
Cash flows from investing activities					
Interest received	274,008	(2)	(1,860)	272,146	376,284
Amounts collected on leases receivable	-	99,998	324,528	424,526	-
Sale of investments	8,074,174	-	-	8,074,174	-
Net cash provided by investing activities	8,348,182	99,996	322,668	8,770,846	376,284
Net increase (decrease) in cash and cash equivalents	10,606,343	(2)	(508,082)	10,098,259	(459,872)
Cash and cash equivalents, beginning of year	17,346,780	48	992,351	18,339,179	14,613,925
Cash and cash equivalents, end of year	\$ 27,953,123	\$ 46	\$ 484,269	\$ 28,437,438	\$ 14,154,053
Statement of net assets classification of cash and cash equivalents					
Cash and cash equivalents	\$ 27,953,123	\$ 46	\$ 484,269	\$ 28,437,438	\$ 13,351,287
Restricted cash	-	-	-	-	802,766
	\$ 27,953,123	\$ 46	\$ 484,269	\$ 28,437,438	\$ 14,154,053

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COUNTY OF BERRIEN, MICHIGAN
Statement of Cash Flows
Proprietary Funds (Concluded)
For the Year Ended December 31, 2009

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Delinquent Tax Revolving</u>	<u>Royalton Township Water System No. 25 851.84</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income	\$ 1,414,075	\$ 85,090	\$ (239,695)	\$ 1,259,470	\$ (1,204,728)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	-	-	45,477	45,477	-
Changes in assets and liabilities:					
Taxes receivable	(1,067,852)	-	-	(1,067,852)	-
Interest receivable	(210,852)	-	-	(210,852)	-
Interfund	(506,254)	-	-	(506,254)	-
Advance to other funds	(700,000)	-	-	(700,000)	-
Inventories	-	-	7,317	7,317	-
Accounts payable	(6,259)	-	(11,691)	(17,950)	(591)
Accrued and other liabilities	-	-	620	620	369,163
Due to other governments	222,501	-	-	222,501	-
Net cash provided by (used in) operating activities	\$ (854,641)	\$ 85,090	\$ (197,972)	\$ (967,523)	\$ (836,156)

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009

	Pension/Other Postemployment Benefit Trust Funds			Agency Funds
	Pension	Retiree Healthcare	Total	
Assets				
Cash and cash equivalents	\$ 6,677,530	\$ 807,866	\$ 7,485,396	\$ 2,954,101
Investments:				
U.S. Government obligations	3,035,034	367,187	3,402,221	-
U.S. Government agencies	11,264,626	1,362,825	12,627,451	-
Corporate obligations	16,948,050	2,050,422	18,998,472	-
International obligations	706,956	85,529	792,485	-
Corporate stocks	31,759,235	3,842,320	35,601,555	-
International stocks	1,637,170	198,069	1,835,239	-
American depository receipts	1,013,031	122,559	1,135,590	-
Mutual funds	32,773,239	3,964,997	36,738,236	-
Receivables:				
Taxes receivable - delinquent	-	-	-	1,100,505
Accrued interest	294,895	35,677	330,572	-
Total assets	106,109,766	12,837,451	118,947,217	\$ 4,054,606
Liabilities				
Undistributed receipts	-	-	-	\$ 2,954,101
Delinquent taxes payable	-	-	-	1,100,505
Total liabilities	-	-	-	\$ 4,054,606
Net Assets				
Held in trust for pension and other postemployment benefits	\$106,109,766	\$12,837,451	\$ 118,947,217	

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

COUNTY OF BERRIEN, MICHIGAN
Statement of Changes in Plan Net Assets
Pension/Other Postemployment Benefits Trust Funds
For the Year Ended December 31, 2009

	<u>Pension</u>	<u>Retiree Health</u>	<u>Total</u>
Additions			
Investment income:			
Net realized and unrealized appreciation in fair value of investments	\$ 15,455,066	\$ 1,649,543	\$ 17,104,609
Interest and dividends	2,416,598	257,927	2,674,525
Less investment expenses	(391,451)	(41,780)	(433,231)
	<u>17,480,213</u>	<u>1,865,690</u>	<u>19,345,903</u>
Contributions:			
Employer	2,654,772	5,312,694	7,967,466
Employees	2,490,425	-	2,490,425
	<u>5,145,197</u>	<u>5,312,694</u>	<u>10,457,891</u>
Total contributions	<u>5,145,197</u>	<u>5,312,694</u>	<u>10,457,891</u>
Total additions	<u>22,625,410</u>	<u>7,178,384</u>	<u>29,803,794</u>
Deductions			
Pension benefit payments	8,647,992	-	8,647,992
Contribution refunds	256,616	-	256,616
Medical insurance premiums	-	1,015,709	1,015,709
Administration	93,331	11,292	104,623
	<u>8,997,939</u>	<u>1,027,001</u>	<u>10,024,940</u>
Total deductions	<u>8,997,939</u>	<u>1,027,001</u>	<u>10,024,940</u>
Net additions to net assets held in trust for benefits	13,627,471	6,151,383	19,778,854
Net assets held in trust for benefits, beginning of year	<u>92,482,295</u>	<u>6,686,068</u>	<u>99,168,363</u>
Net assets held in trust for benefits, end of year	<u><u>\$ 106,109,766</u></u>	<u><u>\$ 12,837,451</u></u>	<u><u>\$ 118,947,217</u></u>

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

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Net Assets
Component Units
December 31, 2009

	<u>Road Commission</u>	<u>Drain Commission</u>	<u>Brownfield Redevelopment Authority</u>
Assets			
Cash and investments	\$ 2,413,709	\$ 1,797,758	\$ 821,526
Restricted cash	171,281	-	-
Receivables, net	2,758,340	4,782,000	2,860,608
Prepaid items and other assets	1,428,295	-	-
Capital assets not being depreciated	14,768,501	1,686,910	-
Capital assets being depreciated, net	<u>65,812,469</u>	<u>3,158,437</u>	<u>-</u>
Total assets	<u>87,352,595</u>	<u>11,425,105</u>	<u>3,682,134</u>
Liabilities			
Accounts payable and accrued expenses	913,848	862,050	1,450,000
Unearned revenue	-	-	-
Long-term liabilities:			
Due within one year	724,000	2,652,000	-
Due in more than one year	1,709,800	2,643,678	1,999,608
Net other postemployment benefit obligation	<u>280,531</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,628,179</u>	<u>6,157,728</u>	<u>3,449,608</u>
Net assets			
Invested in capital assets, net of related debt	78,231,170	248,692	-
Restricted for other purposes	171,281	-	-
Unrestricted (deficit)	<u>5,321,965</u>	<u>5,018,685</u>	<u>232,526</u>
Total net assets	<u>\$ 83,724,416</u>	<u>\$ 5,267,377</u>	<u>\$ 232,526</u>

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

Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ 414,380	\$ 28,730	\$ 8,495,623	\$ 13,971,726
-	-	705,110	876,391
2,372,680	-	394,800	13,168,428
-	18,935	293,798	1,741,028
-	-	128,000	16,583,411
-	-	973,692	69,944,598
<u>2,787,060</u>	<u>47,665</u>	<u>10,991,023</u>	<u>116,285,582</u>
1,450,000	50,000	4,584,079	9,309,977
-	-	228,306	228,306
-	-	28,113	3,404,113
-	-	841,188	7,194,274
-	-	-	280,531
<u>1,450,000</u>	<u>50,000</u>	<u>5,681,686</u>	<u>20,417,201</u>
-	-	669,598	79,149,460
-	-	267,903	439,184
<u>1,337,060</u>	<u>(2,335)</u>	<u>4,371,836</u>	<u>16,279,737</u>
<u>\$ 1,337,060</u>	<u>\$ (2,335)</u>	<u>\$ 5,309,337</u>	<u>\$ 95,868,381</u>

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2009

	<u>Road Commission</u>	<u>Drain Commission</u>	<u>Brownfield Redevelopment Authority</u>
Expenses			
County roads	\$ 15,744,855	\$ -	\$ -
County drains	-	2,558,638	-
Brownfield redevelopment	-	-	347,575
Economic development	-	-	-
Land bank	-	-	-
Community mental health	-	-	-
	<u>15,744,855</u>	<u>2,558,638</u>	<u>347,575</u>
Total expenses	<u>15,744,855</u>	<u>2,558,638</u>	<u>347,575</u>
Program revenues			
Charges for services	-	-	195,785
Operating grants and contributions	16,521,831	1,559,703	95,562
Capital grants and contributions	80,100	1,034,000	-
	<u>16,601,931</u>	<u>2,593,703</u>	<u>291,347</u>
Total program revenues	<u>16,601,931</u>	<u>2,593,703</u>	<u>291,347</u>
Net (expense) revenue	857,076	35,065	(56,228)
General revenues			
Property taxes	-	-	44,240
	<u>-</u>	<u>-</u>	<u>44,240</u>
Total general revenues	<u>-</u>	<u>-</u>	<u>44,240</u>
Change in net assets	857,076	35,065	(11,988)
Net assets, beginning of year	<u>82,867,340</u>	<u>5,232,312</u>	<u>244,514</u>
Net assets (deficit), end of year	<u>\$ 83,724,416</u>	<u>\$ 5,267,377</u>	<u>\$ 232,526</u>

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

Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ -	\$ -	\$ -	\$ 15,744,855
-	-	-	2,558,638
-	-	-	347,575
91,577	-	-	91,577
-	10,633	-	10,633
-	-	28,672,445	28,672,445
<u>91,577</u>	<u>10,633</u>	<u>28,672,445</u>	<u>47,425,723</u>
85,220	8,298	23,297,111	23,586,414
-	-	6,305,781	24,482,877
-	-	-	1,114,100
<u>85,220</u>	<u>8,298</u>	<u>29,602,892</u>	<u>49,183,391</u>
(6,357)	(2,335)	930,447	1,757,668
-	-	-	44,240
-	-	-	44,240
(6,357)	(2,335)	930,447	1,801,908
<u>1,343,417</u>	<u>-</u>	<u>4,378,890</u>	<u>94,066,473</u>
<u>\$ 1,337,060</u>	<u>\$ (2,335)</u>	<u>\$ 5,309,337</u>	<u>\$ 95,868,381</u>

NOTES to FINANCIAL STATEMENTS

COUNTY OF BERRIEN, MICHIGAN

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Notes to the Financial Statements

For the Year Ended December 31, 2009

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COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Berrien, Michigan (the “County” or “government”) was incorporated in 1829 and covers an area of approximately 585 square miles in southwest lower Michigan. The County operates under a 13-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.

A. 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 so 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:

The Berrien County Building Authority (the “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:

The Berrien County Road Commission (the “Road Commission”), established pursuant to State statutes, is governed by a three-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 the Financial Statements

The Berrien County Drain Commission (the “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 Commissioners in October. The Drain Commission is financially accountable to the County, as defined by GASB Statement No 14, and is disclosed as a component unit, accordingly. The Drain Commission has a December 31 year end.

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.

The Berrien County Economic Development Corporation (the “EDC”), 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, as defined by GASB Statement No. 14, and is disclosed as a component unit, accordingly. The EDC has a December 31 year end.

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 Fast Track Authority is appointed by the County, and is financially accountable to the County, as defined by GASB Statement No. 14, and is disclosed as a component unit, accordingly. The Land Bank Fast Track Authority has a December 31 year end.

The Berrien Mental Health Authority, established pursuant to State statutes, is governed by a twelve-member board appointed by the Berrien County Board of Commissioners. The Mental Health Authority is financially accountable to the County, as defined by GASB Statement No. 14, and is disclosed as a component unit, accordingly. The Mental Health Authority has a September 30 year end.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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, MI 49085

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

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

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets 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.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

C. 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.

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 financial resources of the general government, except those required to be accounted for in another fund.

The *revenue sharing reserve fund* accounts for accelerated property tax collections held for the replacement of future state shared revenues.

The *capital reserve capital projects fund* accounts for the construction or purchase of major capital facilities.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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 *Royalton Township Water System No. 25 enterprise 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.

Additionally, the County reports the following fund types:

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects).

Debt service funds account for the servicing of long-term debt not being financed by proprietary funds.

Capital projects funds account for the construction or purchase of major capital facilities.

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

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. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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 *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 non-operating revenues and expenses.

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.

D. Assets, liabilities and equity

1. 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 the Financial Statements

State statutes authorizes 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.

2. *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 non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds are offset by a fund balance reserve account 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.

3. *Inventories and prepaid items*

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.

4. *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.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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.

Capital assets of the primary government and Drain Commission component unit are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30
Public domain infrastructure	35
System infrastructure	35
Vehicles	3-20
Equipment	5-10

Capital assets of the Mental Health Authority component unit are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-25
Vehicles	4
Equipment	5

Capital assets in the Road Commission discretely presented component unit are depreciated as follows:

	<u>Methods</u>	<u>Useful Lives- Years</u>
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

5. *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 the Financial Statements

6. *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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts 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.

7. *Fund equity*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. **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 fund 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 appropriations throughout the year which were not considered material.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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 October for the General Fund and mid-December for the special revenue funds.

B. Deficit fund equity

At year end, the Drug Court Drug Treatment Special Revenue Fund reported a fund deficit of \$6,911. In addition, the Land Bank Authority reported deficit net assets of \$2,335. The Land Bank has been in a startup phase requiring expenditures in excess of revenues. As properties are conveyed to a new owner, revenue will be derived in net profits above costs in addition to the property tax collections on the property at 50% of the general tax revenue for a period of five years.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Following is a reconciliation of deposits and investments as of December 31, 2009:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Statement of Net Assets:			
Cash and investments	\$ 84,808,550	\$ 13,971,726	\$ 98,780,276
Restricted cash	802,766	876,391	1,679,157
Statement of Fiduciary Net Assets:			
Cash and cash equivalents	10,439,497	-	10,439,497
Investments	<u>111,131,249</u>	<u>-</u>	<u>111,131,249</u>
Total	<u>\$ 207,182,062</u>	<u>\$ 14,848,117</u>	<u>\$ 222,030,179</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Deposits and Investments:

Bank deposits:	
Checking/savings accounts	\$ 32,770,334
Certificates of deposit – due within one year	3,506,459
Certificates of deposit – due in one to five years	412,374
Investments in securities and mutual funds:	
Treasurer’s investment pool	67,109,604
Pension and OPEB investments	117,410,082
Cash on deposit with agent	802,766
Cash on hand	<u>18,560</u>

Total \$ 222,030,179

Restricted cash of the primary government consists of the County’s deposits with MMRMA. See Note IV.A for additional information.

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 \$37,491,933. The combined bank balance of these deposits was \$37,804,884, of which \$35,504,330 was uninsured and uncollateralized. Since the bank deposits of the primary government and discretely presented component units are pooled, separate risk categorizations or identification of FDIC coverage is not possible.

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, 2009:

U.S. treasuries	\$ 2,020,745
U.S. agencies	15,014,227
Repurchase agreements (collateralized by U.S. government securities)	28,235,648
Money market and cash management funds	<u>21,838,984</u>
Total	<u>\$ 67,109,604</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the 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. Ratings are not required for money market funds.

As of December 31, 2009, all of the County's investments in securities of U.S. agencies were rated AAA by Standard & Poor's. United States treasury securities are explicitly guaranteed by the U.S. government and not considered to have credit risk.

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, 2009, the County had greater than 5% of its total investment portfolio concentrated as follows:

<u>Investment Type</u>	<u>Issuer</u>	<u>% of Portfolio</u>
Government repurchase	Bank of New York	29.44%

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, 2009, all of the County's debt securities were scheduled to mature in one to two years.

COUNTY OF BERRIEN, MICHIGAN

Notes to the 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, 2009:

	<u>Total</u>	<u>On Securities Loan</u>
Investments at fair value, as determined by quoted market price:		
U.S. treasuries	\$ 3,402,221	\$ -
U.S. agencies	12,627,451	1,339,098
Corporate bonds	18,998,472	-
International bonds	792,485	-
Domestic equities	34,465,965	4,655,386
International equities	1,835,239	-
American depository receipts	1,135,590	-
Mutual funds	37,873,826	-
Money market	6,278,833	-
Total investments	<u>\$ 117,410,082</u>	<u>\$ 5,994,484</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.

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.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

As of December 31, 2009, the Trusts' investments in debt securities were rated by Standard & Poor's as follows:

<u>Rating</u>	<u>U.S. Agencies</u>	<u>Corporate Bonds</u>	<u>International Bonds</u>
AAA	\$ 7,765,505	\$ 2,708,569	\$ -
AA	-	3,256,030	247,894
A	-	9,862,258	106,441
BBB	-	2,276,711	438,150
not rated	4,861,946	894,904	-
	<u>\$ 12,627,451</u>	<u>\$ 18,998,472</u>	<u>\$ 792,485</u>

United States treasury securities are explicitly guaranteed by the U.S. government and not considered to have credit risk. The Trusts' investments in bond mutual and money market funds are not rated.

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the 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, 2009, the Trusts' investment portfolio was concentrated as follows.

<u>Investment Type</u>	<u>Issuer</u>	<u>% of Portfolio</u>
Commingled funds	Comerica	19.1%
Mutual funds	McBt Opportunistic EAFE Fund	5.9%
Mutual funds	TT International Investment Trust Pension Portfolio A	5.6%

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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.

As of December 31, 2009, maturities of the Trusts' debt securities were as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. treasuries	\$ 3,402,221	10.53
U.S. agencies	12,627,451	12.65
Corporate bonds	18,998,472	7.50
International bonds	792,485	6.56
	<u>\$ 35,028,144</u>	<u>9.65</u>

Securities Lending. A contract approved by the Trusts' Board permits the Trusts to lend its securities to broker-dealers and banks (borrowers) for collateral that will be returned for the same securities in the future. The Trusts' custodial bank manages the securities lending program and receives cash as collateral. The collateral securities cannot be pledged or sold by the Trusts unless the borrower defaults. Collateral cash is initially pledged 100 percent of the fair value of the securities lent, and may not fall below 100 percent during the term of the loan. The Trusts did not impose any restrictions during the year on the amount of securities that could be loaned. There were no failures by any borrowers to return loaned securities or to pay distributions thereon during the year. At year-end, the Trusts have no credit risk exposure to borrowers because the amounts the borrowers owe the Trusts exceed the amounts the Trusts owe the borrowers. The contract with the Trusts' custodian requires it to indemnify the Trust if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Trusts for income distributions by the securities' issuers while the securities are on loan.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

B. Receivables

Receivables in the governmental activities are as follows:

Taxes (current)	\$ 7,534,395
Taxes (delinquent)	120,442
Due from other governments	2,955,327
Advances to component units (not due within one year)	2,350,000
Notes receivable (not due within one year)	<u>412,652</u>
	<u>\$ 13,372,816</u>

Receivables in the business-type activities are as follows:

Taxes (delinquent)	\$ 7,038,237
Interest	1,046,049
Leases, current portion	425,000
Leases, long-term portion	<u>5,108,139</u>
	<u>\$ 13,617,425</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable (general fund)	\$ 1,711,004	\$ -	\$ 1,711,004
Property taxes receivable (other governmental funds)	18,968	5,961,138	5,980,106
Grant drawdowns prior to meeting all eligibility requirements	<u>-</u>	<u>254,570</u>	<u>254,570</u>
	<u>\$ 1,729,972</u>	<u>\$ 6,215,708</u>	<u>\$ 7,945,680</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

C. Capital assets

Capital assets activity for the year ended December 31, 2009 was as follows:

Primary government

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 4,814,779	\$ -	\$ -	\$ 4,814,779
Capital assets, being depreciated:				
Land improvements	1,444,436	-	-	1,444,436
Buildings	34,698,600	247,009	-	34,945,609
Equipment	9,642,392	893,281	(88,916)	10,446,757
Total capital assets being depreciated	45,785,428	1,140,290	(88,916)	46,836,802
Less accumulated depreciation for:				
Land improvements	(1,032,495)	(63,193)	-	(1,095,688)
Buildings	(13,065,770)	(693,906)	-	(13,759,676)
Equipment	(5,327,793)	(786,712)	88,916	(6,025,589)
Total accumulated depreciation	(19,426,058)	(1,543,811)	88,916	(20,880,953)
Total capital assets being depreciated, net	26,359,370	(403,521)	-	25,955,849
Capital assets, net	\$ 31,174,149	\$ (403,521)	\$ -	\$ 30,770,628
	Beginning Balance	Additions	Disposals	Ending Balance
Business-type Activities				
Capital assets, being depreciated -				
Equipment	\$ 741,445	\$ 22,896	\$ (16,039)	\$ 748,302
Less accumulated depreciation for -				
Equipment	(472,297)	(45,477)	16,039	(501,735)
Capital assets, net	\$ 269,148	\$ (22,581)	\$ -	\$ 246,567

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Component Unit - Road Commission				
Capital assets, not being depreciated -				
Land	\$ 14,706,539	\$ 61,962	\$ -	\$ 14,768,501
Capital assets, being depreciated:				
Buildings	2,191,428	-	-	2,191,428
Equipment	11,478,856	40,699	(38,212)	11,481,343
Infrastructure	133,339,082	6,040,753	-	139,379,835
Total capital assets being depreciated	<u>147,009,366</u>	<u>6,081,452</u>	<u>(38,212)</u>	<u>153,052,606</u>
Less accumulated depreciation for:				
Buildings	(1,660,560)	(61,514)	-	(1,722,074)
Equipment	(9,637,253)	(644,988)	36,110	(10,246,131)
Infrastructure	(70,551,747)	(4,720,185)	-	(75,271,932)
Total accumulated depreciation	<u>(81,849,560)</u>	<u>(5,426,687)</u>	<u>36,110</u>	<u>(87,240,137)</u>
Total capital assets being depreciated, net	<u>65,159,806</u>	<u>654,765</u>	<u>(2,102)</u>	<u>65,812,469</u>
Capital assets, net	<u>\$ 79,866,345</u>	<u>\$ 716,727</u>	<u>\$ (2,102)</u>	<u>\$ 80,580,970</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Component Unit - Drain Commission				
Capital assets, not being depreciated:				
Construction in progress	\$ 1,136,954	\$ 867,872	\$ (317,916)	\$ 1,686,910
Capital assets, being depreciated:				
Land improvements	12,500	-	-	12,500
Equipment	230,170	-	-	230,170
Infrastructure	3,962,588	557,176	-	4,519,764
Total capital assets being depreciated	<u>4,205,258</u>	<u>557,176</u>	<u>-</u>	<u>4,762,434</u>
Less accumulated depreciation for:				
Land improvements	(12,500)	-	-	(12,500)
Equipment	(61,729)	(15,619)	-	(77,348)
Infrastructure	(1,338,634)	(175,515)	-	(1,514,149)
Total accumulated depreciation	<u>(1,412,863)</u>	<u>(191,134)</u>	<u>-</u>	<u>(1,603,997)</u>
Total capital assets being depreciated, net	<u>2,792,395</u>	<u>366,042</u>	<u>-</u>	<u>3,158,437</u>
Capital assets, net	<u>\$ 3,929,349</u>	<u>\$ 1,233,914</u>	<u>\$ (317,916)</u>	<u>\$ 4,845,347</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

	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	811,593	-	-	811,593
Furniture, fixtures, and equipment	2,066,770	16,750	-	2,083,520
Vehicles	160,108	-	-	160,108
Total capital assets being depreciated	3,038,471	16,750	-	3,055,221
Less accumulated depreciation for:				
Buildings and improvements	(72,295)	(40,978)	-	(113,273)
Furniture, fixtures, and equipment	(1,753,087)	(70,214)	-	(1,823,301)
Vehicles	(132,161)	(12,794)	-	(144,955)
Total accumulated depreciation	(1,957,543)	(123,986)	-	(2,081,529)
Total capital assets being depreciated, net	1,080,928	(107,236)	-	973,692
Capital assets, net	\$ 1,208,928	\$ (107,236)	\$ -	\$ 1,101,692

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

Governmental activities

Judicial	\$ 132,610
General government	810,060
Public safety	437,241
Health and welfare	54,087
Recreation and cultural	57,947
Community development	51,866

Total depreciation expense – governmental activities \$ 1,543,811

Business-type activities

Public works	\$ 45,477
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COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

D. Accounts payable

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

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Accounts payable	\$ 811,898	\$ 35,792
Accrued liabilities and other	5,138,130	3,783
Due to other governments	-	1,344,083
Advances from other governments	90,000	-
Undistributed receipts	343	-
Accrued interest on long-term debt	<u>108,463</u>	<u>-</u>
Total	<u>\$ 6,148,834</u>	<u>\$ 1,383,658</u>

E. Interfund receivables, payables and transfers

The General Fund has amounts due from nonmajor governmental funds of \$1. In addition, interfund payables and receivables between nonmajor governmental funds has a balance of \$9,949. This balance 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.

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 \$850,000, \$1,450,000, and \$50,000, respectively, and to the Capital Reserve Fund and nonmajor governmental funds in the amount of \$5,414,500 and \$702,500, respectively; \$7,614,500 was advanced by the Delinquent Tax Revolving Fund to the General Fund to provide sufficient resources for these advances.

In addition, certain nonmajor governmental funds with negative balances in the County's pooled cash accounts reported an interfund payable, which is equal to the interfund receivable of \$655,003 reported in the Delinquent Tax Revolving Fund.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

For the year ended December 31, 2009, interfund transfers consisted of the following:

	In	Out
General Fund	\$ 4,684,348	\$ 8,617,041
Revenue Sharing Reserve Fund	-	3,578,103
Nonmajor governmental funds	11,583,291	4,874,666
Delinquent Tax Revolving Fund	802,171	-
	\$ 17,069,810	\$ 17,069,810

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.

F. 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 governmental and 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. General obligation bonds, which had an original issuance amount of \$31,090,000, currently outstanding are as follows:

Governmental Activities

	<u>Due</u>	<u>Installments</u>	<u>Interest Rate</u>	<u>Amount</u>
2002 Berrien County Building Authority	2015	\$575,000 - \$900,000	3.00% - 4.65%	\$ 4,975,000
2005 Berrien County Building Authority	2020	\$175,000 - \$300,000	3.25% - 4.10%	2,875,000
				\$ 7,850,000

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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

Year Ended December 31,	Principal	Interest	Total
2010	\$ 975,000	\$ 323,388	\$ 1,298,388
2011	1,000,000	285,513	1,285,513
2012	1,050,000	245,862	1,295,862
2013	1,100,000	203,335	1,303,335
2014	1,125,000	157,364	1,282,364
2015-2019	2,300,000	276,450	2,576,450
2020	300,000	12,300	312,300
Total	<u>\$ 7,850,000</u>	<u>\$ 1,504,212</u>	<u>\$ 9,354,212</u>

Business-type Activities

	Due	Installments	Interest Rate	Amount
1995 Royalton Township Water System No. 20	2014	\$50,000 - \$95,000	5.10% - 6.00%	\$ 395,000
1998 Royalton Township Water System No. 23	2018	\$75,000 - \$145,000	4.30% - 4.75%	995,000
1996 Buchanan Township Sewer System No. 23 and Water System No. 21	2015	\$35,000 - \$50,000	5.15% - 5.80%	225,000
1999 Coloma Township Sewer System No. 24	2019	\$50,000 - \$125,000	5.00% - 5.70%	1,020,000
2001 Village of Berrien Springs/Oronoko Township Water/Sewer System No. 26	2020	\$15,000 - \$35,000	4.60% - 5.65%	285,000
2003 Royalton Township Water System No. 25	2023	\$25,000 - \$200,000	2.00% - 4.45%	2,150,000
2005 Royalton Township Water System No. 26	2025	\$5,000 - \$45,000	3.35% - 4.70%	480,000
Total business-type activities				<u>\$ 5,550,000</u>

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

Year Ended December 31,	Principal	Interest	Total
2010	\$ 425,000	\$ 250,051	\$ 675,051
2011	450,000	229,727	679,727
2012	450,000	208,712	658,712
2013	485,000	186,487	671,487
2014	505,000	162,502	667,502
2015-2019	2,195,000	484,600	2,679,600
2020-2024	995,000	103,223	1,098,223
2025	45,000	1,058	46,058
Total	<u>\$ 5,550,000</u>	<u>\$ 1,626,360</u>	<u>\$ 7,176,360</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Delinquent tax notes. The government issues delinquent tax notes to finance the purchase of delinquent real property taxes receivable from each taxing district in the County. These notes are reported in the proprietary funds (i.e., Delinquent Tax Revolving Enterprise Fund) as they are expected to be repaid from proprietary fund revenues. Each series of delinquent tax notes are subject to variable interest rates which are determined on a weekly basis by the County's remarketing agent using established criteria and legal limitations. Principal and interest payments are predicated upon actual collections of delinquent property taxes, which are subject to collection over a period not to exceed three years. Delinquent tax notes outstanding at December 31, 2009, are as follows:

<u>Series</u>	<u>Amount</u>
2008 - \$10,380,000 G.O. Limited Tax Notes payable, variable interest rate, dated May 13, 2008	\$ 81,772
2009 - \$12,770,000 G.O. Limited Tax Notes payable, variable interest rate, dated May 7, 2009	<u>7,769,740</u>
	<u>\$ 7,851,512</u>

Notes payable. During 2009, the County entered into a loan agreement to purchase two motorcycles for the Sheriff's department. The current principal balance of \$25,145 is payable in annual installments of \$6,988 with interest at 3.00%, maturing December 2014.

Annual debt service requirements to maturity for governmental activities leases are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 6,233	\$ 755	\$ 6,988
2011	6,420	568	6,988
2012	6,612	376	6,988
2013	5,880	176	6,056
Total	<u>\$ 25,145</u>	<u>\$ 1,875</u>	<u>\$ 27,020</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Road Commission component unit

Michigan Department of Transportation bonds. The Road Commission borrows from the Michigan Transportation Bond Fund to finance various capital projects.

	<u>Due</u>	<u>Interest Rate</u>	<u>Amount</u>
2000 Michigan Department of Transportation Bonds	2010	4.50% - 4.75%	\$ 840,000

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 2018, and amounted to \$1,509,800 at September 30, 2009.

Annual debt service requirements to maturity for Michigan Department of Transportation bonds and notes payable are as follows:

	<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$	640,000	\$ 42,300	\$ 682,300
2011		680,000	26,950	706,950
2012		240,000	13,500	253,500
2013		240,000	10,500	250,500
2014		140,000	7,500	147,500
2015		409,800	13,376	423,176
Total		\$ 2,349,800	\$ 114,126	\$ 2,463,926

Drain Commission component unit

Special assessment bonds. The Drain Commission is authorized by State statues 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.

	<u>Due</u>	<u>Installments</u>	<u>Interest Rate</u>	<u>Amount</u>
2002 Hollywood Road Detention Drainage District Bonds	2022	\$15,000 - \$20,000	4.13% - 5.00%	\$ 260,000
2008 Starr & Wellington Drainage District Bonds	2024	\$12,000 - \$13,000	5.95%	181,000
2009 Close Drainage Disctrict Bonds	2019	\$120,000 -	2.50% - 4.00%	1,410,000
Total component unit - Drain Commission				\$ 1,851,000

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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

Year Ended				
December 31,	Principal	Interest	Total	
2010	\$ 152,000	\$ 66,263	\$	218,263
2011	157,000	61,646		218,646
2012	162,000	56,919		218,919
2013	162,000	51,924		213,924
2014	167,000	46,561		213,561
2015-2019	930,000	132,243		1,062,243
2020-2024	121,000	15,501		136,501
Total	\$ 1,851,000	\$ 431,057	\$	2,282,057

Drain notes. The Drain Commission issues drain notes payable to finance various drain capital projects. Interest rates vary from 2.99% to 4.70%, 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, 2009, amounted to \$3,444,678

Brownfield Redevelopment Authority component unit

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

	Due	Installments	Interest Rate	Amount
2007 DEQ Cleanup Revolving Fund Loan	2021	\$0 - \$19,992	0.00% - 2.00%	\$ 999,608
2007 Michigan Cleanup Initiative Loan	2022	\$0 - \$17,997	0.00% - 2.00%	<u>1,000,000</u>
Total component unit - Brownfield Redevelopment Authority				<u><u>\$ 1,999,608</u></u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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

	Year Ended	Principal	Interest	Total
	December 31,	Principal	Interest	Total
2010	\$	-	\$ -	-
2011		-	-	-
2012		191,465	19,992	211,457
2013		175,295	36,163	211,458
2014		178,801	32,657	211,458
2015-2019		949,093	108,194	1,057,287
2020-2022		504,954	18,135	523,089
Total		\$ 1,999,608	\$ 215,141	\$ 2,214,749

Mental Health Authority component unit

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

	Due	Installments	Interest Rate	Amount
2005 Real Estate note	2020	\$8,338 - \$13,332	3.83%	\$ 116,823
2007 Real Estate note	2022	\$9,481 - \$34,320	4.99%	315,271
Total component unit - Mental Health Authority				\$ 432,094

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

	Year Ended	Principal	Interest	Total
	December 31,	Principal	Interest	Total
2010	\$	28,113	\$ 19,539	\$ 47,652
2011		29,450	18,202	47,652
2012		30,853	16,799	47,652
2013		32,322	15,330	47,652
2014		33,863	13,789	47,652
2015-2019		195,171	43,089	238,260
2020-2022		82,322	4,137	86,459
Total		\$ 432,094	\$ 130,885	\$ 562,979

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Changes in long-term debt.

Long-term debt liability activity for the year ended December 31, 2009, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
<u>Governmental activities</u>					
General obligation bonds	\$ 8,775,000	\$ -	\$ 925,000	\$ 7,850,000	\$ 975,000
Capital leases payable	608,136	-	608,136	-	-
Notes payable	-	32,000	6,855	25,145	6,233
Compensated absences	2,055,813	1,952,821	1,880,801	2,127,833	2,127,833
	<u>\$ 11,438,949</u>	<u>\$ 1,984,821</u>	<u>\$ 3,420,792</u>	<u>\$ 10,002,978</u>	<u>\$ 3,109,066</u>
<u>Business-type activities</u>					
General obligation bonds	\$ 6,010,000	\$ -	\$ 460,000	\$ 5,550,000	\$ 425,000
Notes payable	5,540,881	12,770,000	10,459,369	7,851,512	7,851,512
Capital leases payable	60,403	-	60,403	-	-
	<u>\$ 11,611,284</u>	<u>\$ 12,770,000</u>	<u>\$ 10,979,772</u>	<u>\$ 13,401,512</u>	<u>\$ 8,276,512</u>
<u>Road Commission component unit</u>					
General obligation bonds	\$ 1,190,000	\$ -	\$ 350,000	\$ 840,000	\$ 400,000
General obligation notes payable	1,049,800	600,000	140,000	1,509,800	240,000
Compensated absences	80,000	4,000	-	84,000	84,000
	<u>\$ 2,319,800</u>	<u>\$ 604,000</u>	<u>\$ 490,000</u>	<u>\$ 2,433,800</u>	<u>\$ 724,000</u>
<u>Drain Commission component unit</u>					
General obligation bonds payable	\$ 496,000	\$ 1,410,000	\$ 55,000	\$ 1,851,000	\$ 152,000
Drain notes payable	3,640,363	2,448,200	2,643,885	3,444,678	2,500,000
	<u>\$ 4,136,363</u>	<u>\$ 3,858,200</u>	<u>\$ 2,698,885</u>	<u>\$ 5,295,678</u>	<u>\$ 2,652,000</u>
<u>Brownfield Redevelopment Authority component unit</u>					
Loans payable	<u>\$ 1,999,608</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,999,608</u>	<u>\$ -</u>
<u>Mental Health Authority component unit</u>					
Notes payable	\$ 468,944	\$ -	\$ 36,850	\$ 432,094	\$ 28,113
Compensated absences	385,278	51,929	-	437,207	-
	<u>\$ 854,222</u>	<u>\$ 51,929</u>	<u>\$ 36,850</u>	<u>\$ 869,301</u>	<u>\$ 28,113</u>

For the governmental activities, compensated absences are generally liquidated by the General Fund.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

IV. OTHER INFORMATION

A. 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, 2009, the balance of the County's member retention fund was \$802,766.

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

<u>Type of Risk</u>	<u>Maximum Retention Per Occurrence</u>
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 the 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:

	<u>2009</u>	<u>2008</u>
Unpaid claims, beginning of year	\$1,326,805	\$ 319,322
Incurred claims (including change in IBNR provision)	593,026	1,041,485
Claim payments	<u>(185,030)</u>	<u>(34,002)</u>
Unpaid claims, end of year	<u>\$1,734,801</u>	<u>\$1,326,805</u>

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.

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

	<u>2009</u>	<u>2008</u>
Unpaid claims, beginning of year	\$1,939,109	\$2,066,118
Incurred claims (including IBNR's)	9,724,229	7,632,441
Claim payments	<u>(9,528,300)</u>	<u>(7,759,450)</u>
Unpaid claims, end of year	<u>\$2,135,038</u>	<u>\$1,939,109</u>

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:

	<u>2009</u>	<u>2008</u>
Unpaid claims, beginning of year	\$ -	\$ -
Incurred claims	50,589	66,930
Claim payments	<u>(50,589)</u>	<u>(66,930)</u>
Unpaid claims, end of year	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BERRIEN, MICHIGAN

Notes to the 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:

	<u>2009</u>	<u>2008</u>
Unpaid claims, beginning of year	\$ 411,083	\$ 411,083
Incurred claims (including IBNR's)	9,407	239,239
Claim payments	<u>(244,169)</u>	<u>(239,239)</u>
Unpaid claims, end of year	<u>\$ 176,321</u>	<u>\$ 411,083</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 were outstanding at December 31, 2009 and 2008, nor were the amount of claims paid or incurred during 2009 and 2008 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 the Financial Statements

B. 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 2009 levy was \$6,840,528,152. The general operating tax rate for this levy was 4.7723 mills with an additional 0.2500 mills, 0.3500 mills, and 0.3000 mills assessed for 911 emergency services, public safety operations, and senior center operations, 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.

C. Pension plan

Plan Description. The County has a single-employer defined benefit contributory pension plan, the Berrien County Employees Amended Retirement Plan (the "Plan"), which provides retirement, death and disability benefits covering substantially all of its employees, including Road Commission employees.

Membership of the Plan consisted of the following at December 31, 2009, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	549
Terminated plan members entitled to but not yet receiving benefits	49
Active plan members	<u>856</u>
Total	<u>1,454</u>

Basis of Accounting. The financial statements of the Plan are included in the County's financial statements as a pension 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 that do not have established fair values are reported at estimated fair value; and cash deposits are reported at carrying amounts which reasonably approximates fair value.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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 are required to contribute 4.0 to 17.0% of their annual compensation to the Plan with the County contributing such additional amounts, as necessary, to provide assets sufficient to pay for member benefits. The County's contribution to the Plan for the year ended December 31, 2009, represents 6.85% of the annual covered payroll.

Administrative costs of the Plan are financed through investment earnings.

Annual Pension Cost and Net Pension Obligation. For the current year, the County's annual pension cost of \$2,654,772 was equal to the County's required and actual contributions.

Three-Year Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/07	\$ 2,229,778	100%	\$ -
12/31/08	2,552,514	100	-
12/31/09	2,654,772	100	-

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the plan was 83.8 percent funded. The actuarial accrued liability for benefits was \$152,122,494 and the actuarial value of assets was \$127,414,760, resulting in an unfunded actuarial accrued liability (UAAL) of \$24,707,734. The covered payroll (annual payroll of active employees covered by the plan) was \$38,740,752, and the ratio of the UAAL to the covered payroll was 63.8 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 benefits.

Actuarial Methods and Assumptions. In the December 31, 2009, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included: (a) a rate of return on investments of 8.5%; (b) projected salary increases of 4.5% attributable to inflation; and (c) additional projected salary increases ranging from 4.0% to 1.0%, depending on age, attributable to seniority/merit.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

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 20 years on an open basis.

D. Other postemployment benefits

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 that do not have established fair values are reported at estimated fair value; and cash deposits are reported at carrying amounts which reasonably approximates fair value.

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 \$1,015,709 or approximately 50% of total premiums, through their required contribution of \$130.00 - \$305.36 per month for retiree-only coverage and \$260.00 - \$610.72 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.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Annual OPEB Cost and Net OPEB Obligation. For the current year, the County's annual other postemployment benefit (OPEB) cost of \$5,312,694 was equal to the County's required and actual contributions. The County's annual OPEB cost and net OPEB obligation to the Plan for the current year were as follows:

Annual required contribution	\$ 4,305,885
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	4,305,885
Contributions made	<u>5,312,694</u>
Increase (decrease) in net OPEB (asset)	(1,006,809)
Net OPEB (asset), beginning of year	<u>-</u>
Net OPEB (asset), end of year	<u><u>\$(1,006,809)</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2009 and the two preceding years were as follows:

Three-Year Trend Information

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)
12/31/07	\$ 1,112,028	100%	\$ -
12/31/08	1,207,372	100	-
12/31/09	4,305,885	123	(1,006,809)

Funded status and funding progress. As of December 31, 2009, the date of the most recent actuarial valuation, the Plan was 38.3 percent funded. The actuarial accrued liability for benefits was \$40,224,901, and the actuarial value of assets was \$15,414,989, resulting in an unfunded actuarial accrued liability (UAAL) of \$24,809,912. The covered payroll (annual payroll of the active employees covered by the Plan) was \$35,483,698 and the ratio of the UAAL to the covered payroll was 69.9 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 benefits.

COUNTY OF BERRIEN, MICHIGAN

Notes to the Financial Statements

Actuarial Methods and Assumptions. In the December 31, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions includes: (a) a rate of return on investments of 8.5%; (b) projected salary increases of 4.5% attributable to inflation; (c) additional projected salary increases ranging from 4.0% to 1.0%, depending on age, attributable to seniority/merit; and (d) projected healthcare benefit increases of 4.5% 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.

E. Subsequent events

On May 6, 2010, the County issued general obligation delinquent tax notes with a face value of \$13,725,000 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.

On January 22, 2010, the County issued bonds with a face value of \$2,660,000 to finance improvements to the City of New Buffalo Water System.

On April 14, 2010, the Drain Commission issued bonds with a face value of \$1,760,000 to finance improvements to the Schwark Drain.

On June 15, 2010, the County accepted bids to sell bonds with a face value of \$19,535,000 to finance improvements to the Benton Charter Township Water System. The anticipated closing date of the sale is expected to be July 13, 2010.

On June 15, 2010, the Drain Commission accepted bids to sell bonds with a face value of \$2,700,000 to finance improvements to the Hollywood Drain. The anticipated closing date of the sale is expected to be July 8, 2010.

On June 15, 2010, the Drain Commission accepted bids to sell bonds with a face value of \$1,880,000 to finance improvements to the Barnes & Hamilton Drain. The anticipated closing date of the sale is expected to be June 29, 2010.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF BERRIEN, MICHIGAN
Employees Amended Retirement Plan
Required Supplementary Information

Schedule of Funding Progress (*Pension*)

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Overfunded AAL (OAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	OAAL as a Percent of Covered Payroll
12/31/2004	\$ 118,472,101	\$ 111,946,007	\$ 6,526,094	105.8%	\$ 37,049,384	17.6%
12/31/2005	120,055,889	123,472,811	(3,416,922)	97.2%	35,858,048	-9.5%
12/31/2006	124,174,243	131,049,616	(6,875,373)	94.8%	37,225,805	-18.5%
12/31/2007	132,385,511	139,264,155	(6,878,644)	95.1%	37,880,390	-18.2%
12/31/2008	129,718,059	146,500,504	(16,782,445)	88.5%	38,043,448	-44.1%
12/31/2009	127,414,760	152,122,494	(24,707,734)	83.8%	38,740,752	-63.8%

Schedule of Employer Contributions (*Pension*)

Year Ended December 31	Annual Required Contributions	Percentage Contributed
2004	\$ 750,207	100%
2005	836,144	100%
2006	1,430,228	100%
2007	2,229,778	100%
2008	2,552,514	100%
2009	2,654,772	100%

COUNTY OF BERRIEN, MICHIGAN
Employees Amended Retirement Plan
Required Supplementary Information

Schedule of Funding Progress (Other Postemployment Benefits)

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
12/31/2007	\$ 8,418,495	\$ 46,390,077	\$ 37,971,582	18.15%	\$ 34,524,792	109.98%
12/31/2008	9,378,052	42,194,772	32,816,720	22.23%	34,797,360	94.31%
12/31/2009	15,414,989	40,224,901	24,809,912	38.32%	35,483,698	69.92%

Schedule of Employer Contributions (Other Postemployment Benefits)

Year Ended December 31	Annual Required Contributions	Percentage Contributed
2007	\$ 1,112,028	100%
2008	1,207,372	100%
2009	4,305,885	123%

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

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
<u>ASSETS</u>				
Assets				
Cash and investments	\$ 14,176,966	\$ 260	\$ 787,368	\$ 14,964,594
Receivables:				
Taxes receivable - current	5,512,978	-	-	5,512,978
Taxes receivable - delinquent	18,968	-	-	18,968
Due from other governments	2,720,465	-	-	2,720,465
Due from other funds	9,950	-	-	9,950
Notes receivable	412,652	-	-	412,652
	<u>TOTAL ASSETS</u>	<u>260</u>	<u>787,368</u>	<u>23,639,607</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities				
Accounts payable	\$ 488,631	\$ -	\$ 10,372	\$ 499,003
Accrued and other liabilities	411,532	-	-	411,532
Due to other funds	9,949	-	-	9,949
Interfund payable	655,003	-	-	655,003
Advances from other governments	90,000	-	-	90,000
Advances from other funds	702,500	-	-	702,500
Undistributed receipts	343	-	-	343
Deferred revenue	6,234,676	-	-	6,234,676
	Total liabilities	-	10,372	8,603,006
Fund balance				
Reserved for long-term receivables	150,000	-	-	150,000
Unreserved:				
Designated for subsequent years' expenditures	1,746,100	-	215,000	1,961,100
Undesignated	12,363,245	260	561,996	12,925,501
	Total fund balance	260	776,996	15,036,601
	<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>260</u>	<u>787,368</u>	<u>23,639,607</u>

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
Revenue				
Taxes	\$ 6,783,929	\$ -	\$ -	\$ 6,783,929
Licenses and permits	256,698	-	-	256,698
Intergovernmental revenue	14,282,623	-	-	14,282,623
Charges for services	4,685,374	1,283,300	-	5,968,674
Fines and forfeitures	101,829	-	-	101,829
Interest revenue	13,099	-	1,632	14,731
Other revenue and reimbursements	3,583,032	-	17,793	3,600,825
Total revenue	29,706,584	1,283,300	19,425	31,009,309
Expenditures				
Current expenditures:				
Judicial	3,893,561	-	-	3,893,561
General government	141,703	-	-	141,703
Public safety	8,449,263	-	-	8,449,263
Public works	-	-	228,982	228,982
Health and welfare	15,302,588	-	-	15,302,588
Recreation and cultural	2,974,469	-	-	2,974,469
Community development	725,038	-	-	725,038
Other governmental activities	3,973,599	-	-	3,973,599
Debt service:				
Principal	608,136	925,000	6,855	1,539,991
Interest and fiscal charges	29,251	358,300	45	387,596
Total expenditures	36,097,608	1,283,300	235,882	37,616,790
Revenue under expenditures	(6,391,024)	-	(216,457)	(6,607,481)
Other financing sources (uses)				
Issuance of long-term debt	-	-	32,000	32,000
Transfers in	11,318,891	-	264,400	11,583,291
Transfers out	(4,874,666)	-	-	(4,874,666)
Total other financing sources	6,444,225	-	296,400	6,740,625
Net change in fund balances	53,201	-	79,943	133,144
Fund balance, beginning of year	14,206,144	260	697,053	14,903,457
Fund balance, end of year	\$ 14,259,345	\$ 260	\$ 776,996	\$ 15,036,601

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Public Safety Cigarette Tax 205.00	Public Safety Four Winds Casino 205.01	Parks and Recreation 208.00	Historical Association Loan Fund 211.00
<u>ASSETS</u>				
Assets				
Cash and investments	\$ 66,801	\$ 850	\$ 115,814	\$ 1
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	150,000
<u>TOTAL ASSETS</u>	\$ 66,801	\$ 850	\$ 115,814	\$ 150,001
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 1,166	\$ -
Accrued and other liabilities	-	-	12,881	-
Due to other funds	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	14,047	-
Fund balances				
Reserved for long-term receivables	-	-	-	150,000
Unreserved:				
Designated for subsequent year expenditures	-	-	-	-
Undesignated	66,801	850	101,767	1
Total fund balances (deficits)	66,801	850	101,767	150,001
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 66,801	\$ 850	\$ 115,814	\$ 150,001

Berrien Community Foundation 213.00	Generous Juror Program 214.00	Friend of the Court 215.00	Family Counseling Services 216.00	Four Winds Casino Revenue Sharing 217.00	Health Department 221.00	Drug Court Drug Treatment 221.01
\$ 1,489	\$ 2,084	\$ 261,036	\$ 151,201	\$ 145,131	\$ 243,309	\$ 3,134
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	716,944	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,489</u>	<u>\$ 2,084</u>	<u>\$ 977,980</u>	<u>\$ 151,201</u>	<u>\$ 145,131</u>	<u>\$ 243,309</u>	<u>\$ 3,134</u>
\$ 172	\$ -	\$ 19,900	\$ 2,144	\$ -	\$ 25,570	\$ 7,328
-	-	52,510	-	-	56,318	2,717
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>172</u>	<u>-</u>	<u>72,410</u>	<u>2,144</u>	<u>-</u>	<u>81,888</u>	<u>10,045</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,317</u>	<u>2,084</u>	<u>905,570</u>	<u>149,057</u>	<u>145,131</u>	<u>161,421</u>	<u>(6,911)</u>
<u>1,317</u>	<u>2,084</u>	<u>905,570</u>	<u>149,057</u>	<u>145,131</u>	<u>161,421</u>	<u>(6,911)</u>
<u>\$ 1,489</u>	<u>\$ 2,084</u>	<u>\$ 977,980</u>	<u>\$ 151,201</u>	<u>\$ 145,131</u>	<u>\$ 243,309</u>	<u>\$ 3,134</u>

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
December 31, 2009

	Health Department Grants 221.xx	Berrien County Landfill Use 227.00	Public Maintenance & Improvement 245.00	Revenue Sharing Board Four Winds Casino 255.00
<u>ASSETS</u>				
Assets				
Cash and investments	\$ 653,498	\$ 3,622,801	\$ 2,752,615	\$ 7
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	227,862	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
<u>TOTAL ASSETS</u>	\$ 881,360	\$ 3,622,801	\$ 2,752,615	\$ 7
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts payable	\$ 31,224	\$ 7,411	\$ 2,707	\$ -
Accrued and other liabilities	78,396	-	-	-
Due to other funds	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	127,816	-	-	-
Total liabilities	237,436	7,411	2,707	-
Fund balances				
Reserved for long-term receivables	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	1,746,100	-
Undesignated	643,924	3,615,390	1,003,808	7
Total fund balances (deficit)	643,924	3,615,390	2,749,908	7
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 881,360	\$ 3,622,801	\$ 2,752,615	\$ 7

Register of Deeds Automation 256.00	Drug Enforcement Public Safety 264.00	Law Enforcement Funds [various #s]	Prosecutor's Welfare Fraud Grant 266.02	Prosecutor's Grant Victim Witness 266.04	911 County Operational Fund 266.09	Drug Court Program 267.00
\$ 100,132	\$ 620,284	\$ 1,385,414	\$ -	\$ -	\$ 1,896,264	\$ 35,037
-	2,102,769	-	-	-	1,501,550	-
-	7,585	-	-	-	5,417	-
-	-	510,331	84,660	49,740	-	-
-	-	7,657	-	-	-	-
-	-	-	-	-	-	-
\$ 100,132	\$ 2,730,638	\$ 1,903,402	\$ 84,660	\$ 49,740	\$ 3,403,231	\$ 35,037
\$ 8,964	\$ -	\$ 90,876	\$ 235	\$ -	\$ 3,727	\$ 241
825	-	74,398	8,617	6,118	46,071	3,642
-	-	7,657	-	-	-	-
-	-	-	75,808	43,622	-	-
-	-	-	-	-	-	-
-	-	452,500	-	-	-	-
-	-	-	-	-	-	-
-	2,284,639	-	-	-	1,631,456	-
9,789	2,284,639	625,431	84,660	49,740	1,681,254	3,883
-	-	-	-	-	-	-
-	-	-	-	-	-	-
90,343	445,999	1,277,971	-	-	1,721,977	31,154
90,343	445,999	1,277,971	-	-	1,721,977	31,154
\$ 100,132	\$ 2,730,638	\$ 1,903,402	\$ 84,660	\$ 49,740	\$ 3,403,231	\$ 35,037

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
December 31, 2009

	Self-Help Legal Resource Center 268.00	County Law Library 269.00	Senior Citizen 270.00	Library 271.00
<u>ASSETS</u>				
Assets				
Cash and investments	\$ 100,636	\$ 43,360	\$ 154,414	\$ -
Taxes receivable - current	-	-	1,908,659	-
Taxes receivable - delinquent	-	-	5,966	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
<u>TOTAL ASSETS</u>	\$ 100,636	\$ 43,360	\$ 2,069,039	\$ -
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts payable	\$ 27	\$ 3,029	\$ -	\$ -
Accrued and other liabilities	1,123	-	-	-
Due to other funds	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	2,064,011	-
Total liabilities	1,150	3,029	2,064,011	-
Fund balances				
Reserved for long-term receivables	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	-	-
Undesignated	99,486	40,331	5,028	-
Total fund balances	99,486	40,331	5,028	-
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 100,636	\$ 43,360	\$ 2,069,039	\$ -

Hazardous Materials Emergency Preparedness 273.22	MSHDA Property Improvement Project 274.12	MSHDA 2008 Housing CDBG 274.14	Harbor Light CDBG 274.15	DNR Waterways Grant 274.16	Small Bus Program 281.00	Clean Sweep Pest Control Grant 281.14
\$ 45,837	\$ -	\$ -	\$ -	\$ -	\$ 575,557	\$ -
-	-	-	-	-	-	-
-	-	19,729	-	200,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 45,837	\$ -	\$ 19,729	\$ -	\$ 200,000	\$ 575,557	\$ -
\$ -	\$ -	\$ 19,588	\$ -	\$ -	\$ 58,248	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	2,292	-
-	-	141	-	195,789	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
45,837	-	-	-	-	39,816	-
45,837	-	19,729	-	195,789	100,356	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	4,211	475,201	-
-	-	-	-	4,211	475,201	-
\$ 45,837	\$ -	\$ 19,729	\$ -	\$ 200,000	\$ 575,557	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet (Concluded)
Nonmajor Special Revenue Funds
December 31, 2009

	Project Zero Transit Grant 281.17	Southwest Michigan Planning Commission 281.21	Capital Bus Purchase Grant 282.00	Three Oaks Land Purchase 286.00
<u>ASSETS</u>				
Assets				
Cash and investments	\$ 28,449	\$ -	\$ -	\$ -
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	-	-	316,212	-
Due from other funds	-	2,292	-	-
Notes receivable	-	-	-	262,652
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	\$ 28,449	\$ 2,292	\$ 316,212	\$ 262,652
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued and other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Interfund payable	-	2,292	316,212	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	250,000
Undistributed receipts	-	-	-	-
Deferred revenue	28,449	-	-	12,652
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	28,449	2,292	316,212	262,652
Fund balances				
Reserved for long-term receivables	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	-	-
Undesignated	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 28,449	\$ 2,292	\$ 316,212	\$ 262,652

Social Services 290.00	Child Care Probate 292.00	Child Care Social Services 292.01	Soldiers and Sailors Relief 293.00	Veteran's Trust 294.00	Board of Public Works 296.00	Campaign Finance Administration 297.03
\$ 85,805	\$ 556,040	\$ 278,226	\$ 1,757	\$ 1,182	\$ 69,894	\$ 3,114
-	-	-	-	-	-	-
-	-	-	-	-	-	-
41,984	489,043	40,994	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 127,789	\$ 1,045,083	\$ 319,220	\$ 1,757	\$ 1,182	\$ 69,894	\$ 3,114
\$ -	\$ 203,621	\$ -	\$ -	\$ -	\$ -	\$ -
-	67,489	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
90,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	343	-	-	-	-	-
-	-	-	-	-	-	-
90,000	271,453	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
37,789	773,630	319,220	1,757	1,182	69,894	3,114
37,789	773,630	319,220	1,757	1,182	69,894	3,114
\$ 127,789	\$ 1,045,083	\$ 319,220	\$ 1,757	\$ 1,182	\$ 69,894	\$ 3,114

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet (Concluded)
Nonmajor Special Revenue Funds
December 31, 2009

Juvenile Delinquent Title V Plan Grant 297.25 & 297.27	USDA World Development MSU Winery Grant 297.26	Hollywood Basin Wetland Grant 297.28	Speech GRD Transportation Grant 297.29
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ASSETS

Assets

Cash and investments	\$ -	\$ -	\$ -	\$ -
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	20,799	-	2,167	-
Due from other funds	1	-	-	-
Notes receivable	-	-	-	-

TOTAL ASSETS

\$ 20,800	\$ -	\$ 2,167	\$ -
-----------	------	----------	------

LIABILITIES AND FUND BALANCES

Liabilities

Accounts payable	\$ -	\$ -	\$ 1,828	\$ -
Accrued and other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Interfund payable	20,800	-	339	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	-	-

Total liabilities

20,800	-	2,167	-
--------	---	-------	---

Fund balances

Reserved for long-term receivables	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	-	-
Undesignated	-	-	-	-

Total fund balances

-	-	-	-
---	---	---	---

**TOTAL LIABILITIES
AND FUND BALANCES**

\$ 20,800	\$ -	\$ 2,167	\$ -
-----------	------	----------	------

Animal Control Neuter / Spay Program 298.01	Homestead Audit Administration 620.00	Total
\$ 16,421	\$ 159,372	\$ 14,176,966
-	-	5,512,978
-	-	18,968
-	-	2,720,465
-	-	9,950
-	-	412,652
<hr/>		
\$ 16,421	\$ 159,372	\$ 22,851,979
<hr/>		
\$ 625	\$ -	\$ 488,631
-	427	411,532
-	-	9,949
-	-	655,003
-	-	90,000
-	-	702,500
-	-	343
-	-	6,234,676
<hr/>		
625	427	8,592,634
<hr/>		
-	-	150,000
-	-	1,746,100
15,796	158,945	12,363,245
<hr/>		
15,796	158,945	14,259,345
<hr/>		
\$ 16,421	\$ 159,372	\$ 22,851,979
<hr/>		

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Public Safety Cigarette Tax 205.00	Public Safety Four Winds Casino 205.01	Parks and Recreation 208.00	Historical Association Loan Fund 211.00
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	10,000	-	-	-
Charges for services	-	850	387,550	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Other revenue	-	-	108,078	-
Total revenue	10,000	850	495,628	-
Expenditures				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	2,268	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	834,534	4,999
Community development	-	-	-	-
Other governmental activities	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,268	-	834,534	4,999
Revenue over (under) expenditures	7,732	850	(338,906)	(4,999)
Other financing sources (uses)				
Transfers in	11,897	-	408,954	5,000
Transfers out	(1,420)	-	-	-
Total other financing sources (uses)	10,477	-	408,954	5,000
Net change in fund balances	18,209	850	70,048	1
Fund balances, beginning of year	48,592	-	31,719	150,000
Fund balances (deficits), end of year	\$ 66,801	\$ 850	\$ 101,767	\$ 150,001

Berrien Community Foundation 213.00	Generous Juror Program 214.00	Friend of the Court 215.00	Family Counseling Services 216.00	Four Winds Casino Revenue Sharing 217.00	Health Department 221.00	Drug Court Drug Treatment 221.01
\$ -	\$ -	\$ -	\$ -	\$ 997,103	\$ -	\$ -
-	-	-	17,085	-	239,613	-
-	-	2,048,418	-	-	345,745	-
-	-	218,743	-	-	145,508	75,166
-	-	-	-	-	-	-
-	-	-	-	-	-	-
63,667	2,005	312	-	1,134,448	403,652	-
63,667	2,005	2,267,473	17,085	2,131,551	1,134,518	75,166
-	-	2,995,583	10,592	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,311,611	223,050
57,721	4,149	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	58	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
57,721	4,149	2,995,583	10,592	58	2,311,611	223,050
5,946	(2,144)	(728,110)	6,493	2,131,493	(1,177,093)	(147,884)
-	-	977,724	-	-	1,086,456	128,000
(6,900)	-	-	-	(1,986,362)	-	-
(6,900)	-	977,724	-	(1,986,362)	1,086,456	128,000
(954)	(2,144)	249,614	6,493	145,131	(90,637)	(19,884)
2,271	4,228	655,956	142,564	-	252,058	12,973
\$ 1,317	\$ 2,084	\$ 905,570	\$ 149,057	\$ 145,131	\$ 161,421	\$ (6,911)

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Health Department Grants 221.xx	Berrien County Landfill Use 227.00	Public Maintenance & Improvement 245.00	Revenue Sharing Board Four Winds Casino 255.00
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	3,950,939	-	-	-
Charges for services	439,308	779,693	-	-
Fines and forfeitures	-	-	-	-
Interest	-	5,496	7,396	13
Other revenue	223,182	-	-	(138)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	4,613,429	785,189	7,396	(125)
Expenditures				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	4,547,257	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	2,067,097	567,282	446
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	4,547,257	2,067,097	567,282	446
Revenue over (under) expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	66,172	(1,281,908)	(559,886)	(571)
Other financing sources (uses)				
Transfers in	155,000	-	1,106,000	-
Transfers out	-	(48,000)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	155,000	(48,000)	1,106,000	-
Net change in fund balances	<hr/>	<hr/>	<hr/>	<hr/>
	221,172	(1,329,908)	546,114	(571)
Fund balances, beginning of year	<hr/>	<hr/>	<hr/>	<hr/>
	422,752	4,945,298	2,203,794	578
Fund balances (deficits), end of year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 643,924	\$ 3,615,390	\$ 2,749,908	\$ 7

Register of Deeds Automation 256.00	Drug Enforcement Public Safety 264.00	Law Enforcement Funds [various #s]	Prosecutor's Welfare Fraud Grant 266.02	Prosecutor's Grant Victim Witness 266.04	911 County Operational Fund 266.09	Drug Court Program 267.00
\$ -	\$ 2,250,805	\$ -	\$ -	\$ -	\$ 1,607,159	\$ -
-	-	-	-	-	-	-
-	-	1,196,524	288,736	123,551	449,114	4,551
-	-	2,076,956	-	-	130	18,728
-	-	-	-	-	-	-
(622)	-	(1,612)	-	-	1,377	-
-	-	641,671	-	-	800,628	-
(622)	2,250,805	3,913,539	288,736	123,551	2,858,408	23,279
-	-	-	380,089	-	-	267,565
141,703	-	-	-	-	-	-
-	-	5,242,305	-	267,734	2,924,132	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	608,136	-
-	-	-	-	-	29,251	-
141,703	-	5,242,305	380,089	267,734	3,561,519	267,565
(142,325)	2,250,805	(1,328,766)	(91,353)	(144,183)	(703,111)	(244,286)
166,725	60,872	1,766,267	91,353	144,183	802,834	263,756
-	(2,110,179)	(721,556)	-	-	-	-
166,725	(2,049,307)	1,044,711	91,353	144,183	802,834	263,756
24,400	201,498	(284,055)	-	-	99,723	19,470
65,943	244,501	1,562,026	-	-	1,622,254	11,684
\$ 90,343	\$ 445,999	\$ 1,277,971	\$ -	\$ -	\$ 1,721,977	\$ 31,154

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COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Self-Help Legal Resource Center 268.00	County Law Library 269.00	Senior Citizen 270.00	Library 271.00
Revenue				
Taxes	\$ -	\$ -	\$ 1,928,862	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	46,000	-	-	-
Charges for services	2,480	-	-	-
Fines and forfeitures	-	6,500	-	95,329
Interest	-	-	-	-
Other revenue	-	-	-	-
Total revenue	48,480	6,500	1,928,862	95,329
Expenditures				
Judicial	48,994	68,660	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	1,977,737	95,329
Community development	-	-	-	-
Other governmental activities	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	48,994	68,660	1,977,737	95,329
Revenue over (under) expenditures	(514)	(62,160)	(48,875)	-
Other financing sources (uses)				
Transfers in	-	64,170	52,189	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	64,170	52,189	-
Net change in fund balances	(514)	2,010	3,314	-
Fund balances, beginning of year	100,000	38,321	1,714	-
Fund balances (deficits), end of year	\$ 99,486	\$ 40,331	\$ 5,028	\$ -

Hazardous Materials Emergency Preparedness 273.22	MSHDA Property Improvement Project 274.12	MSHDA 2008 Housing CDBG 274.14	Harbor Light CDBG 274.15	DNR Waterways Grant 274.16	Small Bus Program 281.00	Clean Sweep Pest Control Grant 281.14
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
1,324	-	222,571	260,000	245,000	644,122	1,346
-	-	-	-	-	414,698	-
-	-	-	-	-	-	-
-	-	-	-	-	350	-
-	300	1,378	-	-	29,006	-
1,324	300	223,949	260,000	245,000	1,088,176	1,346
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,324	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	300	223,949	260,000	240,789	-	-
-	-	-	-	-	1,004,743	1,346
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,324	300	223,949	260,000	240,789	1,004,743	1,346
-	-	-	-	4,211	83,433	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	4,211	83,433	-
-	-	-	-	-	391,768	-
\$ -	\$ -	\$ -	\$ -	\$ 4,211	\$ 475,201	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Project Zero Transit Grant 281.17	Southwest Michigan Planning Commission 281.21	Capital Bus Purchase Grant 282.00	Three Oaks Land Purchase 286.00
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	-	316,211	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Other revenue	-	2,292	-	-
Total revenue	-	2,292	316,211	-
Expenditures				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	2,292	316,211	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	2,292	316,211	-
Revenue over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -	\$ -

Social Services 290.00	Child Care Probate 292.00	Child Care Social Services 292.01	Soldiers and Sailors Relief 293.00	Veteran's Trust 294.00	Board of Public Works 296.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
641,239	2,963,495	383,382	-	18,369	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	158,910	-	-	-	-
641,239	3,122,405	383,382	-	18,369	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
666,002	6,823,854	712,897	-	17,917	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
666,002	6,823,854	712,897	-	17,917	-
(24,763)	(3,701,449)	(329,515)	-	452	-
35,000	3,480,310	512,200	-	-	-
-	(249)	-	-	-	-
35,000	3,480,061	512,200	-	-	-
10,237	(221,388)	182,685	-	452	-
27,552	995,018	136,535	1,757	730	69,894
\$ 37,789	\$ 773,630	\$ 319,220	\$ 1,757	\$ 1,182	\$ 69,894

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COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances (Concluded)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Campaign Finance Administration 297.03	Juvenile Delinquent Title V Plan Grant 297.25 & 297.27	USDA World Development MSU Winery Grant 297.26	Hollywood Basin Wetland Grant 297.28
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	75,450	14,999	31,537
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Other revenue	-	-	-	91
Total revenue	-	75,450	14,999	31,628
Expenditures				
Judicial	-	75,451	14,999	31,628
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	75,451	14,999	31,628
Revenue over (under) expenditures	-	(1)	-	-
Other financing sources (uses)				
Transfers in	-	1	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	1	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	3,114	-	-	-
Fund balances (deficits), end of year	\$ 3,114	\$ -	\$ -	\$ -

Speech GRD Transportation Grant 297.29	Animal Control Neuter / Spay Program 298.01	Homestead Audit Administration 620.00	Total
\$ -	\$ -	\$ -	\$ 6,783,929
-	-	-	256,698
-	-	-	14,282,623
-	-	125,564	4,685,374
-	-	-	101,829
-	-	701	13,099
950	12,600	-	3,583,032
950	12,600	126,265	29,706,584
-	-	-	3,893,561
-	-	-	141,703
950	10,550	-	8,449,263
-	-	-	15,302,588
-	-	-	2,974,469
-	-	-	725,038
-	-	14,124	3,973,599
-	-	-	608,136
-	-	-	29,251
950	10,550	14,124	36,097,608
-	2,050	112,141	(6,391,024)
-	-	-	11,318,891
-	-	-	(4,874,666)
-	-	-	6,444,225
-	2,050	112,141	53,201
-	13,746	46,804	14,206,144
\$ -	\$ 15,796	\$ 158,945	\$ 14,259,345

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Public Safety Cigarette Tax - 205.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	2,303	10,000	7,697
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	1,420	-	(1,420)
Total revenue	3,723	10,000	6,277
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	17,404	2,268	(15,136)
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	17,404	2,268	(15,136)
Revenue over (under) expenditures	(13,681)	7,732	21,413
Other financing sources (uses)			
Transfers in	15,101	11,897	(3,204)
Transfers out	(1,420)	(1,420)	-
Total other financing sources (uses)	13,681	10,477	(3,204)
Net change in fund balances	-	18,209	18,209
Fund balances, beginning of year	48,592	48,592	-
Fund balances (deficits), end of year	\$ 48,592	\$ 66,801	\$ 18,209

Public Safety Four Winds Casino - 205.01			Parks and Recreation - 208.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	850	850	353,520	387,550	34,030
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	119,394	108,078	(11,316)
-	850	850	472,914	495,628	22,714
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	881,868	834,534	(47,334)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	881,868	834,534	(47,334)
-	850	850	(408,954)	(338,906)	70,048
-	-	-	408,954	408,954	-
-	-	-	-	-	-
-	-	-	408,954	408,954	-
-	850	850	-	70,048	70,048
-	-	-	31,719	31,719	-
\$ -	\$ 850	\$ 850	\$ 31,719	\$ 101,767	\$ 70,048

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Historical Association Loan Fund - 211.00		
	Amended Budget	Actual	Over (Under) Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	-	-	-
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	5,000	4,999	(1)
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	5,000	4,999	(1)
Revenue over (under) expenditures	(5,000)	(4,999)	1
Other financing sources (uses)			
Transfers in	5,000	5,000	-
Transfers out	-	-	-
Total other financing sources (uses)	5,000	5,000	-
Net change in fund balances	-	1	1
Fund balances, beginning of year	150,000	150,000	-
Fund balances (deficits), end of year	\$ 150,000	\$ 150,001	\$ 1

Berrien Community Foundation - 213.00			Generous Juror Program - 214.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
65,966	63,667	(2,299)	4,150	2,005	(2,145)
65,966	63,667	(2,299)	4,150	2,005	(2,145)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,066	57,721	(1,345)	4,150	4,149	(1)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,066	57,721	(1,345)	4,150	4,149	(1)
6,900	5,946	(954)	-	(2,144)	(2,144)
-	-	-	-	-	-
(6,900)	(6,900)	-	-	-	-
(6,900)	(6,900)	-	-	-	-
-	(954)	(954)	-	(2,144)	(2,144)
2,271	2,271	-	4,228	4,228	-
\$ 2,271	\$ 1,317	\$ (954)	\$ 4,228	\$ 2,084	\$ (2,144)

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Friend of the Court - 215.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	2,142,274	2,048,418	(93,856)
Charges for services	210,000	218,743	8,743
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	38,500	312	(38,188)
Total revenue	2,390,774	2,267,473	(123,301)
Expenditures			
Judicial	3,168,498	2,995,583	(172,915)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	3,168,498	2,995,583	(172,915)
Revenue over (under) expenditures	(777,724)	(728,110)	49,614
Other financing sources (uses)			
Transfers in	777,724	977,724	200,000
Transfers out	-	-	-
Total other financing sources (uses)	777,724	977,724	200,000
Net change in fund balances	-	249,614	249,614
Fund balances, beginning of year	655,956	655,956	-
Fund balances (deficits), end of year	\$ 655,956	\$ 905,570	\$ 249,614

Family Counseling Services - 216.00			Four Winds Casino Revenue Sharing - 217.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 997,103	\$ 997,103	\$ -
20,000	17,085	(2,915)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,000	-	(25,000)	1,134,448	1,134,448	-
45,000	17,085	(27,915)	2,131,551	2,131,551	-
45,000	10,592	(34,408)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	58	58	-
-	-	-	-	-	-
-	-	-	-	-	-
45,000	10,592	(34,408)	58	58	-
-	6,493	6,493	2,131,493	2,131,493	-
-	-	-	-	-	-
-	-	-	(2,131,493)	(1,986,362)	145,131
-	-	-	(2,131,493)	(1,986,362)	145,131
-	6,493	6,493	-	145,131	145,131
142,564	142,564	-	-	-	-
\$ 142,564	\$ 149,057	\$ 6,493	\$ -	\$ 145,131	\$ 145,131

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Health Department - 221.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	275,060	239,613	(35,447)
Intergovernmental revenue	322,453	345,745	23,292
Charges for services	163,390	145,508	(17,882)
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	621,152	403,652	(217,500)
Total revenue	1,382,055	1,134,518	(247,537)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	2,312,826	2,311,611	(1,215)
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	2,312,826	2,311,611	(1,215)
Revenue over (under) expenditures	(930,771)	(1,177,093)	(246,322)
Other financing sources (uses)			
Transfers in	930,771	1,086,456	155,685
Transfers out	-	-	-
Total other financing sources (uses)	930,771	1,086,456	155,685
Net change in fund balances	-	(90,637)	(90,637)
Fund balances, beginning of year	252,058	252,058	-
Fund balances (deficits), end of year	\$ 252,058	\$ 161,421	\$ (90,637)

Drug Court-Drug Treatment - 221.01			Health Department Grants - 221.xx		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	4,537,906	3,950,939	(586,967)
92,500	75,166	(17,334)	444,292	439,308	(4,984)
-	-	-	-	-	-
-	-	-	-	-	-
6,987	-	(6,987)	359,270	223,182	(136,088)
99,487	75,166	(24,321)	5,341,468	4,613,429	(728,039)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
227,487	223,050	(4,437)	5,342,375	4,547,257	(795,118)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
227,487	223,050	(4,437)	5,342,375	4,547,257	(795,118)
(128,000)	(147,884)	(19,884)	(907)	66,172	67,079
128,000	128,000	-	907	155,000	154,093
-	-	-	-	-	-
128,000	128,000	-	907	155,000	154,093
-	(19,884)	(19,884)	-	221,172	221,172
12,973	12,973	-	422,752	422,752	-
\$ 12,973	\$ (6,911)	\$ (19,884)	\$ 422,752	\$ 643,924	\$ 221,172

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Berrien County Landfill Use- 227.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	1,091,000	779,693	(311,307)
Fines and forfeitures	-	-	-
Interest	137,600	5,496	(132,104)
Other revenue	965,373	-	(965,373)
Total revenue	2,193,973	785,189	(1,408,784)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	2,145,973	2,067,097	(78,876)
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	2,145,973	2,067,097	(78,876)
Revenue over (under) expenditures	48,000	(1,281,908)	(1,329,908)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(48,000)	(48,000)	-
Total other financing sources (uses)	(48,000)	(48,000)	-
Net change in fund balances	-	(1,329,908)	(1,329,908)
Fund balances, beginning of year	4,945,298	4,945,298	-
Fund balances (deficits), end of year	\$ 4,945,298	\$ 3,615,390	\$ (1,329,908)

Public Maintenance & Improvement - 245.00			Revenue Sharing Board Four Winds Casino - 255.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	7,396	7,396	-	13	13
1,514,988	-	(1,514,988)	21,447	(138)	(21,585)
1,514,988	7,396	(1,507,592)	21,447	(125)	(21,572)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,514,988	567,282	(947,706)	447	446	(1)
-	-	-	-	-	-
-	-	-	-	-	-
1,514,988	567,282	(947,706)	447	446	(1)
-	(559,886)	(559,886)	21,000	(571)	(21,571)
-	1,106,000	1,106,000	-	-	-
-	-	-	(21,000)	-	21,000
-	1,106,000	1,106,000	(21,000)	-	21,000
-	546,114	546,114	-	(571)	(571)
2,203,794	2,203,794	-	578	578	-
\$ 2,203,794	\$ 2,749,908	\$ 546,114	\$ 578	\$ 7	\$ (571)

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Register of Deeds Automation- 256.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	5,000	(622)	(5,622)
Other revenue	-	-	-
	<hr/>		
Total revenue	5,000	(622)	(5,622)
<hr/>			
Expenditures			
Judicial	-	-	-
General government	190,000	141,703	(48,297)
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>		
Total expenditures	190,000	141,703	(48,297)
	<hr/>		
Revenue over (under) expenditures	(185,000)	(142,325)	42,675
<hr/>			
Other financing sources (uses)			
Transfers in	185,000	166,725	(18,275)
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	185,000	166,725	(18,275)
	<hr/>		
Net change in fund balances	-	24,400	24,400
	<hr/>		
Fund balances, beginning of year	65,943	65,943	-
	<hr/>		
Fund balances (deficits), end of year	\$ 65,943	\$ 90,343	\$ 24,400
	<hr/> <hr/>		

Drug Enforcement Public Safety - 264.00			Law Enforcement Funds - [various #s]		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ 2,240,000	\$ 2,250,805	\$ 10,805	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	2,920,139	1,196,524	(1,723,615)
-	-	-	2,200,700	2,076,956	(123,744)
-	-	-	-	-	-
-	-	-	13,000	(1,612)	(14,612)
-	-	-	935,464	641,671	(293,793)
2,240,000	2,250,805	10,805	6,069,303	3,913,539	(2,155,764)
-	-	-	-	-	-
-	-	-	-	-	-
129,821	-	(129,821)	7,622,857	5,242,305	(2,380,552)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
129,821	-	(129,821)	7,622,857	5,242,305	(2,380,552)
2,110,179	2,250,805	140,626	(1,553,554)	(1,328,766)	224,788
-	60,872	60,872	1,825,111	1,766,267	(58,844)
(2,110,179)	(2,110,179)	-	(271,557)	(721,556)	(449,999)
(2,110,179)	(2,049,307)	60,872	1,553,554	1,044,711	(508,843)
-	201,498	201,498	-	(284,055)	(284,055)
244,501	244,501	-	1,562,026	1,562,026	-
\$ 244,501	\$ 445,999	\$ 201,498	\$ 1,562,026	\$ 1,277,971	\$ (284,055)

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Prosecutor's Welfare Fraud Grant - 266.02		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	305,588	288,736	(16,852)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	305,588	288,736	(16,852)
Expenditures			
Judicial	389,606	380,089	(9,517)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	389,606	380,089	(9,517)
Revenue over (under) expenditures	(84,018)	(91,353)	(7,335)
Other financing sources (uses)			
Transfers in	84,018	91,353	7,335
Transfers out	-	-	-
Total other financing sources (uses)	84,018	91,353	7,335
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -

Prosecutor's Grant Victim-Witness - 266.04			911 County Operational Fund - 266.09		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 1,615,000	\$ 1,607,159	\$ (7,841)
-	-	-	-	-	-
118,500	123,551	5,051	461,921	449,114	(12,807)
-	-	-	-	130	130
-	-	-	-	-	-
-	-	-	-	1,377	1,377
-	-	-	1,738,134	800,628	(937,506)
118,500	123,551	5,051	3,815,055	2,858,408	(956,647)
-	-	-	-	-	-
-	-	-	-	-	-
268,751	267,734	(1,017)	3,815,056	2,924,132	(890,924)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	608,136	608,136	-
-	-	-	29,251	29,251	-
268,751	267,734	(1,017)	4,452,443	3,561,519	(890,924)
(150,251)	(144,183)	6,068	(637,388)	(703,111)	(65,723)
150,251	144,183	(6,068)	637,388	802,834	165,446
-	-	-	-	-	-
150,251	144,183	(6,068)	637,388	802,834	165,446
-	-	-	-	99,723	99,723
-	-	-	1,622,254	1,622,254	-
\$ -	\$ -	\$ -	\$ 1,622,254	\$ 1,721,977	\$ 99,723

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Drug Court Program - 267.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	5,035	4,551	(484)
Charges for services	21,047	18,728	(2,319)
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	26,082	23,279	(2,803)
Expenditures			
Judicial	289,838	267,565	(22,273)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	289,838	267,565	(22,273)
Revenue over (under) expenditures	(263,756)	(244,286)	19,470
Other financing sources (uses)			
Transfers in	263,756	263,756	-
Transfers out	-	-	-
Total other financing sources (uses)	263,756	263,756	-
Net change in fund balances	-	19,470	19,470
Fund balances, beginning of year	11,684	11,684	-
Fund balances (deficits), end of year	\$ 11,684	\$ 31,154	\$ 19,470

Self-Help Legal Resource Center - 268.00			County Law Library - 269.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	46,000	46,000	-	-	-
-	2,480	2,480	-	-	-
-	-	-	-	6,500	6,500
-	-	-	-	-	-
100,000	-	(100,000)	25,795	-	(25,795)
100,000	48,480	(51,520)	25,795	6,500	(19,295)
100,000	48,994	(51,006)	89,965	68,660	(21,305)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100,000	48,994	(51,006)	89,965	68,660	(21,305)
-	(514)	(514)	(64,170)	(62,160)	2,010
-	-	-	64,170	64,170	-
-	-	-	-	-	-
-	-	-	64,170	64,170	-
-	(514)	(514)	-	2,010	2,010
100,000	100,000	-	38,321	38,321	-
\$ 100,000	\$ 99,486	\$ (514)	\$ 38,321	\$ 40,331	\$ 2,010

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Senior Citizen - 270.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ 1,929,997	\$ 1,928,862	\$ (1,135)
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
	<hr/>		
Total revenue	1,929,997	1,928,862	(1,135)
<hr/>			
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	1,977,744	1,977,737	(7)
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>		
Total expenditures	1,977,744	1,977,737	(7)
	<hr/>		
Revenue over (under) expenditures	(47,747)	(48,875)	(1,128)
<hr/>			
Other financing sources (uses)			
Transfers in	47,747	52,189	4,442
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	47,747	52,189	4,442
	<hr/>		
Net change in fund balances	-	3,314	3,314
	<hr/>		
Fund balances, beginning of year	1,714	1,714	-
	<hr/>		
Fund balances (deficits), end of year	\$ 1,714	\$ 5,028	\$ 3,314
	<hr/> <hr/>		

Library - 271.00			Hazardous Materials Emergency Preparedness - 273.22		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	44,735	1,324	(43,411)
-	-	-	-	-	-
-	95,329	95,329	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	95,329	95,329	44,735	1,324	(43,411)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	44,735	1,324	(43,411)
-	-	-	-	-	-
105,000	95,329	(9,671)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
105,000	95,329	(9,671)	44,735	1,324	(43,411)
(105,000)	-	105,000	-	-	-
105,000	-	(105,000)	-	-	-
-	-	-	-	-	-
105,000	-	(105,000)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	MSHDA Property Improvement Project - 274.12		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	300	300	-
	<hr/>	<hr/>	<hr/>
Total revenue	300	300	-
	<hr/>	<hr/>	<hr/>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	300	300	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	300	300	-
	<hr/>	<hr/>	<hr/>
Revenue over (under) expenditures	-	-	-
	<hr/>	<hr/>	<hr/>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	-	-
	<hr/>	<hr/>	<hr/>
Fund balances, beginning of year	-	-	-
	<hr/>	<hr/>	<hr/>
Fund balances (deficits), end of year	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

MSHDA 2008 Housing CDBG - 274.14			Harbor Light CDBG - 274.15		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
293,787	222,571	(71,216)	260,000	260,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,378	1,378	-	-	-	-
295,165	223,949	(71,216)	260,000	260,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
295,165	223,949	(71,216)	260,000	260,000	-
-	-	-	-	-	-
-	-	-	-	-	-
295,165	223,949	(71,216)	260,000	260,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	DNR Waterways Grant - 274.16		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	245,000	245,000	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	245,000	245,000	-
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	245,000	240,789	(4,211)
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	245,000	240,789	(4,211)
Revenue over (under) expenditures	-	4,211	4,211
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	4,211	4,211
Fund balances, beginning of year	-	-	-
Fund balances (deficits), end of year	\$ -	\$ 4,211	\$ 4,211

Small Bus Program - 281.00			Clean Sweep Pest Control Grant - 281.14		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
725,000	644,122	(80,878)	6,000	1,346	(4,654)
612,300	414,698	(197,602)	-	-	-
-	-	-	-	-	-
12,000	350	(11,650)	-	-	-
97,000	29,006	(67,994)	-	-	-
1,446,300	1,088,176	(358,124)	6,000	1,346	(4,654)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,446,300	1,004,743	(441,557)	6,000	1,346	(4,654)
-	-	-	-	-	-
-	-	-	-	-	-
1,446,300	1,004,743	(441,557)	6,000	1,346	(4,654)
-	83,433	83,433	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	83,433	83,433	-	-	-
391,768	391,768	-	-	-	-
\$ 391,768	\$ 475,201	\$ 83,433	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Project Zero Transit Grant - 281.17		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
	<hr/>		
Total revenue	-	-	-
	<hr/>		
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>		
Total expenditures	-	-	-
	<hr/>		
Revenue over (under) expenditures	-	-	-
	<hr/>		
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	-	-	-
	<hr/>		
Net change in fund balances	-	-	-
	<hr/>		
Fund balances, beginning of year	-	-	-
	<hr/>		
Fund balances (deficits), end of year	\$ -	\$ -	\$ -
	<hr/> <hr/>		

**Southwest Michigan
Planning Commission - 281.21**

Capital Bus Purchase Grant - 282.00

Southwest Michigan Planning Commission - 281.21			Capital Bus Purchase Grant - 282.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
14,500	-	(14,500)	896,000	316,211	(579,789)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,292	2,292	-	-	-
14,500	2,292	(12,208)	896,000	316,211	(579,789)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,500	2,292	(12,208)	896,000	316,211	(579,789)
-	-	-	-	-	-
-	-	-	-	-	-
14,500	2,292	(12,208)	896,000	316,211	(579,789)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Three Oaks Land Purchase - 286.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	-	-	-
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	250,000	-	(250,000)
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	250,000	-	(250,000)
Revenue over (under) expenditures	(250,000)	-	250,000
Other financing sources (uses)			
Transfers in	250,000	-	(250,000)
Transfers out	-	-	-
Total other financing sources (uses)	250,000	-	(250,000)
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -

Social Services - 290.00			Child Care Probate - 292.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
722,000	641,239	(80,761)	3,158,045	2,963,495	(194,550)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	-	(5,000)	936,571	158,910	(777,661)
727,000	641,239	(85,761)	4,094,616	3,122,405	(972,211)
-	-	-	90	-	(90)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
742,000	666,002	(75,998)	7,533,387	6,823,854	(709,533)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
742,000	666,002	(75,998)	7,533,477	6,823,854	(709,623)
(15,000)	(24,763)	(9,763)	(3,438,861)	(3,701,449)	(262,588)
15,000	35,000	20,000	3,441,142	3,480,310	39,168
-	-	-	(2,281)	(249)	2,032
15,000	35,000	20,000	3,438,861	3,480,061	41,200
-	10,237	10,237	-	(221,388)	(221,388)
27,552	27,552	-	995,018	995,018	-
\$ 27,552	\$ 37,789	\$ 10,237	\$ 995,018	\$ 773,630	\$ (221,388)

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COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Child Care Social Services - 292.01		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	381,000	383,382	2,382
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	18,000	-	(18,000)
Total revenue	399,000	383,382	(15,618)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	831,200	712,897	(118,303)
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	831,200	712,897	(118,303)
Revenue over (under) expenditures	(432,200)	(329,515)	102,685
Other financing sources (uses)			
Transfers in	432,200	512,200	80,000
Transfers out	-	-	-
Total other financing sources (uses)	432,200	512,200	80,000
Net change in fund balances	-	182,685	182,685
Fund balances, beginning of year	136,535	136,535	-
Fund balances (deficits), end of year	\$ 136,535	\$ 319,220	\$ 182,685

Soldiers and Sailors Relief - 293.00			Veteran's Trust - 294.00		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	17,498	18,369	871
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,500	-	(1,500)
-	-	-	18,998	18,369	(629)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	18,998	17,917	(1,081)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	18,998	17,917	(1,081)
-	-	-	-	452	452
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	452	452
1,757	1,757	-	730	730	-
\$ 1,757	\$ 1,757	\$ -	\$ 730	\$ 1,182	\$ 452

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Board of Public Works - 296.00		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	770	-	(770)
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	770	-	(770)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	770	-	(770)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	770	-	(770)
Revenue over (under) expenditures	-	-	-
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning of year	69,894	69,894	-
Fund balances (deficits), end of year	\$ 69,894	\$ 69,894	\$ -

Campaign Finance Administration - 297.03			Juvenile Delinquent Title V Plan Grant - 297.25 & 297.27		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	108,085	75,450	(32,635)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100	-	(100)	-	-	-
100	-	(100)	108,085	75,450	(32,635)
-	-	-	108,085	75,451	(32,634)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100	-	(100)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100	-	(100)	108,085	75,451	(32,634)
-	-	-	-	(1)	(1)
-	-	-	-	1	1
-	-	-	-	-	-
-	-	-	-	1	1
-	-	-	-	-	-
3,114	3,114	-	-	-	-
\$ 3,114	\$ 3,114	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	USDA World Development MSU Winery Grant - 297.26		
	Amended Budget	Actual	Over (Under) Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	15,000	14,999	(1)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	15,000	14,999	(1)
Expenditures			
Judicial	15,000	14,999	(1)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	15,000	14,999	(1)
Revenue over (under) expenditures	-	-	-
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -

Hollywood Basin Wetland Grant - 297.28			Speech GRD Transportation Grant - 297.29		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
288,930	31,537	(257,393)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	91	91	950	950	-
288,930	31,628	(257,302)	950	950	-
288,930	31,628	(257,302)	-	-	-
-	-	-	-	-	-
-	-	-	950	950	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
288,930	31,628	(257,302)	950	950	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual (Concluded)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Animal Control Neuter / Spay Program - 298.01		
	Amended		Over
	Budget	Actual	(Under)
			Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	11,000	12,600	1,600
	<hr/>	<hr/>	<hr/>
Total revenue	11,000	12,600	1,600
	<hr/>	<hr/>	<hr/>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	11,000	10,550	(450)
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	11,000	10,550	(450)
	<hr/>	<hr/>	<hr/>
Revenue over (under) expenditures	-	2,050	2,050
	<hr/>	<hr/>	<hr/>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	2,050	2,050
	<hr/>	<hr/>	<hr/>
Fund balances, beginning of year	13,746	13,746	-
	<hr/>	<hr/>	<hr/>
Fund balances (deficits), end of year	\$ 13,746	\$ 15,796	\$ 2,050
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Homestead Audit Administration - 620.00			Total Special Revenue Funds		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 6,782,100	\$ 6,783,929	\$ 1,829
-	-	-	295,060	256,698	(38,362)
-	-	-	17,991,699	14,282,623	(3,709,076)
20,022	125,564	105,542	5,209,541	4,685,374	(524,167)
-	-	-	-	101,829	101,829
-	701	701	167,600	13,099	(154,501)
1,631	-	(1,631)	8,750,918	3,583,032	(5,167,886)
21,653	126,265	104,612	39,196,918	29,706,584	(9,490,334)
-	-	-	4,495,012	3,893,561	(601,451)
-	-	-	190,000	141,703	(48,297)
-	-	-	11,910,574	8,449,263	(3,461,311)
-	-	-	770	-	(770)
-	-	-	17,008,273	15,302,588	(1,705,685)
-	-	-	3,032,828	2,974,469	(58,359)
-	-	-	800,465	725,038	(75,427)
21,653	14,124	(7,529)	6,296,019	3,973,599	(2,322,420)
-	-	-	608,136	608,136	-
-	-	-	29,251	29,251	-
21,653	14,124	(7,529)	44,371,328	36,097,608	(8,273,720)
-	112,141	112,141	(5,174,410)	(6,391,024)	(1,216,614)
-	-	-	9,767,240	11,318,891	1,551,651
-	-	-	(4,592,830)	(4,874,666)	(281,836)
-	-	-	5,174,410	6,444,225	1,269,815
-	112,141	112,141	-	53,201	53,201
46,804	46,804	-	14,206,144	14,206,144	-
\$ 46,804	\$ 158,945	\$ 112,141	\$ 14,206,144	\$ 14,259,345	\$ 53,201

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2009

	Bridge Bond 301.00	Building Authority 450.00		Total
Assets				
Cash and investments	\$ 260	\$ -	\$	260
Fund balances				
Unreserved, undesignated	\$ 260	\$ -	\$	260

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2009

	Bridge Bond 301.00	Building Authority 450.00	Total
Revenue			
Charges for services	\$ -	\$ 1,283,300	\$ 1,283,300
Expenditures			
Debt service:			
Principal	-	925,000	925,000
Interest and fiscal charges	-	358,300	358,300
Total expenditures	-	1,283,300	1,283,300
Net change in fund balances	-	-	-
Fund balances, beginning of year	260	-	260
Fund balances, end of year	\$ 260	\$ -	\$ 260

COUNTY OF BERRIEN, MICHIGAN
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2009

	Vehicle/ Equipment Replacement 402.00	Animal Shelter 413.00	Building Authority 450.00	Courthouse 470.00	Total
Assets					
Cash and investments	\$ 459,850	\$ 162,458	\$ 165,059	\$ 1	\$ 787,368
Liabilities					
Accounts payable	\$ 10,372	\$ -	\$ -	\$ -	\$ 10,372
Fund balances					
Unreserved:					
Designated for subsequent years' expenditures	215,000	-	-	-	215,000
Undesignated	234,478	162,458	165,059	1	561,996
Total fund balances	449,478	162,458	165,059	1	776,996
Total liabilities and fund balances	\$ 459,850	\$ 162,458	\$ 165,059	\$ 1	\$ 787,368

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended December 31, 2009

	Vehicle/ Equipment Replacement 402.00	Animal Shelter 413.00	Building Authority 450.00	Courthouse 470.00	Total
Revenue					
Interest revenue	\$ -	\$ 1,084	\$ 548	\$ -	\$ 1,632
Other	-	17,793	-	-	17,793
Total revenue	-	18,877	548	-	19,425
Expenditures					
Current expenditures:					
Public works	186,426	-	42,556	-	228,982
Debt service:					
Principal	6,855	-	-	-	6,855
Interest and fiscal charges	45	-	-	-	45
Total expenditures	193,326	-	42,556	-	235,882
Revenue over (under) expenditures	(193,326)	18,877	(42,008)	-	(216,457)
Other financing sources					
Issuance of long-term debt	32,000	-	-	-	32,000
Transfers in	264,400	-	-	-	264,400
Total other financing sources	296,400	-	-	-	296,400
Net change in fund balances	103,074	18,877	(42,008)	-	79,943
Fund balances, beginning of year	346,404	143,581	207,067	1	697,053
Fund balances, end of year	\$ 449,478	\$ 162,458	\$ 165,059	\$ 1	\$ 776,996

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2009

	Delinquent Tax Foreclosure 617.xx	Delinquent Personal Property Tax 618.00	Drain Working Capital 639.00	Baroda Township Water System No. 14 851.09	Royalton Township Water System No. 20 851.15
Assets					
Current assets:					
Cash and investments	\$ 97,727	\$ 179,426	\$ 189,537	\$ -	\$ -
Current portion of leases receivable	-	-	-	-	75,000
Inventories	-	-	32,233	-	-
Total current assets	<u>97,727</u>	<u>179,426</u>	<u>221,770</u>	<u>-</u>	<u>75,000</u>
Noncurrent assets:					
Leases receivable, net of current portion	-	-	-	-	320,000
Capital assets being depreciated, net	-	-	246,567	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>246,567</u>	<u>-</u>	<u>320,000</u>
Total assets	<u>97,727</u>	<u>179,426</u>	<u>468,337</u>	<u>-</u>	<u>395,000</u>
Liabilities					
Current liabilities:					
Accounts payable	28,617	-	-	-	-
Accrued and other liabilities	2,247	1,536	-	-	-
Current portion of long-term debt	-	-	-	-	75,000
Total current liabilities	<u>30,864</u>	<u>1,536</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
Long-term liabilities:					
Due in more than one year	-	-	-	-	320,000
Total liabilities	<u>30,864</u>	<u>1,536</u>	<u>-</u>	<u>-</u>	<u>395,000</u>
Net assets					
Invested in capital assets, net of related debt	-	-	246,567	-	-
Unrestricted	66,863	177,890	221,770	-	-
Total net assets	<u>\$ 66,863</u>	<u>\$ 177,890</u>	<u>\$ 468,337</u>	<u>\$ -</u>	<u>\$ -</u>

Royalton Township Water System No. 23 851.17	Buchanan Township Sewer System No. 23/ Water System No. 21 851.41	Royalton Township Sewer System No. 20 851.70 & .79	City of Watervliet Sewer System No. 22 851.72	Village of Baroda Sewer System No. 18 Refunding 851.74	GRSD No. 7 Chikaming Township Refunding 851.75	City of Benton Harbor Water System No. 17 Refunding 851.80
\$ 158	\$ 7,422	\$ 764	\$ -	\$ -	\$ -	\$ -
100,000	35,000	-	-	-	-	-
-	-	-	-	-	-	-
100,158	42,422	764	-	-	-	-
894,842	182,578	-	-	-	-	-
-	-	-	-	-	-	-
894,842	182,578	-	-	-	-	-
995,000	225,000	764	-	-	-	-
-	-	764	-	-	-	-
-	-	-	-	-	-	-
100,000	35,000	-	-	-	-	-
100,000	35,000	764	-	-	-	-
895,000	190,000	-	-	-	-	-
995,000	225,000	764	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Net Assets
Nonmajor Enterprise Funds (Concluded)
December 31, 2009

	Coloma Township Sewer System No. 24 851.81	Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82	Village of Berrien Springs Water/Sewer System No. 25 851.83 & .85	Royalton Township Water System No. 26 851.86	Total
Assets					
Current assets:					
Cash and investments	\$ -	\$ 8,789	\$ -	\$ 446	\$ 484,269
Current portion of leases receivable	75,000	20,000	-	20,000	325,000
Inventories	-	-	-	-	32,233
Total current assets	75,000	28,789	-	20,446	841,502
Noncurrent assets:					
Leases receivable, net of current portion	945,000	256,211	-	459,554	3,058,185
Capital assets being depreciated, net	-	-	-	-	246,567
Total noncurrent assets	945,000	256,211	-	459,554	3,304,752
Total assets	1,020,000	285,000	-	480,000	4,146,254
Liabilities					
Current liabilities:					
Accounts payable	-	-	-	-	29,381
Accrued and other liabilities	-	-	-	-	3,783
Current portion of long-term debt	75,000	20,000	-	20,000	325,000
Total current liabilities	75,000	20,000	-	20,000	358,164
Long-term liabilities:					
Due in more than one year	945,000	265,000	-	460,000	3,075,000
Total liabilities	1,020,000	285,000	-	480,000	3,433,164
Net assets					
Invested in capital assets, net of related debt	-	-	-	-	246,567
Unrestricted	-	-	-	-	466,523
Total net assets	\$ -	\$ -	\$ -	\$ -	\$ 713,090

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenses
and Changes in Net assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2009

	Delinquent Tax Foreclosure 617.xx	Delinquent Personal Property Tax 618.00	Drain Working Capital 639.00	Baroda Township Water System No. 14 851.09	Royalton Township Water System No. 20 851.15
Operating revenue					
Charges for services	\$ 655,098	\$ 37,512	\$ 111,073	\$ -	\$ 26,428
Operating expense					
Operations	1,063,865	57,163	66,283	-	-
Public works projects	-	-	-	-	-
Depreciation	-	-	45,477	-	-
Total operating expense	1,063,865	57,163	111,760	-	-
Operating income (loss)	(408,767)	(19,651)	(687)	-	26,428
Nonoperating revenue (expenses)					
Interest revenue	-	(1,929)	-	-	-
Interest and fiscal charges	-	-	-	-	(26,428)
Total nonoperating revenue (expenses)	-	(1,929)	-	-	(26,428)
Change in net assets	(408,767)	(21,580)	(687)	-	-
Net assets, beginning of year	475,630	199,470	469,024	-	-
Net assets, end of year	\$ 66,863	\$ 177,890	\$ 468,337	\$ -	\$ -

Royalton Township Water System No. 23 851.17	Buchanan Township Sewer System No. 23/ Water System No. 21 851.41	Royalton Township Sewer System No. 20 851.70 & .79	City of Watervliet Sewer System No. 22 851.72	Village of Baroda Sewer System No. 18 Refunding 851.74	GRSD No. 7 Chikaming Township Refunding 851.75	City of Benton Harbor Water System No. 17 Refunding 851.80
\$ 49,116	\$ 14,506	\$ -	\$ 2,855	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
49,116	14,506	-	2,855	-	-	-
(3)	9	-	-	-	-	-
(49,113)	(14,515)	-	(2,855)	-	-	-
(49,116)	(14,506)	-	(2,855)	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenses
and Changes in Net assets
Nonmajor Enterprise Funds (Concluded)
For the Year Ended December 31, 2009

	Coloma Township Sewer System No. 24 851.81	Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82	Village of Berrien Springs Water/Sewer System No. 25 851.83 & .85	Royalton Township Water System No. 26 851.86	Total
Operating revenue					
Charges for services	\$ 58,765	\$ 16,175	\$ -	\$ 57,152	\$ 1,028,680
Operating expense					
Operations	-	-	-	-	1,187,311
Public works projects	-	-	-	35,587	35,587
Depreciation	-	-	-	-	45,477
Total operating expense	-	-	-	35,587	1,268,375
Operating income	58,765	16,175	-	21,565	(239,695)
Nonoperating revenue (expenses)					
Interest revenue	-	63	-	-	(1,860)
Interest and fiscal charges	(58,765)	(16,238)	-	(21,565)	(189,479)
Total nonoperating revenue (expenses)	(58,765)	(16,175)	-	(21,565)	(191,339)
Change in net assets	-	-	-	-	(431,034)
Net assets, beginning of year	-	-	-	-	1,144,124
Net assets, end of year	\$ -	\$ -	\$ -	\$ -	\$ 713,090

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2009

	Delinquent Tax Foreclosure 617.xx	Delinquent Personal Property Tax 618.00	Drain Working Capital 639.00	Baroda Township Water System No. 14 851.09	Royalton Township Water System No. 20 851.15
Cash flows from operating activities					
Cash received from customers	\$ 655,098	\$ 37,512	\$ 111,073	\$ -	\$ 26,428
Cash payments to suppliers for goods and services	(971,413)	(2,013)	(59,921)	-	-
Cash payments to employees for services	(102,881)	(54,837)	-	-	-
Net cash provided by (used in) operating activities	(419,196)	(19,338)	51,152	-	26,428
Cash flows from capital and related financing activities					
Principal payments	-	-	(60,403)	-	(75,000)
Interest payments	-	-	-	-	(26,428)
Purchase of capital assets	-	-	(22,896)	-	-
Net cash used in capital and related financing activities	-	-	(83,299)	-	(101,428)
Cash flows from investing activities					
Interest received	-	(1,929)	-	-	-
Amounts collected on leases receivable	-	-	-	-	75,000
Net cash provided by (used in) investing activities	-	(1,929)	-	-	75,000
Net increase (decrease) in cash and cash equivalents	(419,196)	(21,267)	(32,147)	-	-
Cash and cash equivalents, beginning of year	516,923	200,693	221,684	-	-
Cash and cash equivalents, end of year	\$ 97,727	\$ 179,426	\$ 189,537	\$ -	\$ -

Royalton Township Water System No. 23 851.17	Buchanan Township Sewer System No. 23/ No. 21 851.41	Royalton Township Sewer System No. 20 851.70 & .79	City of Watervliet Sewer System No. 22 851.72	Village of Baroda Sewer System No. 18 Refunding 851.74	GRSD No. 7 Chikaming Township Refunding 851.75	City of Benton Harbor Water System No. 17 Refunding 851.80
\$ 49,116	\$ 14,506	\$ -	\$ 2,855	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
49,116	14,506	-	2,855	-	-	-
(100,000)	(35,000)	-	(35,000)	-	-	-
(49,113)	(14,515)	-	(2,855)	-	-	-
-	-	-	-	-	-	-
(149,113)	(49,515)	-	(37,855)	-	-	-
(3)	9	-	-	-	-	-
99,997	35,009	-	35,000	-	-	-
99,994	35,018	-	35,000	-	-	-
(3)	9	-	-	-	-	-
161	7,413	764	-	-	-	-
\$ 158	\$ 7,422	\$ 764	\$ -	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Year Ended December 31, 2009

	Coloma Township Sewer System No. 24 851.81	Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82	Village of Berrien Springs Water/Sewer System No. 25 851.83 & .85	Royalton Township Water System No. 26 851.86	Total
Cash flows from operating activities					
Cash received from customers	\$ 58,765	\$ 16,175	\$ -	\$ 57,152	\$ 1,028,680
Cash payments to suppliers for goods and services	-	-	-	(35,587)	(1,068,934)
Cash payments to employees for services	-	-	-	-	(157,718)
Net cash provided by operating activities	58,765	16,175	-	21,565	(197,972)
Cash flows from capital and related financing activities					
Principal payments	(75,000)	(20,000)	-	(20,000)	(420,403)
Interest payments	(58,765)	(16,238)	-	(21,565)	(189,479)
Purchase of capital assets	-	-	-	-	(22,896)
Net cash (used in) capital and related financing activities	(133,765)	(36,238)	-	(41,565)	(632,778)
Cash flows from investing activities					
Interest received	-	63	-	-	(1,860)
Amounts collected on leases receivable	75,000	20,063	-	(15,541)	324,528
Net cash provided by (used in) investing activities	75,000	20,126	-	(15,541)	322,668
Net increase (decrease) in cash and cash equivalents	-	63	-	(35,541)	(508,082)
Cash and cash equivalents, beginning of year	-	8,726	-	35,987	992,351
Cash and cash equivalents, end of year	\$ -	\$ 8,789	\$ -	\$ 446	\$ 484,269

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Year Ended December 31, 2009

	Delinquent Tax Foreclosure 617.xx	Delinquent Personal Property Tax 618.00	Drain Working Capital 639.00	Baroda Township Water System No. 14 851.09	Royalton Township Water System No. 20 851.15
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ (408,767)	\$ (19,651)	\$ (687)	\$ -	\$ 26,428
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	-	-	45,477	-	-
Changes in assets and liabilities:					
Inventories	-	-	7,317	-	-
Accounts payable	(10,736)	-	(955)	-	-
Accrued and other liabilities	307	313	-	-	-
Net cash provided by operating activities	\$ (419,196)	\$ (19,338)	\$ 51,152	\$ -	\$ 26,428

Royalton Township Water System No. 23 851.17	Buchanan Township Sewer System No. 23/ Water System No. 21 851.41	Royalton Township Sewer System No. 20 851.70 & .79	City of Watervliet Sewer System No. 22 851.72	Village of Baroda Sewer System No. 18 Refunding 851.74	Village of Baroda Sewer System No. 18 Refunding 851.74	Village of Baroda Sewer System No. 18 Refunding 851.74
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\$ 49,116	\$ 14,506	\$ -	\$ 2,855	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 49,116	\$ 14,506	\$ -	\$ 2,855	\$ -	\$ -	\$ -

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Concluded)
For the Year Ended December 31, 2009

	Coloma Township Sewer System No. 24 851.81	Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82	Village of Berrien Springs Water/Sewer System No. 25 851.83 & .85	Royalton Township Water System No. 26 851.86	Total
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 58,765	\$ 16,175	\$ -	\$ 21,565	(239,695)
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	-	-	-	-	45,477
Changes in assets and liabilities:					
Inventories	-	-	-	-	7,317
Accounts payable	-	-	-	-	(11,691)
Accrued and other liabilities	-	-	-	-	620
Net cash provided by operating activities	\$ 58,765	\$ 16,175	\$ -	\$ 21,565	\$ (197,972)

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Net Assets
Internal Service Funds
December 31, 2009

	Property/ Liability Insurance 677.00	Workers' Compensation Insurance 677.01	Health Care Insurance 677.02	Unemployment Insurance 677.03	Total
Assets					
Current assets:					
Cash and investments	\$ 2,404,498	\$ 1,846,028	\$ 8,934,016	\$ 166,745	\$ 13,351,287
Noncurrent assets:					
Restricted cash	802,766	-	-	-	802,766
Total assets	3,207,264	1,846,028	8,934,016	166,745	14,154,053
Liabilities					
Current liabilities:					
Accrued and other liabilities	1,734,801	176,321	2,135,038	-	4,046,160
Net assets					
Restricted for self-insurance claims	802,766	-	-	-	802,766
Unrestricted:					
Undesignated	669,697	1,669,707	6,798,978	166,745	9,305,127
Total net assets	\$ 1,472,463	\$ 1,669,707	\$ 6,798,978	\$ 166,745	\$ 10,107,893

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Revenue, Expenses and
Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2009

	Property/ Liability Insurance 677.00	Workers' Compensation Insurance 677.01	Health Care Insurance 677.02	Unemployment Insurance 677.03	Total
Operating revenue					
Charges for services	\$ -	\$ 345,247	\$ 11,890,588	\$ 45,974	\$ 12,281,809
Operating expenses					
Operation and maintenance	-	160	3,120,307	1,600	3,122,067
Benefits and claims	593,026	9,248	9,711,607	50,589	10,364,470
Total operating expenses	593,026	9,408	12,831,914	52,189	13,486,537
Operating income (loss)	(593,026)	335,839	(941,326)	(6,215)	(1,204,728)
Nonoperating revenue					
Interest income	370,120	1,334	4,830	-	376,284
Change in net assets	(222,906)	337,173	(936,496)	(6,215)	(828,444)
Net assets, beginning of year	1,695,369	1,332,534	7,735,474	172,960	10,936,337
Net assets, end of year	\$ 1,472,463	\$ 1,669,707	\$ 6,798,978	\$ 166,745	\$ 10,107,893

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2009

	Property/ Liability Insurance 677.00	Workers' Compensation Insurance 677.01	Health Care Insurance 677.02	Unemployment Insurance 677.03	Total
Cash flows from operating activities					
Cash received from interfund services provided	\$ -	\$ 345,247	\$ 11,890,588	\$ 45,974	\$ 12,281,809
Cash payments to suppliers for goods and services	(185,030)	(244,220)	(12,636,526)	(52,189)	(13,117,965)
Cash payments to employees for services	-	-	-	-	-
Net cash provided by (used in) operating activities	(185,030)	101,027	(745,938)	(6,215)	(836,156)
Cash flows from investing activities					
Interest received	370,120	1,334	4,830	-	376,284
Net increase in cash and cash equivalents	185,090	102,361	(741,108)	(6,215)	(459,872)
Cash and cash equivalents, beginning of year	3,022,174	1,743,667	9,675,124	172,960	14,613,925
Cash and cash equivalents, end of year	\$ 3,207,264	\$ 1,846,028	\$ 8,934,016	\$ 166,745	\$ 14,154,053
Balance sheet classification of cash and cash equivalents					
Cash and cash equivalents	\$ 2,404,498	\$ 1,846,028	\$ 8,934,016	\$ 166,745	\$ 13,351,287
Restricted cash	802,766	-	-	-	802,766
	\$ 3,207,264	\$ 1,846,028	\$ 8,934,016	\$ 166,745	\$ 14,154,053
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (593,026)	\$ 335,839	\$ (941,326)	\$ (6,215)	\$ (1,204,728)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Accounts payable	-	(50)	(541)	-	(591)
Accrued and other liabilities	407,996	(234,762)	195,929	-	369,163
Net cash (used in) provided by operating activities	\$ (185,030)	\$ 101,027	\$ (745,938)	\$ (6,215)	\$ (836,156)

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Fiduciary Net Assets
All Agency Funds
December 31, 2009

	Trust and Agency 701.00	Court Orders Payable 702.00	Library Trust 721.00
<u>ASSETS</u>			
Assets			
Cash and investments	\$ 1,494,979	\$ 254,233	\$ 804,395
Taxes receivable - delinquent	1,100,505	-	-
<u>TOTAL ASSETS</u>	\$ 2,595,484	\$ 254,233	\$ 804,395
<u>LIABILITIES</u>			
Liabilities			
Undistributed receipts	\$ 1,494,979	\$ 254,233	\$ 804,395
Delinquent taxes payable	1,100,505	-	-
<u>TOTAL LIABILITIES</u>	\$ 2,595,484	\$ 254,233	\$ 804,395

District Court Trust	Jail Inmate Trust	Total
\$ 384,334	\$ 16,160	\$ 2,954,101
-	-	1,100,505
<hr/>	<hr/>	<hr/>
\$ 384,334	\$ 16,160	\$ 4,054,606

\$ 384,334	\$ 16,160	\$ 2,954,101
-	-	1,100,505
<hr/>	<hr/>	<hr/>
\$ 384,334	\$ 16,160	\$ 4,054,606

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Trust and Agency Fund</u>				
Assets				
Cash and cash equivalents	\$ 1,139,644	\$ 98,396,901	\$ 98,041,566	\$ 1,494,979
Investments	210,216	48,754	258,970	-
Taxes receivable - delinquent	1,110,481	690,300	700,276	1,100,505
Total assets	\$ 2,460,341	\$ 99,135,955	\$ 99,000,812	\$ 2,595,484
Liabilities				
Undistributed receipts	\$ 1,349,860	\$ 56,547,032	\$ 56,401,913	\$ 1,494,979
Delinquent taxes payable	1,110,481	42,588,923	42,598,899	1,100,505
Total liabilities	\$ 2,460,341	\$ 99,135,955	\$ 99,000,812	\$ 2,595,484
<u>Court Orders Payable Fund</u>				
Assets				
Cash and cash equivalents	\$ 107,356	\$ 632,971	\$ 486,094	\$ 254,233
Liabilities				
Undistributed receipts	\$ 107,356	\$ 632,971	\$ 486,094	\$ 254,233
<u>Library Trust Fund</u>				
Assets				
Cash and cash equivalents	\$ 839,268	\$ 3,140,819	\$ 3,175,692	\$ 804,395
Investments	1	1,421,852	1,421,853	-
Total assets	\$ 839,269	\$ 4,562,671	\$ 4,597,545	\$ 804,395
Liabilities				
Undistributed receipts	\$ 839,269	\$ 4,562,671	\$ 4,597,545	\$ 804,395

continued...

COUNTY OF BERRIEN, MICHIGAN
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Concluded)
For the Year Ended December 31, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
<u>District Court Trust Fund</u>				
Assets				
Cash and cash equivalents	\$ 985,370	\$ 384,334	\$ 985,370	\$ 384,334
Liabilities				
Undistributed receipts	\$ 985,370	\$ 384,334	\$ 985,370	\$ 384,334
<u>Jail Inmate Trust Fund</u>				
Assets				
Cash and cash equivalents	\$ 7,848	\$ 16,160	\$ 7,848	\$ 16,160
Liabilities				
Undistributed receipts	\$ 7,848	\$ 16,160	\$ 7,848	\$ 16,160
<u>Total - All Agency Funds</u>				
Assets				
Cash and cash equivalents	\$ 3,079,486	\$ 102,571,185	\$ 102,696,570	\$ 2,954,101
Investments	210,217	1,470,606	1,680,823	-
Taxes receivable - delinquent	1,110,481	690,300	700,276	1,100,505
Total assets	\$ 4,400,184	\$ 104,732,091	\$ 105,077,669	\$ 4,054,606
Liabilities				
Undistributed receipts	\$ 3,289,703	\$ 62,143,168	\$ 62,478,770	\$ 2,954,101
Delinquent taxes payable	1,110,481	42,588,923	42,598,899	1,100,505
Total liabilities	\$ 4,400,184	\$ 104,732,091	\$ 105,077,669	\$ 4,054,606

COUNTY OF BERRIEN, MICHIGAN
Drain Commission Component Unit
Statement of Net Assets and Governmental Funds Balance Sheet
December 31, 2009

	Capital Projects Funds			
	Drain 801.00	Drain Revolving 802.00	Sawyer Village Drainage District 803.02	Hollywood Road Detention Bonds 803.03
Assets				
Cash and investments	\$ 948,088	\$ 351,539	\$ -	\$ 153,950
Special assessments receivable	2,931,000	-	-	260,000
Due from other funds	-	513,408	-	-
Capital assets not being depreciated	-	-	-	-
Capital assets being depreciated, net	-	-	-	-
Total assets	\$ 3,879,088	\$ 864,947	\$ -	\$ 413,950
Liabilities				
Accrued and other liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	513,408	-	-	-
Advances from primary government	-	850,000	-	-
Deferred revenue	2,931,000	-	-	260,000
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	3,444,408	850,000	-	260,000
Fund balances				
Unreserved, undesignated	434,680	14,947	-	153,950
Total liabilities and fund balances	\$ 3,879,088	\$ 864,947	\$ -	\$ 413,950
Net assets				
Invested in capital assets, net of related debt (deficit)				
Unrestricted				
Total net assets				

Starr & Wellington Drain 803.04	Close Drain 803.05	Chapter 20 Abraham Drain 820.00	Chapter 20 Niles Township Drain 821.00	Total	Adjustments	Statement of Net Assets
\$ 47,326	\$ 296,855	\$ -	\$ -	\$ 1,797,758	\$ -	\$ 1,797,758
181,000	1,410,000	-	-	4,782,000	-	4,782,000
-	-	-	-	513,408	(513,408)	-
-	-	-	-	-	1,686,910	1,686,910
-	-	-	-	-	3,158,437	3,158,437
\$ 228,326	\$ 1,706,855	\$ -	\$ -	\$ 7,093,166	4,331,939	11,425,105
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,050	\$ 12,050
-	-	-	-	513,408	(513,408)	-
-	-	-	-	850,000	-	850,000
181,000	1,410,000	-	-	4,782,000	(4,782,000)	-
-	-	-	-	-	2,652,000	2,652,000
-	-	-	-	-	2,643,678	2,643,678
181,000	1,410,000	-	-	6,145,408	12,320	6,157,728
47,326	296,855	-	-	947,758	(947,758)	-
\$ 228,326	\$ 1,706,855	\$ -	\$ -	\$ 7,093,166		
					248,692	248,692
					5,018,685	5,018,685
					\$ 5,267,377	\$ 5,267,377

COUNTY OF BERRIEN, MICHIGAN
Drain Commission Component Unit
Statement of Activities and Governmental Funds Revenue,
Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2009

	Capital Projects Funds			
	Drain 801.00	Drain Revolving 802.00	Sawyer Village Drainage District 803.02	Hollywood Road Detention Bonds 803.03
Expenditures / expenses				
Public works	\$ 2,169,626	\$ -	\$ 1	\$ 275
Debt Service:				
Principal	2,643,885	-	35,000	20,000
Interest	-	-	1,070	12,220
Total expenditures / expenses	4,813,511	-	36,071	32,495
Program revenues				
Operating grants and contributions	1,459,768	-	32,957	31,526
Special assessments / capital grants and contributions	-	-	-	-
Total program revenues	1,459,768	-	32,957	31,526
Net program revenue	-	-	-	-
Other financing sources				
Issuance of long-term debt	2,448,200	-	-	-
Revenue and other sources over (under) expenditures / change in net assets	(905,543)	-	(3,114)	(969)
Fund balances / net assets, beginning of year	1,340,223	14,947	3,114	154,919
Fund balances / net assets, end of year	\$ 434,680	\$ 14,947	\$ -	\$ 153,950

Starr & Wellington Drain 803.04	Close Drain 803.05	Chapter 20 Abraham Drain 820.00	Chapter 20 Niles Township Drain 821.00	Total	Adjustments	Statement of Activities
\$ 137,060	\$ 1,113,354	\$ -	\$ -	\$ 3,420,316	\$ (906,825)	\$ 2,513,491
-	-	-	-	2,698,885	(2,698,885)	-
5,250	26,607	-	-	45,147	-	45,147
142,310	1,139,961	-	-	6,164,348	(3,605,710)	2,558,638
8,636	26,816	-	-	1,559,703	-	1,559,703
-	-	-	-	-	1,034,000	1,034,000
8,636	26,816	-	-	1,559,703	1,034,000	2,593,703
-	-	-	-	-	-	35,065
-	1,410,000	-	-	3,858,200	(3,858,200)	-
(133,674)	296,855	-	-	(746,445)	781,510	35,065
181,000	-	-	-	1,694,203	3,538,109	5,232,312
\$ 47,326	\$ 296,855	\$ -	\$ -	\$ 947,758	\$ 4,319,619	\$ 5,267,377

COUNTY OF BERRIEN, MICHIGAN
Economic Development Corporation Component Unit
Statement of Net Assets
December 31, 2009

	Governmental Activities	Business-type Activities	
	Supplemental Services Special Revenue Fund 287.00	Enterprise Funds	Total
Assets			
Current assets:			
Cash and investments	\$ 106,149	\$ 308,231	\$ 414,380
Noncurrent assets:			
Notes receivable	-	922,680	922,680
Advance to other component unit	-	1,450,000	1,450,000
Total assets	106,149	2,680,911	2,787,060
Liabilities			
Long-term liabilities:			
Advances from primary government	-	1,450,000	1,450,000
Net Assets			
Unrestricted:			
Undesignated	\$ 106,149	\$ 1,230,911	\$ 1,337,060

COUNTY OF BERRIEN, MICHIGAN
Economic Development Corporation Component Unit
Statement of Activities
For the Year Ended December 31, 2009

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
	<u>Supplemental Services Special Revenue Fund 287.00</u>	<u>Enterprise Funds</u>	<u>Total</u>
Expenses			
Community development	\$ 26,791	\$ 64,786	\$ 91,577
Program revenues			
Charges for services	<u>55,133</u>	<u>-</u>	<u>55,133</u>
Net expense	28,342	(64,786)	(36,444)
General revenues			
Interest revenue	<u>52</u>	<u>30,035</u>	<u>30,087</u>
Change in net assets	28,394	(34,751)	(6,357)
Net assets, beginning of year	<u>77,755</u>	<u>1,265,662</u>	<u>1,343,417</u>
Net assets, end of year	<u><u>\$ 106,149</u></u>	<u><u>\$ 1,230,911</u></u>	<u><u>\$ 1,337,060</u></u>

COUNTY OF BERRIEN, MICHIGAN
Economic Development Corporation Component Unit
Combining Statement of Net Assets
Enterprise Funds
December 31, 2009

	Small Cities Block Grant 289.00	Brownfield Redevelopment Authority Loan Fund 289.03	Revolving Loan Fund 691.00	Total
Assets				
Cash and investments	\$ 269,160	\$ -	\$ 39,071	\$ 308,231
Notes receivable	920,853	-	1,827	922,680
Advance to other component unit	-	1,450,000	-	1,450,000
Total assets	1,190,013	1,450,000	40,898	2,680,911
Liabilities				
Advances from primary government	-	1,450,000	-	1,450,000
Net assets, unrestricted	\$ 1,190,013	\$ -	\$ 40,898	\$ 1,230,911

COUNTY OF BERRIEN, MICHIGAN
Economic Development Corporation Component Unit
Combining Statement of Revenue, Expenses
and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2009

	Small Cities Block Grant 289.00	Brownfield Redevelopment Authority Loan Fund 289.03	Revolving Loan Fund 691.00	Total
Operating revenue				
Interest on loans	\$ -	\$ -	\$ -	\$ -
Operating expense				
Community development	64,786	-	-	64,786
Operating loss	(64,786)	-	-	(64,786)
Nonoperating revenue				
Interest revenue	30,035	-	-	30,035
Change in net assets	(34,751)	-	-	(34,751)
Net assets, beginning of year	1,224,764	-	40,898	1,265,662
Net assets, end of year	\$ 1,190,013	\$ -	\$ 40,898	\$ 1,230,911

COUNTY OF BERRIEN, MICHIGAN
Economic Development Corporation Component Unit
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2009

	Small Cities Block Grant 289.00	Brownfield Redevelopment Authority Loan Fund 289.03	Revolving Loan Fund 691.00	Total
Cash flows from operating activities				
Cash received from customers	\$ 41,111	\$ -	\$ -	\$ 41,111
Cash payments to suppliers for goods and services	(155,134)	-	-	(155,134)
Net cash provided by operating activities	(114,023)	-	-	(114,023)
Cash flows from investing activities				
Interest received	30,035	-	-	30,035
Net increase in cash and cash equivalents	(83,988)	-	-	(83,988)
Cash and cash equivalents, beginning of year	353,148	-	39,071	392,219
Cash and cash equivalents, end of year	\$ 269,160	\$ -	\$ 39,071	\$ 308,231
Reconciliation of operating income to net cash provided by operating activities				
Operating loss	\$ (64,786)	\$ -	\$ -	\$ (64,786)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Decrease in notes receivable	(49,237)	-	-	(49,237)
Net cash provided by operating activities	\$ (114,023)	\$ -	\$ -	\$ (114,023)