

# **COUNTY OF BERRIEN, MICHIGAN**

## **Financial Statements**

**For the Year Ended  
December 31, 2010**

**COUNTY OF BERRIEN, MICHIGAN**  
**For the Year Ended December 31, 2010**

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**For the Year Ended December 31, 2010**

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**INDEPENDENT AUDITORS' REPORT**

June 29, 2011

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, 2010, 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 62.5% and 10.9% of the assets, respectively, and 29.5% and 48.6% of the revenues, respectively, of the aggregate discretely presented component units of the County. Those financial statements were audited by other auditors whose reports were furnished to us, and our opinion, insofar as it relates to the amounts included for the Berrien County Road Commission and the Berrien Mental Health Authority, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Berrien, Michigan, as of December 31, 2010, 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 3-15, the historical pension information on page 71 and the historical other postemployment benefit information on page 72 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 29, 2011, 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 reports 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 Johnson". The signature is written in a cursive, flowing style.

## MANAGEMENT'S DISCUSSION and ANALYSIS

## Management's Discussion and Analysis

As management of the **County of Berrien, Michigan** (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with accompanying audited financial statements, which can be found on pages 16-167. All amounts, unless otherwise indicated, are expressed **in thousands of dollars**.

### Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$109,089 (*net assets*). Of this amount, \$61,182 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,584. Net assets from governmental activities decreased by \$37 while net assets from business-type activities (i.e. Delinquent Tax funds, Public Works Projects funds) increased by \$1,621.
- As of the close of the current fiscal year, the County's governmental funds (which include the general fund, special revenue, debt service, and capital projects funds) reported combined ending fund balances of \$34,371, a decrease of \$3,812 in comparison with the prior year. Of this balance, \$22,942 (66.7 percent), is unreserved, undesignated fund balance.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$14,243, or 28.4 percent of total general fund expenditures.
- The County's total debt increased by \$22,997 (98.3 percent) during the current fiscal year. The key factor in this increase was the issuance of \$23,258 in limited tax general obligation bonds for water system projects.

### Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements can be found on pages 16-18 of this report.

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

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



Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 61 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 and Capital Reserve Fund which are considered to be major funds. Data from the other 59 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 19-26 of this report.

***Proprietary funds.*** The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Delinquent Tax Revolving Fund, Delinquent Tax Foreclosure and Personal Property Tax Funds, Drain Working Capital, and public works projects funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its risk management and employee benefit programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Delinquent Tax Revolving and Benton Township Water System Funds, both of which are considered to be major funds of the County. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities – Internal Service Funds column.

The basic proprietary fund financial statements can be found on pages 27-30 of this report.

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

The basic fiduciary fund financial statements can be found on pages 31-32 of this report.

**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. The notes to the financial statements can be found on pages 37-70 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 71-72 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and other postemployment benefits. Combining and individual fund statements and schedules can be found on pages 73-165 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$109,089 at the close of the most recent fiscal year.

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 60,952	\$ 63,284	\$ 76,711	\$ 50,356	\$ 137,663	\$ 113,640
Capital assets, net of accumulated depreciation	32,869	30,771	216	247	33,085	31,018
<b>Total assets</b>	<b>93,821</b>	<b>94,055</b>	<b>76,927</b>	<b>50,603</b>	<b>170,748</b>	<b>144,658</b>
Long-term liabilities	8,993	10,003	37,409	13,401	46,402	23,404
Other liabilities	13,178	12,365	2,079	1,384	15,257	13,749
<b>Total liabilities</b>	<b>22,171</b>	<b>22,368</b>	<b>39,488</b>	<b>14,785</b>	<b>61,659</b>	<b>37,153</b>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	26,016	23,061	216	247	26,232	23,308
Restricted	21,675	25,355	-	-	21,675	25,355
Unrestricted	23,959	23,271	37,223	35,571	61,182	58,842
<b>Total net assets</b>	<b>\$ 71,650</b>	<b>\$ 71,687</b>	<b>\$ 37,439</b>	<b>\$ 35,818</b>	<b>\$ 109,089</b>	<b>\$ 107,505</b>

A portion of the County's net assets, \$26,232 (24.0 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets of \$21,675 (19.9 percent) represents resources that are subject to external restrictions on how they may be used. The County may use the remaining balance of *unrestricted net assets* of \$61,182 (56.1 percent) to meet its ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, and for its separate governmental and business-type activities.

There was a decrease of \$3,680 in restricted net assets reported in connection with the County's governmental activities. Of this amount, \$3,549 was the result of a reduction in the amount of funds restricted for the Revenue Sharing Reserve Fund mandated by the State of Michigan. State law restricts the use of accelerated property tax collections.

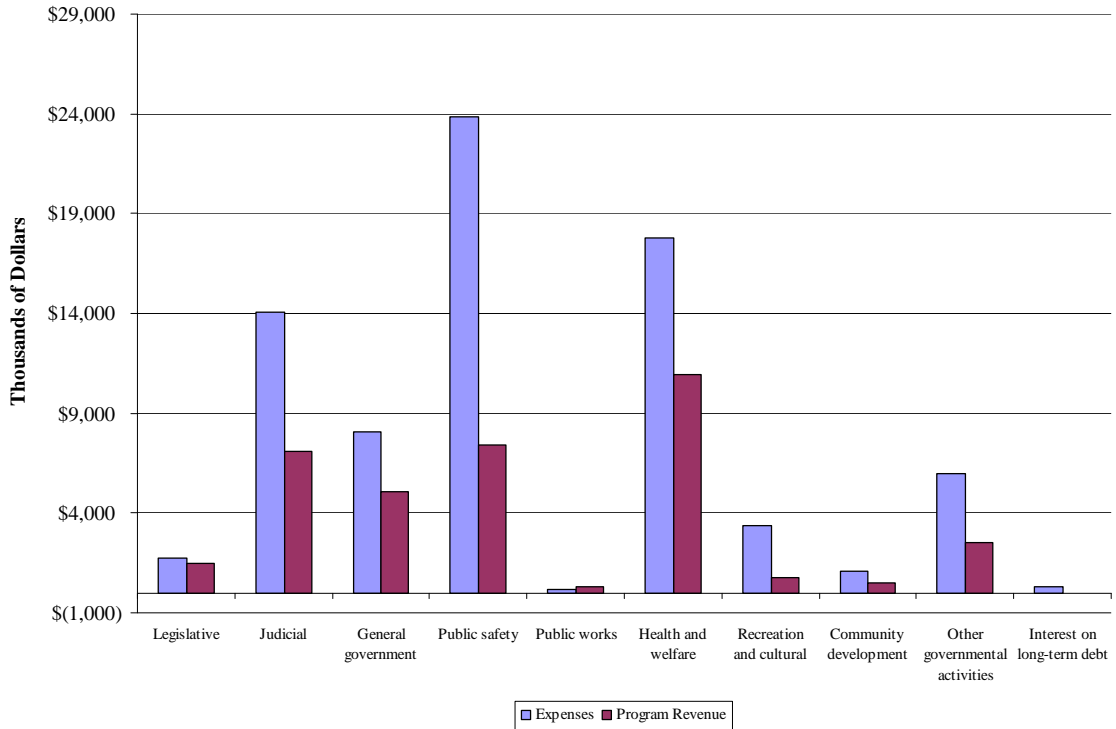
	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 12,948	\$ 12,414	\$ 3,271	\$ 2,914	\$ 16,219	\$ 15,328
Operating grants and contributions	23,147	21,487	248	272	23,395	21,759
Capital grants and contributions	-	-	1,065	-	1,065	-
General revenues:						
Property taxes	39,557	39,738	-	-	39,557	39,738
Grants and contributions not restricted to specific programs	573	569	-	-	573	569
Unrestricted investment earnings	145	1,377	-	-	145	1,377
<b>Total revenues</b>	<u>76,370</u>	<u>75,585</u>	<u>4,584</u>	<u>3,186</u>	<u>80,954</u>	<u>78,771</u>
<b>Expenses:</b>						
Legislative	1,720	1,738	-	-	1,720	1,738
Judicial	14,058	14,139	-	-	14,058	14,139
General government	8,044	7,481	-	-	8,044	7,481
Public safety	23,869	23,623	-	-	23,869	23,623
Public works	164	229	-	-	164	229
Health and welfare	17,777	16,319	-	-	17,777	16,319
Recreation and cultural	3,398	3,411	-	-	3,398	3,411
Community development	1,098	1,752	-	-	1,098	1,752
Other governmental activities	5,978	7,332	-	-	5,978	7,332
Interest on long-term debt	311	377	-	-	311	377
Delinquent tax collections/forfeitures	-	-	1,325	1,507	1,325	1,507
Public works projects	-	-	1,628	422	1,628	422
<b>Total expenses</b>	<u>76,417</u>	<u>76,401</u>	<u>2,953</u>	<u>1,929</u>	<u>79,370</u>	<u>78,330</u>
<b>Increase (decrease) in net assets before transfers</b>	(47)	(816)	1,631	1,257	1,584	441
Transfers	10	(802)	(10)	802	-	-
<b>Increase (decrease) in net assets</b>	(37)	(1,618)	1,621	2,059	1,584	441
<b>Net assets, beginning of year</b>	<u>71,687</u>	<u>73,305</u>	<u>35,818</u>	<u>33,759</u>	<u>107,505</u>	<u>107,064</u>
<b>Net assets, end of year</b>	<u>\$ 71,650</u>	<u>\$ 71,687</u>	<u>\$ 37,439</u>	<u>\$ 35,818</u>	<u>\$ 109,089</u>	<u>\$ 107,505</u>

The County's net assets increased by \$1,584 during the current fiscal year. This increase was driven by business-type activities. Increases in ongoing expenses were offset by ongoing revenues. The overall increase is primarily attributable to delinquent tax revolving activities.

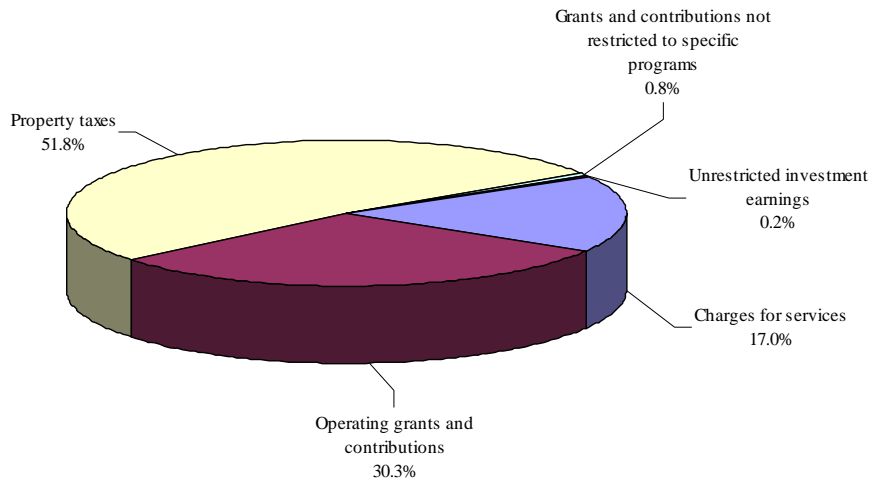
**Governmental activities.** Governmental activities decreased the County's net assets by \$37, accounting for a negative 2.3 percent of the total growth in the net assets of the County. Key elements of this decrease are as follows:

- Decreased investment earnings of \$1,232 driven by lower interest rates.
- Decreased property taxes of \$181 (0.5 percent) driven by a decline in taxable values and payments in lieu of taxes.
- Increased operating grants and contributions of \$1,660 (7.7 percent) primarily driven by the PSI Tower Grant of \$1,220.
- Increase in charges for services of \$534 (4.3 percent).
- Decrease in net transfers of \$812.

### Expenses and Program Revenues - Governmental Activities



### Revenues by Source - Governmental Activities

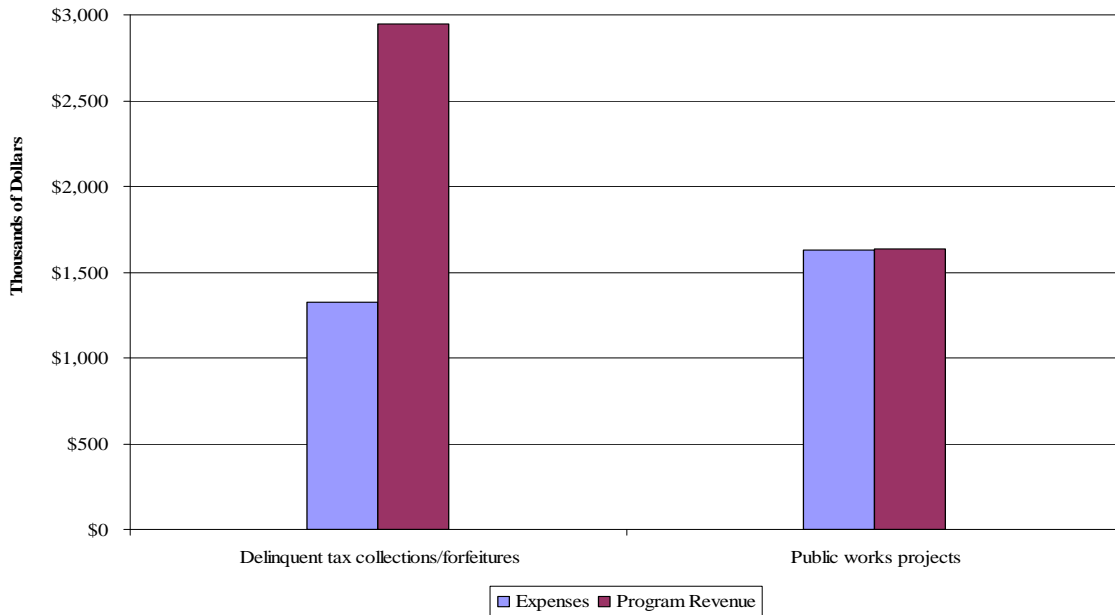


**Business-type activities.** Business-type activities increased the County’s net assets by \$1,621, accounting for 102.3 percent of the total growth in the government’s net assets. Key elements of this increase are as follows:

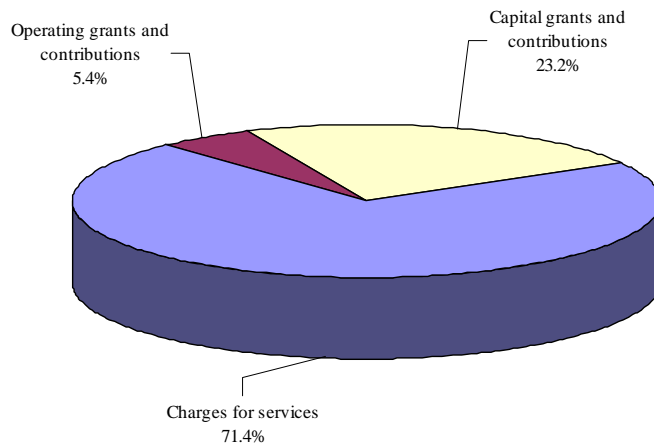
- Delinquent Tax Revolving Funds revenue, driven by penalty and interest revenue, continuing to outpace expenditures by \$1,592.

- New water system projects having no effect to net assets, however increasing current and other assets and long-term liabilities outstanding on comparative basis to the prior year; also increasing capital grants and public works projects expenses.

**Expenses and Program Revenues - Business-type Activities**



**Revenues by Source - Business-type Activities**



**Financial Analysis of the County’s Funds**

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$34,371, a decrease of \$3,812 in comparison with the prior year. Approximately two thirds of the total amount (\$22,942 or 66.7 percent) constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved or designated* to indicate that it is not available for new spending because it has already been committed 1) to subsequent years' expenditures (\$10,274), 2) advanced to other funds (\$1,005), 3) or not immediately available (\$150).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved, undesignated fund balance of the General Fund was \$14,243, while total fund balance reached \$14,897. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers out. Unreserved, undesignated fund balance represents 28.4 percent of total General Fund expenditures and transfers out, while total fund balance represents 29.7 percent of that same amount.

The fund balance of the County's General Fund increased by \$417 during the current fiscal year. Key factors in this growth are as follows:

- A decrease in payment in lieu of taxes of \$331. Decrease in transfers in of \$841 net of an increase in taxes of \$510. A change in accounting creating the classification differences.
- A net increase in all other revenue categories of \$206.
- An increase in expenditures of \$841 (2.1 percent) of which \$499 is employee costs for salaries and fringe benefits, and \$342 is non-personnel expenditures.
- A decrease in interfund transfers of \$305.

The Capital Reserve Fund has a total fund balance of \$1,059, most of which is designated for subsequent years' expenditures.

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

Unrestricted net assets of the Delinquent Tax Revolving Funds at the end of the year amounted to \$36,697. A growth in net assets of \$1,592 was driven by penalty and interest revenue continuing to outpace expenditures.

Internal Service Funds net assets at the end of the year amounted to \$9,165, decreasing by \$943 from the prior year. Factors in this decrease were lower interest income in the Property/Liability Insurance Fund and expenses outpacing revenues in the Health Care Fund.

### **General Fund Budgetary Highlights**

The General Fund budgeted for a decrease in fund balance of \$520 and the actual increase in fund balance was \$417. Significant changes in budgetary variances are as follows:

- Tax revenues had a favorable budgetary variance of \$330, the majority of which is greater than anticipated payment in lieu of taxes of \$277.
- Charges for services had a favorable budgetary variance \$415. The favorable variance is primarily made up of \$130 in real estate transfer fees, \$201 circuit and district court costs, and \$69 board and care of prisoners for outside agencies.
- Lower than budgeted interest revenue of \$304 created by poorer than anticipated interest rates.
- Other revenue and reimbursements favorable to budget of \$139.
- All other revenue categories net favorable \$68.
- Expenditures had an overall favorable budgetary variance of \$978. All departments contributed to a favorable variance compared to the original budget of \$3,231 with the exception of public safety which was slightly over the original budget.

The General Fund originally budgeted appropriations to other funds (transfers out) of \$6,077. Actual appropriations were \$8,415, an increase of \$2,338. These additional appropriations were financed from savings in other budgeted expenditures along with better than anticipated incoming revenue and transfers allowing for an additional year end appropriation of \$2,200.

### **Capital Asset and Debt Administration**

**Capital assets.** The County's capital assets for its governmental and business-type activities as of December 31, 2010 amounted to \$33,085 (net of accumulated depreciation). This investment in capital assets includes land, buildings, land improvements, machinery and equipment, and motor vehicles. The total increase in the County's investment in capital assets for the current fiscal year was 6.7 percent (a 6.8 percent increase for governmental activities and a 12.6 percent decrease for business-type activities).



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

- Acquisition of land for a future centralized campus at a cost of \$757.
- Completion of construction of a radio tower at the County Jail at a cost of \$1,520.
- Acquisition of new busses for Berrien Bus at a cost of \$523.
- Installation of solar power equipment and educational exhibit at Love Creek Park at a cost of \$80.
- Replacement of a portion of the sheriff department vehicles at a cost of \$119.
- Remodeling and improvements to the County Jail at a cost of \$152.
- Remodeling at other facilities, equipment and vehicle purchases at a cost of \$694.

### County of Berrien's Capital Assets

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 5,572	\$ 4,815	\$ -	\$ -	\$ 5,572	\$ 4,815
Land Improvements	1,444	1,444	-	-	1,444	1,444
Buildings	37,058	35,197	-	-	37,058	35,197
Equipment and Vehicles	10,114	10,195	833	748	10,947	10,943
<b>Total Capital Assets</b>	<b>54,188</b>	<b>51,651</b>	<b>833</b>	<b>748</b>	<b>55,021</b>	<b>52,399</b>
Less Accumulated Depreciation	(21,318)	(20,880)	(618)	(502)	(21,936)	(21,382)
<b>Net Capital Assets</b>	<b>\$ 32,870</b>	<b>\$ 30,771</b>	<b>\$ 215</b>	<b>\$ 246</b>	<b>\$ 33,085</b>	<b>\$ 31,017</b>

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

Additional information on the County's capital assets can be found in Note C on pages 52-54 of this report.

**Long-Term Debt.** At the end of the current fiscal year, the County had total debt outstanding of \$44,303 excluding compensated absences. Of this amount, \$35,257 comprises debt backed by the full faith and credit of the government and general obligation limited tax notes of \$9,134.

### County of Berrien's Outstanding Debt

#### Bonds and Notes

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds	\$ 6,875	\$ 7,850	\$ 28,382	\$ 5,550	\$ 35,257	\$ 13,400
Unamortized Bond Discounts	-	-	(107)	-	(107)	-
DPW Notes	-	-	-	-	-	-
Delinquent Tax Notes	-	-	9,134	7,852	9,134	7,852
Capital Leases	-	-	-	-	-	-
Notes Payable	19	25	-	-	19	25
<b>Total</b>	<b>\$ 6,894</b>	<b>\$ 7,875</b>	<b>\$ 37,409</b>	<b>\$ 13,402</b>	<b>\$ 44,303</b>	<b>\$ 21,277</b>

The County's total installment debt increased by \$23,026 (108.2 percent) during the current fiscal year. The key factor in this increase was the issuance of \$23,258 in limited tax general obligation bonds for water system projects.

The County maintains an "AA" rating from Standard & Poors for its general obligation debt. The Standard & Poors rating reflects the County's recent history of strong financial reserves and maintenance of a low overall debt burden. The County's Delinquent General Obligation Limited Tax Notes are not rated.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total state equalized valuation. The current debt limitation for the County is \$912,584 which is significantly higher than the County's outstanding general obligation debt.

In May 2011, the County issued \$13,700 of general obligation limited tax notes to finance the Delinquent Tax Revolving Fund as part of its normal operating process.

Additional information on the County long-term debt can be found in Note F on pages 56-62.

### **Economic Factors and Next Year's Budget and Rates**

- The average annual unemployment rate for the County for 2010 was 12.3 percent, which is flat from a year ago. This is slightly above the State's average annual unemployment rate of 12.5 percent and significantly above the national average of 9.6 percent for 2010. The average unemployment rate for the County for 2011 through April is 10.9 percent.
- Inflationary trends in the region compare closely to national indices. Consumer Price Index annual percentage increases run slightly higher than the national average, however overall averages are slightly lower.
- Economic developments of the last couple of years have resulted in a decline in taxable values of 1.6% from 2009 to 2011. The 2011 budget assumes taxable values hold virtually at the 2010 level with a small decline of 0.07 percent.
- Interest rates have declined over the past few years. The 2011 budget assumes the continuation of these poor rates.
- Each year, the State of Michigan provides guidance on the amount of Revenue Sharing Reserve Fund balance the County is able to use during the year. The 2011 budget reflects this guidance.
- Defined benefit plan maintenance costs are predicted to continue to impact the fiscal operations of the County. The 2011 employer contribution percentages as determined by actuarial recommendations are down from the 2010 budget, but are expected to rise from the 2011 level in 2012.
- Property and liability insurance is self-funded with the Michigan Municipal Risk Management Authority. Premiums have increased due to many factors, including poor investment earnings in the re-insurance market. The County expects an increase in costs of 5% in the 2011 fiscal year from the 2010 budgeted level.

- Health insurance coverage for the County is self-funded. The County, as other governmental entities and the private sector, has experienced increasing costs. The County anticipates healthcare cost claims to rise by 8.0 percent in 2011 from the 2010 budgeted level.

The County considered these factors in preparing the County's budget for the 2011 fiscal year.

During the current fiscal year, unreserved, undesignated fund balance in the General Fund increased to \$14,243. The County has committed to maintaining a sufficient General Fund balance to provide fiscal flexibility and to meet unforeseen emergencies. The County has adopted a balanced budget for 2011 without the need to appropriate any of this amount for spending. It is intended that this approach will avoid the need to raise taxes or charges during the 2011 fiscal year.

### **Requests for Information**

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

# BASIC FINANCIAL STATEMENTS

# GOVERNMENT-WIDE FINANCIAL STATEMENTS

**COUNTY OF BERRIEN, MICHIGAN**  
**Statement of Net Assets**  
**December 31, 2010**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Assets</b>				
Cash and investments	\$ 51,757,330	\$ 47,154,768	\$ 98,912,098	\$ 24,140,881
Restricted cash	458,902	-	458,902	925,233
Receivables, net	13,194,836	22,219,088	35,413,924	21,937,495
Internal balances	(7,300,089)	7,300,089	-	-
Prepaid items and other assets	2,840,798	36,905	2,877,703	2,006,279
Capital assets not being depreciated	5,571,676	-	5,571,676	16,644,893
Capital assets being depreciated, net	27,297,835	215,805	27,513,640	77,411,957
<b>Total assets</b>	<b>93,821,288</b>	<b>76,926,655</b>	<b>170,747,943</b>	<b>143,066,738</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	7,050,966	2,078,641	9,129,607	12,990,871
Unearned revenue	6,127,650	-	6,127,650	258,205
Long-term liabilities:				
Due within one year	3,104,879	9,644,753	12,749,632	3,229,706
Due in more than one year	5,887,887	27,764,376	33,652,263	15,712,000
Net other postemployment benefit obligation	-	-	-	330,846
<b>Total liabilities</b>	<b>22,171,382</b>	<b>39,487,770</b>	<b>61,659,152</b>	<b>32,521,628</b>
<b>Net assets</b>				
Invested in capital assets, net of related debt	26,016,256	215,805	26,232,061	82,161,245
Restricted for:				
Capital projects	874,441	-	874,441	-
Public safety	3,682,917	-	3,682,917	-
Culture and recreation	434,234	-	434,234	-
Health and welfare	1,742,771	-	1,742,771	-
Community development	582,701	-	582,701	-
Judicial	704,102	-	704,102	-
State mandated programs and other purposes	13,653,739	-	13,653,739	496,728
Unrestricted	23,958,745	37,223,080	61,181,825	27,887,137
<b>Total net assets</b>	<b>\$ 71,649,906</b>	<b>\$ 37,438,885</b>	<b>\$ 109,088,791</b>	<b>\$ 110,545,110</b>

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

**COUNTY OF BERRIEN, MICHIGAN**  
**Statement of Activities**  
**For the Year Ended December 31, 2010**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenue</b>			<b>Net (Expense) Revenue</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
<b>Primary government</b>					
Governmental activities:					
Legislative	\$ 1,720,027	\$ 6,883	\$ 1,481,849	\$ -	\$ (231,295)
Judicial	14,057,727	4,551,190	2,503,948	-	(7,002,589)
General government	8,044,352	2,488,220	2,599,717	-	(2,956,415)
Public safety	23,868,601	2,990,482	4,454,534	-	(16,423,585)
Public works	164,263	40,335	269,980	-	146,052
Health and welfare	17,777,209	758,599	10,155,723	-	(6,862,887)
Recreation and cultural	3,398,424	480,872	271,406	-	(2,646,146)
Community development	1,097,575	280,835	231,261	-	(585,479)
Other governmental activities	5,977,668	1,350,375	1,178,497	-	(3,448,796)
Interest on long-term debt	311,351	-	-	-	(311,351)
Total governmental activities	<u>76,417,197</u>	<u>12,947,791</u>	<u>23,146,915</u>	<u>-</u>	<u>(40,322,491)</u>
Business-type activities:					
Delinquent tax collections/forfeitures	1,325,297	2,697,601	247,552	-	1,619,856
Public works projects	1,627,798	573,831	-	1,065,000	11,033
Total business-type activities	<u>2,953,095</u>	<u>3,271,432</u>	<u>247,552</u>	<u>1,065,000</u>	<u>1,630,889</u>
Total primary government	<u>\$ 79,370,292</u>	<u>\$ 16,219,223</u>	<u>\$ 23,394,467</u>	<u>\$ 1,065,000</u>	<u>\$ (38,691,602)</u>
<b>Component units</b>					
County roads	\$ 16,018,433	\$ -	\$ 17,915,936	\$ -	\$ 1,897,503
County drains	661,027	-	2,664,141	9,673,361	11,676,475
Brownfield redevelopment	453,446	6,000	456,963	-	9,517
Economic development	124,977	36,533	-	-	(88,444)
Land bank	383,568	127	25,842	373,063	15,464
Community mental health	28,516,807	24,550,792	4,984,956	-	1,018,941
Total component units	<u>\$ 46,158,258</u>	<u>\$ 24,593,452</u>	<u>\$ 26,047,838</u>	<u>\$ 10,046,424</u>	<u>\$ 14,529,456</u>

continued...

**COUNTY OF BERRIEN, MICHIGAN**  
**Statement of Activities (Concluded)**  
**For the Year Ended December 31, 2010**

<u>Functions/Programs</u>	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
<b>Changes in net assets</b>				
Net (expense) revenue	\$ (40,322,491)	\$ 1,630,889	\$ (38,691,602)	\$ 14,529,456
General revenue:				
Property taxes	39,556,752	-	39,556,752	147,273
Grants and contributions not restricted to specific programs	573,243	-	573,243	-
Unrestricted investment earnings	145,294	-	145,294	-
Transfers - internal activities	10,000	(10,000)	-	-
 Total general revenue and transfers	<u>40,285,289</u>	<u>(10,000)</u>	<u>40,275,289</u>	<u>147,273</u>
 Change in net assets	(37,202)	1,620,889	1,583,687	14,676,729
 Net assets, beginning of year	<u>71,687,108</u>	<u>35,817,996</u>	<u>107,505,104</u>	<u>95,868,381</u>
 <b>Net assets, end of year</b>	<u><u>\$ 71,649,906</u></u>	<u><u>\$ 37,438,885</u></u>	<u><u>\$ 109,088,791</u></u>	<u><u>\$ 110,545,110</u></u>

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



## FUND FINANCIAL STATEMENTS

**COUNTY OF BERRIEN, MICHIGAN**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2010**

	<u>General 101.00</u>	<u>Capital Reserve 403.00</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 14,053,516	\$ 6,473,117	\$ 18,203,141	\$ 38,729,774
Receivables:				
Taxes receivable - current	1,910,364	-	5,472,084	7,382,448
Taxes receivable - delinquent	65,506	-	18,291	83,797
Due from other governments	273,605	-	3,176,266	3,449,871
Due from other funds	39,407	-	296,760	336,167
Interfund receivable	494,187	-	-	494,187
Advances to other funds	6,114,500	-	357,000	6,471,500
Advances to component units	1,845,000	-	3,111	1,848,111
Notes receivable	-	-	430,609	430,609
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 24,796,085</u></b>	<b><u>\$ 6,473,117</u></b>	<b><u>\$ 27,957,262</u></b>	<b><u>\$ 59,226,464</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 285,657	\$ -	\$ 778,223	\$ 1,063,880
Accrued and other liabilities	806,067	-	481,774	1,287,841
Due to other funds	14,130	-	307,626	321,756
Due to other governments	-	-	192,308	192,308
Interfund payable	-	-	494,187	494,187
Advances from other governments	-	-	90,000	90,000
Advances from other funds	7,314,500	5,414,500	1,057,000	13,786,000
Undistributed receipts	-	-	343	343
Deferred revenue	1,479,187	-	6,139,746	7,618,933
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>9,899,541</u>	<u>5,414,500</u>	<u>9,541,207</u>	<u>24,855,248</u>
<b>Fund balance</b>				
Reserved for:				
Long-term receivables	-	-	150,000	150,000
Advances to other funds and component units	645,000	-	360,111	1,005,111
Unreserved:				
Designated for subsequent years' expenditures, reported in major funds	8,695	809,839	-	818,534
Designated for subsequent years' expenditures, reported in nonmajor special revenue funds	-	-	9,231,770	9,231,770
Designated for subsequent years' expenditures, reported in nonmajor capital projects funds	-	-	223,903	223,903
Undesignated	14,242,849	248,778	-	14,491,627
Undesignated, reported in nonmajor:				
Special revenue funds	-	-	7,758,623	7,758,623
Debt service funds	-	-	260	260
Capital projects funds	-	-	691,388	691,388
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>14,896,544</u>	<u>1,058,617</u>	<u>18,416,055</u>	<u>34,371,216</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	<b><u>\$ 24,796,085</u></b>	<b><u>\$ 6,473,117</u></b>	<b><u>\$ 27,957,262</u></b>	<b><u>\$ 59,226,464</u></b>

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, 2010**

Fund balances - total governmental funds	\$ 34,371,216
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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	5,571,676
Add - capital assets being depreciated, net	27,297,835

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	1,491,283
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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	2,840,798
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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	9,165,036
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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	(6,894,105)
Subtract - compensated absences	(2,098,661)
Subtract - accrued interest on long-term liabilities	(95,172)

Net assets of governmental activities	<u><u>\$ 71,649,906</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, 2010**

	<b>General 101.00</b>	<b>Capital Reserve 403.00</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Revenue</b>				
Taxes	\$ 33,530,396	\$ -	\$ 6,265,045	\$ 39,795,441
Licenses and permits	216,998	-	263,334	480,332
Intergovernmental revenue	3,003,067	-	15,609,068	18,612,135
Charges for services	7,372,671	-	5,673,031	13,045,702
Fines and forfeitures	720,645	-	-	720,645
Interest revenue	105,059	45,128	29,031	179,218
Other revenue and reimbursements	1,723,040	-	3,329,024	5,052,064
<b>Total revenue</b>	<b>46,671,876</b>	<b>45,128</b>	<b>31,168,533</b>	<b>77,885,537</b>
<b>Expenditures</b>				
Current expenditures:				
Legislative	1,701,521	-	-	1,701,521
Judicial	9,855,174	-	3,677,573	13,532,747
General government	8,474,120	-	162,067	8,636,187
Public safety	15,215,286	-	10,016,546	25,231,832
Public works	149,890	-	286,557	436,447
Health and welfare	768,939	-	16,443,173	17,212,112
Recreation and cultural	372,881	-	3,039,045	3,411,926
Community development	906,963	-	419,342	1,326,305
Other governmental activities	4,341,193	-	4,571,616	8,912,809
Debt service:				
Principal	-	-	981,040	981,040
Interest and fiscal charges	-	-	324,642	324,642
<b>Total expenditures</b>	<b>41,785,967</b>	<b>-</b>	<b>39,921,601</b>	<b>81,707,568</b>
<b>Revenue over (under) expenditures</b>	<b>4,885,909</b>	<b>45,128</b>	<b>(8,753,068)</b>	<b>(3,822,031)</b>
<b>Other financing sources (uses)</b>				
Transfers in	3,945,994	-	10,999,411	14,945,405
Transfers out	(8,414,854)	-	(6,520,551)	(14,935,405)
<b>Total other financing sources (uses)</b>	<b>(4,468,860)</b>	<b>-</b>	<b>4,478,860</b>	<b>10,000</b>
<b>Net changes in fund balances</b>	<b>417,049</b>	<b>45,128</b>	<b>(4,274,208)</b>	<b>(3,812,031)</b>
Fund balance, beginning of year	14,479,495	1,013,489	22,690,263	38,183,247
<b>Fund balance, end of year</b>	<b>\$ 14,896,544</b>	<b>\$ 1,058,617</b>	<b>\$ 18,416,055</b>	<b>\$ 34,371,216</b>

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, 2010**

Net change in fund balances - total governmental funds \$ (3,812,031)

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	4,437,523
Subtract - depreciation expense	(2,028,252)
Subtract - loss on disposal of capital assets	(310,388)

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	(238,689)
--	-----------

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.

Add - excess contributions over net OPEB cost	1,833,989
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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.

Add - principal payments on long-term liabilities	981,040
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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	13,291
Add - change in the accrual of compensated absences	29,172

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	22,035
Subtract - operating income from governmental activities accounted for in internal service fund	(964,892)

Change in net assets of governmental activities	\$ (37,202)
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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, 2010**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>Revenue</b>				
Taxes	\$ 33,200,100	\$ 33,200,100	\$ 33,530,396	\$ 330,296
Licenses and permits	194,625	194,625	216,998	22,373
Intergovernmental revenues	3,046,645	3,046,645	3,003,067	(43,578)
Charges for services	6,957,300	6,957,300	7,372,671	415,371
Fines and forfeitures	631,000	631,000	720,645	89,645
Interest revenue	409,000	409,000	105,059	(303,941)
Other revenue and reimbursements	1,584,172	1,584,172	1,723,040	138,868
	<u>46,022,842</u>	<u>46,022,842</u>	<u>46,671,876</u>	<u>649,034</u>
Total revenue				
<b>Expenditures</b>				
Legislative:				
Board of Commissioners	621,179	629,918	540,957	(88,961)
Appropriations to outside agencies	947,098	931,555	931,555	-
County Administrator	231,439	229,016	229,009	(7)
	<u>1,799,716</u>	<u>1,790,489</u>	<u>1,701,521</u>	<u>(88,968)</u>
Total legislative				
Judicial:				
Circuit court	890,270	813,613	813,605	(8)
District court	2,953,294	2,860,579	2,860,336	(243)
Probate court	296,863	229,997	229,992	(5)
Jury board	38,582	33,518	33,516	(2)
Family Court Intake	664,779	651,078	651,070	(8)
Tri-court cashiering unit	763,297	772,948	768,051	(4,897)
Trial court	2,464,033	2,404,614	2,354,601	(50,013)
District court probation	651,914	594,835	594,827	(8)
Adult probation	28,826	10,528	10,282	(246)
Juvenile probation	890,377	764,221	764,211	(10)
Probate court administration	868,127	774,695	774,683	(12)
	<u>10,510,362</u>	<u>9,910,626</u>	<u>9,855,174</u>	<u>(55,452)</u>
Total judicial				

continued...

**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, 2010**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>Expenditures (continued)</b>				
General government:				
Elections	\$ 176,972	\$ 165,829	\$ 165,818	\$ (11)
Clerk	1,109,390	1,075,505	1,075,498	(7)
Equalization	604,129	585,100	584,884	(216)
Personnel	338,439	333,615	333,611	(4)
Purchasing	69,535	69,554	69,552	(2)
Corporate counsel	89,883	82,415	82,210	(205)
Prosecutor	2,809,412	2,567,583	2,566,514	(1,069)
Register of deeds	295,620	291,505	291,500	(5)
Treasurer	409,603	405,537	405,531	(6)
Courthouse and grounds	1,265,170	1,212,212	1,209,301	(2,911)
Building authority	860	328	327	(1)
South county building	354,505	312,280	311,792	(488)
Other county property	157,550	121,737	121,729	(8)
Administration center	277,750	221,276	220,748	(528)
2100 complex	242,802	203,182	203,166	(16)
Training facility	20,900	7,519	7,515	(4)
Drain commissioner	315,146	303,667	303,660	(7)
Building security	122,800	121,943	121,943	-
Financial services	420,516	398,829	398,821	(8)
	<u>9,080,982</u>	<u>8,479,616</u>	<u>8,474,120</u>	<u>(5,496)</u>
Total general government				
Public safety:				
Sheriff's office and road patrol	4,597,079	4,576,704	4,570,988	(5,716)
Jail inmate rehabilitation	-	10,002	8,276	(1,726)
Sheriff's department radios	92,137	85,114	85,114	-
Sheriff's department marine safety	267,655	267,655	266,352	(1,303)
Jail division	8,378,052	8,581,442	8,545,843	(35,599)
Jail maintenance	999,937	954,605	951,362	(3,243)
Emergency management	303,784	303,784	298,105	(5,679)
Animal shelter	493,050	491,663	489,246	(2,417)
	<u>15,131,694</u>	<u>15,270,969</u>	<u>15,215,286</u>	<u>(55,683)</u>
Total public safety				
Public works - St. Joseph River	<u>114,797</u>	<u>149,890</u>	<u>149,890</u>	<u>-</u>

continued...

**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, 2010**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>Expenditures (concluded)</b>				
Health and welfare:				
Contagious disease	\$ 35,500	\$ 23,577	\$ 23,575	\$ (2)
Medical examiner	110,500	124,852	123,937	(915)
Veterans services	116,969	109,730	109,727	(3)
Veterans burial	12,000	11,700	11,700	-
Mental health	500,000	500,000	500,000	-
	<u>774,969</u>	<u>769,859</u>	<u>768,939</u>	<u>(920)</u>
Recreation and cultural:				
Cooperative extension service	284,591	270,913	270,903	(10)
Historical association	101,978	101,978	101,978	-
	<u>386,569</u>	<u>372,891</u>	<u>372,881</u>	<u>(10)</u>
Community development:				
Economic development	2,047,021	1,277,616	526,476	(751,140)
Surveyor	100	-	-	-
Plat board	2,459	2,086	2,086	-
Survey and remonumentation	60,512	69,426	64,475	(4,951)
GIS/mapping	389,943	314,366	313,926	(440)
	<u>2,500,035</u>	<u>1,663,494</u>	<u>906,963</u>	<u>(756,531)</u>
Other expenditures:				
Information systems	2,149,030	2,002,195	2,001,872	(323)
Automation upgrade	56,000	58,522	44,319	(14,203)
Central supply	96,000	91,690	91,689	(1)
Livestock claims	250	-	-	-
Mailing services	385,867	362,336	362,332	(4)
Motor pool	324,100	314,834	314,825	(9)
Telephone switchboard-central	270,188	169,485	168,908	(577)
Printing and microfilming	503,312	476,056	476,044	(12)
Copy center	37,637	30,289	30,289	-
Insurance and surety bonds	895,798	850,915	850,915	-
	<u>4,718,182</u>	<u>4,356,322</u>	<u>4,341,193</u>	<u>(15,129)</u>
Total other expenditures	<u>4,718,182</u>	<u>4,356,322</u>	<u>4,341,193</u>	<u>(15,129)</u>
Total expenditures	<u>45,017,306</u>	<u>42,764,156</u>	<u>41,785,967</u>	<u>(978,189)</u>
Revenue over expenditures	<u>1,005,536</u>	<u>3,258,686</u>	<u>4,885,909</u>	<u>1,627,223</u>

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, 2010**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>Other financing sources (uses)</b>				
Transfers in	\$ 4,551,363	\$ 4,551,363	\$ 3,945,994	\$ (605,369)
Transfers out	<u>(6,076,899)</u>	<u>(8,330,049)</u>	<u>(8,414,854)</u>	<u>84,805</u>
Total other financing uses	<u>(1,525,536)</u>	<u>(3,778,686)</u>	<u>(4,468,860)</u>	<u>(690,174)</u>
Net change in fund balances	(520,000)	(520,000)	417,049	937,049
Fund balance, beginning of year	<u>14,479,495</u>	<u>14,479,495</u>	<u>14,479,495</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 13,959,495</u></u>	<u><u>\$ 13,959,495</u></u>	<u><u>\$ 14,896,544</u></u>	<u><u>\$ 937,049</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, 2010**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Benton Township Water System No. 27 851.88</b>			<b>Total</b>	<b>Internal Service Funds</b>
	<b>Delinquent Tax Revolving</b>	<b>Other Enterprise Funds</b>	<b>Other Enterprise Funds</b>		
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 30,744,134	\$ 12,884,469	\$ 3,526,165	\$ 47,154,768	\$ 13,027,556
Receivables:					
Taxes receivable - delinquent	7,866,778	-	-	7,866,778	-
Interest	1,139,449	-	-	1,139,449	-
Current portion of leases receivable	-	-	511,000	511,000	-
Due from other governments	-	-	280,606	280,606	-
Advance to other funds	7,314,500	-	-	7,314,500	-
Inventories	-	-	36,905	36,905	-
Total current assets	<u>47,064,861</u>	<u>12,884,469</u>	<u>4,354,676</u>	<u>64,304,006</u>	<u>13,027,556</u>
Noncurrent assets:					
Restricted cash	-	-	-	-	458,902
Leases receivable, net of current portion	-	6,552,856	5,868,399	12,421,255	-
Capital assets being depreciated, net	-	-	215,805	215,805	-
Total noncurrent assets	<u>-</u>	<u>6,552,856</u>	<u>6,084,204</u>	<u>12,637,060</u>	<u>458,902</u>
Total assets	<u>47,064,861</u>	<u>19,437,325</u>	<u>10,438,880</u>	<u>76,941,066</u>	<u>13,486,458</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	11,154	-	855,536	866,690	-
Accrued and other liabilities	-	-	3,460	3,460	4,321,422
Due to other funds	14,276	-	135	14,411	-
Due to other governments	1,208,491	-	-	1,208,491	-
Current portion of long-term debt	9,133,753	-	511,000	9,644,753	-
Total current liabilities	<u>10,367,674</u>	<u>-</u>	<u>1,370,131</u>	<u>11,737,805</u>	<u>4,321,422</u>
Long-term liabilities -					
Due in more than one year	-	19,437,325	8,327,051	27,764,376	-
Total liabilities	<u>10,367,674</u>	<u>19,437,325</u>	<u>9,697,182</u>	<u>39,502,181</u>	<u>4,321,422</u>
<b>Net assets</b>					
Invested in capital assets, net of related debt	-	-	215,805	215,805	-
Restricted for self-insurance claims	-	-	-	-	458,902
Unrestricted, undesignated	36,697,187	-	525,893	37,223,080	8,706,134
Total net assets	<u>\$ 36,697,187</u>	<u>\$ -</u>	<u>\$ 741,698</u>	<u>\$ 37,438,885</u>	<u>\$ 9,165,036</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, 2010**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Benton</b>			<b>Total</b>	<b>Activities</b>
	<b>Delinquent</b>	<b>Water</b>	<b>Other</b>		<b>Internal</b>
	<b>Tax Revolving</b>	<b>System No. 27</b>	<b>Enterprise</b>		<b>Service Funds</b>
		<b>851.88</b>	<b>Funds</b>		
<b>Operating revenue</b>					
Charges for services	\$ 506,050	\$ 220,754	\$ 1,149,712	\$ 1,876,516	\$ 12,886,206
Interest on taxes	1,394,916	-	-	1,394,916	-
Total operating revenue	<u>1,900,966</u>	<u>220,754</u>	<u>1,149,712</u>	<u>3,271,432</u>	<u>12,886,206</u>
<b>Operating expenses</b>					
Operation and maintenance	545,267	-	808,810	1,354,077	3,395,853
Public works projects	-	-	1,065,000	1,065,000	-
Benefits and claims	-	-	-	-	10,455,245
Depreciation	-	-	61,112	61,112	-
Total operating expenses	<u>545,267</u>	<u>-</u>	<u>1,934,922</u>	<u>2,480,189</u>	<u>13,851,098</u>
Operating income (loss)	<u>1,355,699</u>	<u>220,754</u>	<u>(785,210)</u>	<u>791,243</u>	<u>(964,892)</u>
<b>Nonoperating revenue (expenses)</b>					
Interest income	247,332	-	220	247,552	22,035
Interest and fiscal charges	-	(220,754)	(252,152)	(472,906)	-
Total nonoperating revenue (expenses)	<u>247,332</u>	<u>(220,754)</u>	<u>(251,932)</u>	<u>(225,354)</u>	<u>22,035</u>
Income (loss) before transfers and contributions	1,603,031	-	(1,037,142)	565,889	(942,857)
Transfers in	-	-	86,750	86,750	-
Transfers out	(10,750)	-	(86,000)	(96,750)	-
Capital contributions	-	-	1,065,000	1,065,000	-
Change in net assets	1,592,281	-	28,608	1,620,889	(942,857)
Net assets, beginning of year	<u>35,104,906</u>	<u>-</u>	<u>713,090</u>	<u>35,817,996</u>	<u>10,107,893</u>
<b>Net assets, end of year</b>	<u>\$ 36,697,187</u>	<u>\$ -</u>	<u>\$ 741,698</u>	<u>\$ 37,438,885</u>	<u>\$ 9,165,036</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, 2010**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Benton Township Water System No. 27</b>			<b>Total</b>	<b>Internal Service Funds</b>
	<b>Delinquent Tax Revolving</b>	<b>851.88</b>	<b>Other Enterprise Funds</b>		
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 11,891,216	\$ 220,754	\$ 1,149,712	\$ 13,261,682	\$ -
Cash received from interfund services provided	-	-	-	-	12,886,206
Cash payments to suppliers for goods and services	(361,840)	-	(1,355,823)	(1,717,663)	(13,575,836)
Cash payments for delinquent tax rolls	(10,257,188)	-	-	(10,257,188)	-
Cash payments to employees for services	-	-	(102,581)	(102,581)	-
Net cash provided by (used in) operating activities	<u>1,272,188</u>	<u>220,754</u>	<u>(308,692)</u>	<u>1,184,250</u>	<u>(689,630)</u>
<b>Cash flows from noncapital financing activities</b>					
Principal payments	(12,442,759)	-	-	(12,442,759)	-
Proceeds from issuance of long-term debt	13,725,000	19,437,325	3,713,051	36,875,376	-
Transfers in	-	-	86,750	86,750	-
Transfers out	(10,750)	-	(86,000)	(96,750)	-
Net cash provided by noncapital financing activities	<u>1,271,491</u>	<u>19,437,325</u>	<u>3,713,801</u>	<u>24,422,617</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>					
Principal payments	-	-	(425,000)	(425,000)	-
Interest payments	-	(220,754)	(252,152)	(472,906)	-
Capital grants received	-	-	1,065,000	1,065,000	-
Purchase of capital assets	-	-	(30,350)	(30,350)	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(220,754)</u>	<u>357,498</u>	<u>136,744</u>	<u>-</u>
<b>Cash flows from investing activities</b>					
Interest received	247,332	-	220	247,552	22,035
Amounts collected on leases receivable	-	-	424,968	424,968	-
Purchase of leased assets	-	(6,552,856)	(1,145,945)	(7,698,801)	-
Net cash provided by (used in) investing activities	<u>247,332</u>	<u>(6,552,856)</u>	<u>(720,757)</u>	<u>(7,026,281)</u>	<u>22,035</u>
Net increase (decrease) in cash and cash equivalents	2,791,011	12,884,469	3,041,850	18,717,330	(667,595)
Cash and cash equivalents, beginning of year	27,953,123	-	484,315	28,437,438	14,154,053
<b>Cash and cash equivalents, end of year</b>	<u>\$ 30,744,134</u>	<u>\$ 12,884,469</u>	<u>\$ 3,526,165</u>	<u>\$ 47,154,768</u>	<u>\$ 13,486,458</u>
<b>Statement of net assets classification of cash and cash equivalents</b>					
Cash and cash equivalents	\$ 30,744,134	\$ 12,884,469	\$ 3,526,165	\$ 47,154,768	\$ 13,027,556
Restricted cash	-	-	-	-	458,902
	<u>\$ 30,744,134</u>	<u>\$ 12,884,469</u>	<u>\$ 3,526,165</u>	<u>\$ 47,154,768</u>	<u>\$ 13,486,458</u>

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**COUNTY OF BERRIEN, MICHIGAN**  
**Statement of Cash Flows**  
**Proprietary Funds (Concluded)**  
**For the Year Ended December 31, 2010**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities</u>
	<u>Delinquent Tax Revolving</u>	<u>Benton Township Water System No. 27 851.88</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 1,355,699	\$ 220,754	\$ (785,210)	\$ 791,243	\$ (964,892)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	-	-	61,112	61,112	-
Changes in assets and liabilities:					
Taxes receivable	(828,541)	-	-	(828,541)	-
Interest receivable	(93,400)	-	-	(93,400)	-
Due from other governments	-	-	(280,606)	(280,606)	-
Interfund	655,003	-	-	655,003	-
Advance to other funds	300,000	-	-	300,000	-
Inventories	-	-	(4,672)	(4,672)	-
Accounts payable	4,743	-	700,872	705,615	-
Accrued and other liabilities	-	-	(323)	(323)	275,262
Due to other funds	14,276	-	135	14,411	-
Due to other governments	(135,592)	-	-	(135,592)	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 1,272,188</u>	<u>\$ 220,754</u>	<u>\$ (308,692)</u>	<u>\$ 1,184,250</u>	<u>\$ (689,630)</u>

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

**COUNTY OF BERRIEN, MICHIGAN**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**December 31, 2010**

	<b>Pension/Other Postemployment Benefit Trust Funds</b>			<b>Agency Funds</b>
	<b>Pension</b>	<b>Retiree Healthcare</b>	<b>Total</b>	
	<b>Pension</b>	<b>Healthcare</b>	<b>Total</b>	
<b>Assets</b>				
Cash and cash equivalents	\$ 6,876,857	\$ 1,149,771	\$ 8,026,628	\$ 2,942,040
Investments:				
U.S. government obligations	4,753,687	794,788	5,548,475	-
U.S. government agencies	4,768,573	797,278	5,565,851	-
Municipal obligations	601,715	100,603	702,318	-
Corporate obligations	7,287,774	1,218,474	8,506,248	-
International obligations	616,188	103,023	719,211	-
Collateralized mortgage obligations	753,948	126,056	880,004	-
Corporate stocks	34,022,637	5,688,387	39,711,024	-
International stocks	2,097,618	350,710	2,448,328	-
American depository receipts	545,959	91,281	637,240	-
Bond mutual funds	13,228,858	2,211,788	15,440,646	-
Equity mutual funds	36,890,406	6,167,862	43,058,268	-
Receivables:				
Taxes receivable - delinquent	-	-	-	720,376
Accrued interest	212,374	35,508	247,882	-
Other assets	529,459	88,522	617,981	-
<b>Total assets</b>	<b>113,186,053</b>	<b>18,924,051</b>	<b>132,110,104</b>	<b>\$ 3,662,416</b>
<b>Liabilities</b>				
Obligation for impaired investment of securities lending collateral	68,953	11,528	80,481	\$ -
Undistributed receipts	-	-	-	2,942,040
Delinquent taxes payable	-	-	-	720,376
<b>Total liabilities</b>	<b>68,953</b>	<b>11,528</b>	<b>80,481</b>	<b>\$ 3,662,416</b>
<b>Net Assets</b>				
Held in trust for pension and other postemployment benefits	<u>\$ 113,117,100</u>	<u>\$ 18,912,523</u>	<u>\$ 132,029,623</u>	

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, 2010**

	<u>Pension</u>	<u>Retiree Health</u>	<u>Total</u>
<b>Additions</b>			
Investment income:			
Net realized and unrealized appreciation in fair value of investments	\$ 9,371,256	\$ 1,796,841	\$ 11,168,097
Interest and dividends	1,746,707	334,913	2,081,620
Less investment expenses	(333,563)	(63,958)	(397,521)
	<u>10,784,400</u>	<u>2,067,796</u>	<u>12,852,196</u>
Net investment gain			
Contributions:			
Employer	3,233,525	5,190,765	8,424,290
Employees	2,519,703	-	2,519,703
	<u>5,753,228</u>	<u>5,190,765</u>	<u>10,943,993</u>
Total contributions			
Total additions	<u>16,537,628</u>	<u>7,258,561</u>	<u>23,796,189</u>
<b>Deductions</b>			
Pension benefit payments	9,094,360	-	9,094,360
Contribution refunds	333,334	-	333,334
Medical insurance premiums	-	1,166,335	1,166,335
Administration	102,600	17,154	119,754
	<u>9,530,294</u>	<u>1,183,489</u>	<u>10,713,783</u>
Total deductions			
Net additions to net assets held in trust for benefits	7,007,334	6,075,072	13,082,406
Net assets held in trust for benefits, beginning of year	<u>106,109,766</u>	<u>12,837,451</u>	<u>118,947,217</u>
<b>Net assets held in trust for benefits, end of year</b>	<u><u>\$ 113,117,100</u></u>	<u><u>\$ 18,912,523</u></u>	<u><u>\$ 132,029,623</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, 2010**

	<u>Road Commission</u>	<u>Drain Commission</u>	<u>Brownfield Redevelopment Authority</u>
<b>Assets</b>			
Cash and investments	\$ 3,608,109	\$ 6,529,477	\$ 790,426
Restricted cash	176,124	-	-
Receivables, net	2,215,049	14,455,361	2,783,266
Prepaid items and other assets	1,670,550	-	-
Capital assets not being depreciated	14,786,575	1,730,318	-
Capital assets being depreciated, net	<u>66,949,831</u>	<u>9,264,556</u>	<u>-</u>
Total assets	<u>89,406,238</u>	<u>31,979,712</u>	<u>3,573,692</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	1,663,673	715,378	1,184,768
Unearned revenue	-	-	-
Long-term liabilities:			
Due within one year	760,000	2,440,256	-
Due in more than one year	1,029,800	11,880,226	1,999,608
Net other postemployment benefit obligation	<u>330,846</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,784,319</u>	<u>15,035,860</u>	<u>3,184,376</u>
<b>Net assets</b>			
Invested in capital assets, net of related debt	80,202,730	1,036,256	-
Restricted for other purposes	176,124	-	-
Unrestricted	<u>5,243,065</u>	<u>15,907,596</u>	<u>389,316</u>
Total net assets	<u>\$ 85,621,919</u>	<u>\$ 16,943,852</u>	<u>\$ 389,316</u>

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



<b>Economic Development Corporation</b>	<b>Land Bank Authority</b>	<b>Mental Health Authority</b>	<b>Total</b>
\$ 449,741	\$ 142,437	\$ 12,620,691	\$ 24,140,881
-	-	749,109	925,233
1,949,436	-	534,383	21,937,495
-	-	335,729	2,006,279
-	-	128,000	16,644,893
-	-	1,197,570	77,411,957
<u>2,399,177</u>	<u>142,437</u>	<u>15,565,482</u>	<u>143,066,738</u>
1,150,561	129,308	8,230,241	13,073,929
-	-	175,147	175,147
-	-	29,450	3,229,706
-	-	802,366	15,712,000
-	-	-	330,846
<u>1,150,561</u>	<u>129,308</u>	<u>9,237,204</u>	<u>32,521,628</u>
-	-	922,259	82,161,245
-	-	320,604	496,728
1,248,616	13,129	5,085,415	27,887,137
<u>\$ 1,248,616</u>	<u>\$ 13,129</u>	<u>\$ 6,328,278</u>	<u>\$ 110,545,110</u>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2010**

	<u>Road Commission</u>	<u>Drain Commission</u>	<u>Brownfield Redevelopment Authority</u>
<b>Expenses</b>			
County roads	\$ 16,018,433	\$ -	\$ -
County drains	-	661,027	-
Brownfield redevelopment	-	-	453,446
Economic development	-	-	-
Land bank	-	-	-
Community mental health	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenses	16,018,433	661,027	453,446
	<hr/>	<hr/>	<hr/>
<b>Program revenues</b>			
Charges for services	-	-	6,000
Operating grants and contributions	17,915,936	2,664,141	456,963
Capital grants and contributions	-	9,673,361	-
	<hr/>	<hr/>	<hr/>
Total program revenues	17,915,936	12,337,502	462,963
	<hr/>	<hr/>	<hr/>
Net (expense) revenue	1,897,503	11,676,475	9,517
	<hr/>	<hr/>	<hr/>
<b>General revenues</b>			
Property taxes	-	-	147,273
	<hr/>	<hr/>	<hr/>
Change in net assets	1,897,503	11,676,475	156,790
	<hr/>	<hr/>	<hr/>
Net assets (deficit), beginning of year	83,724,416	5,267,377	232,526
	<hr/>	<hr/>	<hr/>
<b>Net assets, end of year</b>	<u>\$ 85,621,919</u>	<u>\$ 16,943,852</u>	<u>\$ 389,316</u>

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

<b>Economic Development Corporation</b>	<b>Land Bank Authority</b>	<b>Mental Health Authority</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ 16,018,433
-	-	-	661,027
-	-	-	453,446
124,977	-	-	124,977
-	383,568	-	383,568
-	-	28,516,807	28,516,807
<u>124,977</u>	<u>383,568</u>	<u>28,516,807</u>	<u>46,158,258</u>
36,533	127	24,550,792	24,593,452
-	25,842	4,984,956	26,047,838
-	373,063	-	10,046,424
<u>36,533</u>	<u>399,032</u>	<u>29,535,748</u>	<u>60,687,714</u>
(88,444)	15,464	1,018,941	14,529,456
-	-	-	147,273
(88,444)	15,464	1,018,941	14,676,729
<u>1,337,060</u>	<u>(2,335)</u>	<u>5,309,337</u>	<u>95,868,381</u>
<u>\$ 1,248,616</u>	<u>\$ 13,129</u>	<u>\$ 6,328,278</u>	<u>\$ 110,545,110</u>

## NOTES to FINANCIAL STATEMENTS

# COUNTY OF BERRIEN, MICHIGAN

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### Notes to the Financial Statements

For the Year Ended December 31, 2010

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# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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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 12-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

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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

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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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The County reports the following major proprietary funds:

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

The *Benton Township Water System No. 27 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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

State statutes authorize the County to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances and mutual funds composed of otherwise legal investments.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

Advances between funds are offset by 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.

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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

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### 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-November for the special revenue funds.

### III. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and investments

Following is a reconciliation of deposits and investments as of December 31, 2010:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
<b>Statement of Net Assets:</b>			
Cash and investments	\$ 98,912,098	\$ 24,140,881	\$ 123,052,979
Restricted cash	458,902	925,233	1,384,135
 <b>Statement of Fiduciary Net Assets:</b>			
Cash and cash equivalents	10,968,668	-	10,968,668
Investments	123,217,613	-	123,217,613
<b>Total</b>	<b>\$ 233,557,281</b>	<b>\$ 25,066,114</b>	<b>\$ 258,623,395</b>
 <b>Deposits and Investments:</b>			
Bank deposits:			
Checking/savings accounts			\$ 42,921,089
Certificates of deposit – due within one year			6,509,179
Certificates of deposit – due in one to five years			1,382,174
Investments in securities and mutual funds:			
Treasurer’s investment pool			76,952,977
Pension and OPEB investments			130,378,214
Cash on deposit with agent			458,902
Cash on hand			20,860
<b>Total</b>			<b>\$ 258,623,395</b>

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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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### 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 \$50,812,442. The combined bank balance of these deposits was \$51,479,538 of which \$48,897,792 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, 2010:

U.S. treasury pooled investments	\$ 2,568,815
U.S. government agencies	16,259,118
Repurchase agreements (collateralized by U.S. government securities)	30,516,573
Money market and cash management funds	<u>27,608,471</u>
<b>Total</b>	<b><u>\$ 76,952,977</u></b>

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, 2010, 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.



# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

*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, 2010, 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	23.5%
Federal Home Loan Bank (FHLB)	Various	10.5%

*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, 2010, all of the County's debt securities were scheduled to mature in one to two years.

### **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, 2010:

	<b>Total</b>	<b>On Securities Loan</b>
Investments at fair value, as determined by quoted market price:		
U.S. treasuries	\$ 5,548,475	\$ -
U.S. agencies	5,565,851	-
Municipal obligations	702,318	-
Corporate bonds	8,506,248	-
International bonds	719,211	-
Collateralized mortgage obligations	880,004	-
Domestic equities	39,711,024	11,491,301
International equities	2,448,328	-
American depository receipts	637,240	-
Bond mutual funds	15,440,646	-
Equity mutual funds	43,058,268	-
Money market	7,160,601	-
	<b>\$ 130,378,214</b>	<b>\$ 11,491,301</b>
<b>Total investments</b>		

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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.

As of December 31, 2010, the Trusts' investments in debt securities were rated by Standard & Poor's as follows:

<b>Rating</b>	<b>U.S. Agencies</b>	<b>Municipal Obligations</b>	<b>Corporate Bonds</b>	<b>International Bonds</b>	<b>Collateralized Mortgage Obligations</b>
AAA	\$ 4,972,072	\$ 480,405	\$ 787,126	\$ -	\$ 440,354
AA	-	221,913	129,321	445,612	-
A	-	-	4,042,789	-	91,825
BBB	-	-	3,520,730	273,599	-
B	-	-	26,282	-	-
not rated	593,779	-	-	-	347,825
	<u>\$ 5,565,851</u>	<u>\$ 702,318</u>	<u>\$ 8,506,248</u>	<u>\$ 719,211</u>	<u>\$ 880,004</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.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

*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, 2010, the Trusts' investment portfolio was concentrated as follows.

<u>Investment Type</u>	<u>Issuer</u>	<u>% of Portfolio</u>
Commingled funds	S&P Composite 1500 Index Fund	18.69%
Mutual funds	Loomis New Hampshire Investment	11.84%
Mutual funds	GMO	8.82%
Mutual funds	TT International Investment Trust Pension Portfolio A	5.52%

*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, 2010, maturities of the Trusts' debt securities were as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. treasuries	\$ 5,548,475	4.89
U.S. agencies	5,565,851	5.85
Municipal obligations	702,318	9.02
Corporate bonds	8,506,248	6.31
International bonds	719,211	7.11
Collateralized mortgage obligations	880,004	23.45
	<u>\$ 21,042,103</u>	<u>5.69</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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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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.

Also at year-end, through a cash collateral investing program provided by the custodial bank, the Trust has an obligation to repay \$80,481 of cash collateral that was invested in the Sigma Finance Medium Term Note, which is impaired. Any current or future recoveries from Sigma Finance are not expected.

### B. Receivables

Receivables in the governmental activities are as follows:

Taxes (current)	\$ 7,382,448
Taxes (delinquent)	83,797
Due from other governments	3,449,871
Advances to component units (not due within one year)	1,848,111
Notes receivable (not due within one year)	<u>430,609</u>
	<u>\$ 13,194,836</u>

Receivables in the business-type activities are as follows:

Taxes (delinquent)	\$ 7,866,778
Interest	1,139,449
Due from other governments	280,606
Leases, current portion	511,000
Leases, long-term portion	<u>12,421,255</u>
	<u>\$ 22,219,088</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:

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable (general fund)	\$ 1,479,187	\$ -	\$ 1,479,187
Property taxes receivable (other governmental funds)	12,096	5,910,000	5,922,096
Grant drawdowns prior to meeting all eligibility requirements	-	217,650	217,650
	<u>\$ 1,491,283</u>	<u>\$ 6,127,650</u>	<u>\$ 7,618,933</u>

### C. Capital assets

Capital assets activity for the year ended December 31, 2010 was as follows:

#### Primary government

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets, not being depreciated -				
Land	\$ 4,814,779	\$ 756,897	\$ -	\$ 5,571,676
Capital assets, being depreciated:				
Land improvements	1,444,436	-	-	1,444,436
Buildings	35,196,968	1,982,211	(121,261)	37,057,918
Equipment	10,195,398	1,698,415	(1,779,485)	10,114,328
Total capital assets being depreciated	<u>46,836,802</u>	<u>3,680,626</u>	<u>(1,900,746)</u>	<u>48,616,682</u>
Less accumulated depreciation for:				
Land improvements	(1,095,688)	(42,221)	-	(1,137,909)
Buildings	(13,771,882)	(724,261)	72,757	(14,423,386)
Equipment	(6,013,383)	(1,261,770)	1,517,601	(5,757,552)
Total accumulated depreciation	<u>(20,880,953)</u>	<u>(2,028,252)</u>	<u>1,590,358</u>	<u>(21,318,847)</u>
Total capital assets being depreciated, net	<u>25,955,849</u>	<u>1,652,374</u>	<u>(310,388)</u>	<u>27,297,835</u>
Capital assets, net	<u>\$ 30,770,628</u>	<u>\$ 2,409,271</u>	<u>\$ (310,388)</u>	<u>\$ 32,869,511</u>
<b>Business-type Activities</b>				
Capital assets, being depreciated -				
Equipment	\$ 748,302	\$ 85,070	\$ -	\$ 833,372
Less accumulated depreciation for -				
Equipment	<u>(501,735)</u>	<u>(115,832)</u>	<u>-</u>	<u>(617,567)</u>
Capital assets, net	<u>\$ 246,567</u>	<u>\$ (30,762)</u>	<u>\$ -</u>	<u>\$ 215,805</u>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
<b>Component Unit - Road Commission</b>				
Capital assets, not being depreciated -				
Land	\$ 14,768,501	\$ 18,074	\$ -	\$ 14,786,575
Capital assets, being depreciated:				
Land improvements	-	28,540	-	28,540
Buildings	2,191,428	-	-	2,191,428
Road equipment	10,480,058	266,770	(107,883)	10,638,945
Other equipment	1,001,285	5,990	(12,400)	994,875
Infrastructure	139,379,835	6,324,653	-	145,704,488
Total capital assets being depreciated	153,052,606	6,625,953	(120,283)	159,558,276
Less accumulated depreciation for:				
Land improvements	-	(951)	-	(951)
Buildings	(1,722,074)	(60,680)	-	(1,782,754)
Road equipment	(9,442,137)	(454,459)	102,402	(9,794,194)
Other equipment	(803,994)	(44,785)	12,400	(836,379)
Infrastructure	(75,271,932)	(4,922,235)	-	(80,194,167)
Total accumulated depreciation	(87,240,137)	(5,483,110)	114,802	(92,608,445)
Total capital assets being depreciated, net	65,812,469	1,142,843	(5,481)	66,949,831
Capital assets, net	\$ 80,580,970	\$ 1,160,917	\$ (5,481)	\$ 81,736,406
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
<b>Component Unit - Drain Commission</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 1,686,910	\$ 1,156,498	\$ (1,113,090)	\$ 1,730,318
Capital assets, being depreciated:				
Land improvements	12,500	-	(12,500)	-
Equipment	230,170	-	(230,170)	-
Infrastructure	4,519,764	6,742,518	-	11,262,282
Total capital assets being depreciated	4,762,434	6,742,518	(242,670)	11,262,282
Less accumulated depreciation for:				
Land improvements	(12,500)	-	12,500	-
Equipment	(77,348)	-	77,348	-
Infrastructure	(1,514,149)	(483,577)	-	(1,997,726)
Total accumulated depreciation	(1,603,997)	(483,577)	89,848	(1,997,726)
Total capital assets being depreciated, net	3,158,437	6,258,941	(152,822)	9,264,556
Capital assets, net	\$ 4,845,347	\$ 7,415,439	\$ (1,265,912)	\$ 10,994,874

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
<b>Component Unit - Mental Health Authority</b>				
Capital assets, not being depreciated:				
Land	\$ 128,000	\$ -	\$ -	\$ 128,000
Capital assets, being depreciated:				
Buildings and improvements	811,593	101,946	-	913,539
Furniture, fixtures, and equipment	2,083,520	271,719	(37,501)	2,317,738
Vehicles	160,108	-	-	160,108
Total capital assets being depreciated	3,055,221	373,665	(37,501)	3,391,385
Less accumulated depreciation for:				
Buildings and improvements	(113,273)	(43,444)	-	(156,717)
Furniture, fixtures, and equipment	(1,823,301)	(95,568)	37,501	(1,881,368)
Vehicles	(144,955)	(10,775)	-	(155,730)
Total accumulated depreciation	(2,081,529)	(149,787)	37,501	(2,193,815)
Total capital assets being depreciated, net	973,692	223,878	-	1,197,570
Capital assets, net	\$ 1,101,692	\$ 223,878	\$ -	\$ 1,325,570

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

**Governmental activities**

Judicial	\$ 60,021
General government	951,129
Public safety	555,883
Health and welfare	398,609
Recreation and cultural	60,112
Community development	2,498

**Total depreciation expense – governmental activities**     \$ 2,028,252

**Business-type activities**

Public works	\$ 115,832
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# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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### D. Accounts payable

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

	<b><u>Governmental</u></b> <b><u>Activities</u></b>	<b><u>Business-type</u></b> <b><u>Activities</u></b>
Accounts payable	\$ 1,063,880	\$ 866,690
Accrued liabilities and other	5,691,144	3,460
Due to other governments	192,308	1,208,491
Advances from other governments	90,000	-
Undistributed receipts	343	-
Accrued interest on long-term debt	<u>13,291</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 7,050,966</u></b>	<b><u>\$ 2,078,641</u></b>

### E. Interfund receivables, payables and transfers

The General Fund has interfund payables and receivables to nonmajor governmental funds of \$39,407, and \$14,130, respectively. In addition, interfund payables and receivables between nonmajor governmental funds have a balance of \$268,219. Finally, the nonmajor governmental funds have interfund receivables from the Delinquent Tax Revolving Fund and nonmajor enterprise funds of \$14,276 and \$135, respectively. These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The General Fund has made long-term advances to the Drain Commission, Economic Development Corporation, and Land Bank Authority component units in the amounts of \$650,000, \$1,150,000, and \$45,000, respectively, and to the Capital Reserve Fund and nonmajor governmental funds in the amount of \$5,414,500 and \$700,000, respectively; \$7,314,500 was advanced by the Delinquent Tax Revolving Fund to the General Fund to provide sufficient resources for these advances. In addition, long-term advances between nonmajor governmental funds have a balance of \$357,000.

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 \$494,187 reported in the General Fund.



# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

For the year ended December 31, 2010, interfund transfers consisted of the following:

	<b>In</b>	<b>Out</b>
General Fund	\$ 3,945,994	\$ 8,414,854
Nonmajor governmental funds	10,999,411	6,520,551
Delinquent Tax Revolving Fund	-	10,750
Nonmajor enterprise funds	86,750	86,000
	<u>\$ 15,032,155</u>	<u>\$ 15,032,155</u>

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

### 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%	\$ 4,225,000
2005 Berrien County Building Authority	2020	\$175,000 - \$300,000	3.25% - 4.10%	2,650,000
<b>Total governmental activities</b>				<b>\$ 6,875,000</b>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,150,000	109,050	1,259,050
2016-2020	<u>1,450,000</u>	<u>179,700</u>	<u>1,629,700</u>
Total	<u>\$ 6,875,000</u>	<u>\$ 1,180,824</u>	<u>\$ 8,055,824</u>

### *Business-type Activities*

	<u>Due</u>	<u>Installments</u>	<u>Interest Rate</u>	<u>Amount</u>
1995 Royalton Township Water System No. 20	2014	\$50,000 - \$95,000	5.10% - 6.00%	\$ 320,000
1998 Royalton Township Water System No. 23	2018	\$75,000 - \$145,000	4.30% - 4.75%	895,000
1996 Buchanan Township Sewer System No. 23 and Water System No. 21	2015	\$35,000 - \$50,000	5.15% - 5.80%	190,000
1999 Coloma Township Sewer System No. 24	2019	\$50,000 - \$125,000	5.00% - 5.70%	945,000
2001 Village of Berrien Springs/Oronoko Township Water/Sewer System No. 26	2020	\$15,000 - \$35,000	4.60% - 5.65%	265,000
2003 Royalton Township Water System No. 25	2023	\$25,000 - \$200,000	2.00% - 4.45%	2,050,000
2005 Royalton Township Water System No. 26	2025	\$5,000 - \$45,000	3.35% - 4.70%	460,000
2010 Benton Charter Township Water System No. 27	2031	\$675,000 -	2.00% - 4.50%	19,535,000
2010 Village of Berrien Springs Water and Sewer System No. 29	2031	\$100,000 - \$260,000	1.45% - 6.00%	3,180,000
2010 New Buffalo Water Supply System Bonds	2030	\$61,000 - \$100,000	2.50%	<u>542,591</u>
<b>Total business-type activities</b>				<u><u>\$ 28,382,591</u></u>

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 511,000	\$ 1,154,355	\$ 1,665,355
2012	1,290,000	1,104,503	2,394,503
2013	1,355,000	1,065,207	2,420,207
2014	1,400,000	1,023,194	2,423,194
2015	1,355,000	980,656	2,335,656
2016-2020	6,896,591	4,126,066	11,022,657
2021-2025	6,575,000	2,741,619	9,316,619
2026-2030	7,305,000	1,273,039	8,578,039
2031	<u>1,695,000</u>	<u>40,088</u>	<u>1,735,088</u>
Total	<u>\$ 28,382,591</u>	<u>\$ 13,508,727</u>	<u>\$ 41,891,318</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, 2010, are as follows:

<u>Series</u>	<u>Amount</u>
2009 - \$12,770,000 G.O. Limited Tax Notes payable, variable interest rate, dated May 7, 2009	\$ 753,424
2010 - \$13,725,000 G.O. Limited Tax Notes payable, variable interest rate, dated May 7, 2010	<u>8,380,329</u>
	<u>\$ 9,133,753</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 \$19,105 is payable in annual installments of \$6,988 with interest at 3.00%, maturing December 2013.

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>
2011	\$ 6,218	\$ 574	\$ 6,792
2012	6,403	388	6,791
2013	<u>6,484</u>	<u>195</u>	<u>6,679</u>
Total	<u>\$ 19,105</u>	<u>\$ 1,157</u>	<u>\$ 20,262</u>

### 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</u> <u>Rate</u>	<u>Amount</u>
2000 Michigan Department of Transportation Bonds	2011	4.50% - 4.75%	<u>\$ 440,000</u>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

*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 2015, and amounted to \$1,269,800 at September 30, 2010.

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>
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	<u>409,800</u>	<u>13,376</u>	<u>423,176</u>
Total	<u>\$ 1,709,800</u>	<u>\$ 71,826</u>	<u>\$ 1,781,626</u>

### Drain Commission component unit

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

	<u>Due</u>	<u>Installments</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
2002 Hollywood Road Detention Drainage District Bonds	2022	\$15,000 - \$20,000	4.13% - 5.00%	\$ 240,000
2008 Starr & Wellington Drainage District Bonds	2024	\$12,000 - \$13,000	5.95%	169,000
2009 Close Drainage District Bonds	2019	\$120,000 - \$165,000	2.50% - 4.00%	1,290,000
2010 Barnes and Hamilton Drain Bonds	2020	\$170,000 - 215,000	1.90% - 3.50%	1,880,000
2010 Hollywood Road Consolidated Drain Bonds	2030	\$100,000 - 190,000	2.50% - 4.75%	2,700,000
2010 Schwark Drain Bonds	2030	\$60,000 - 130,000	2.00% - 4.75%	1,760,000
2010 Lake Shore Drain Bonds	2030	\$140,000 - 280,000	.85% - 4.00%	<u>3,900,000</u>
<b>Total component unit - Drain Commission</b>				<u>\$ 11,939,000</u>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 627,000	\$ 414,851	\$ 1,041,851
2012	632,000	382,581	1,014,581
2013	652,000	368,369	1,020,369
2014	667,000	352,698	1,019,698
2015	687,000	335,280	1,022,280
2016-2020	3,605,000	1,336,239	4,941,239
2021-2025	2,304,000	815,309	3,119,309
2026-2030	<u>2,765,000</u>	<u>308,526</u>	<u>3,073,526</u>
Total	<u>\$ 11,939,000</u>	<u>\$ 4,313,853</u>	<u>\$ 16,252,853</u>

**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, 2010, amounted to \$2,516,361.

### **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.

	<u>Due</u>	<u>Installments</u>	<u>Interest Rate</u>	<u>Amount</u>
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>
<b>Total component unit - Brownfield Redevelopment Authority</b>				<u>\$ 1,999,608</u>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ -	\$ -	\$ -
2012	191,465	19,992	211,457
2013	175,295	36,163	211,458
2014	178,801	32,657	211,458
2015	182,376	29,081	211,457
2016-2020	968,076	89,212	1,057,288
2020-2022	<u>303,595</u>	<u>8,036</u>	<u>311,631</u>
Total	<u>\$ 1,999,608</u>	<u>\$ 215,141</u>	<u>\$ 2,214,749</u>

### 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.

	<u>Due</u>	<u>Installments</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
2005 Real Estate note	2020	\$8,338 - \$13,332	3.83%	\$ 107,602
2007 Real Estate note	2022	\$9,481 - \$34,320	4.99%	<u>295,709</u>
<b>Total component unit - Mental Health Authority</b>				<u>\$ 403,311</u>

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

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	35,479	12,173	47,652
2016-2020	199,313	33,817	233,130
2021-2022	<u>42,031</u>	<u>1,236</u>	<u>43,267</u>
Total	<u>\$ 403,311</u>	<u>\$ 111,346</u>	<u>\$ 514,657</u>

# 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, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
<b><u>Governmental activities</u></b>					
General obligation bonds	\$ 7,850,000	\$ -	\$ 975,000	\$ 6,875,000	\$ 1,000,000
Notes payable	25,145	-	6,040	19,105	6,218
Compensated absences	2,127,833	1,939,486	1,968,658	2,098,661	2,098,661
	<u>\$ 10,002,978</u>	<u>\$ 1,939,486</u>	<u>\$ 2,949,698</u>	<u>\$ 8,992,766</u>	<u>\$ 3,104,879</u>
<b><u>Business-type activities</u></b>					
General obligation bonds	\$ 5,550,000	\$ 23,257,591	\$ 425,000	\$ 28,382,591	\$ 511,000
Notes payable	7,851,512	13,725,000	12,442,759	9,133,753	9,133,753
Unamortized bond discount	-	(107,215)	-	(107,215)	-
	<u>\$ 13,401,512</u>	<u>\$ 36,875,376</u>	<u>\$ 12,867,759</u>	<u>\$ 37,409,129</u>	<u>\$ 9,644,753</u>
<b><u>Road Commission component unit</u></b>					
General obligation bonds	\$ 840,000	\$ -	\$ 400,000	\$ 440,000	\$ 440,000
General obligation notes payable	1,509,800	-	240,000	1,269,800	240,000
Compensated absences	84,000	-	4,000	80,000	80,000
	<u>\$ 2,433,800</u>	<u>\$ -</u>	<u>\$ 644,000</u>	<u>\$ 1,789,800</u>	<u>\$ 760,000</u>
<b><u>Drain Commission component unit</u></b>					
General obligation bonds payable	\$ 1,851,000	\$ 10,240,000	\$ 152,000	\$ 11,939,000	\$ 627,000
Drain notes payable	3,444,678	1,563,700	2,492,017	2,516,361	1,820,000
Unamortized bond discount	-	(134,879)	-	(134,879)	(6,744)
	<u>\$ 5,295,678</u>	<u>\$ 11,668,821</u>	<u>\$ 2,644,017</u>	<u>\$ 14,320,482</u>	<u>\$ 2,440,256</u>
<b><u>Brownfield Redevelopment Authority component unit</u></b>					
Loans payable	\$ 1,999,608	\$ -	\$ -	\$ 1,999,608	\$ -
<b><u>Mental Health Authority component unit</u></b>					
Notes payable	\$ 432,094	\$ -	\$ 28,783	\$ 403,311	\$ 29,450
Compensated absences	437,207	-	8,702	428,505	-
	<u>\$ 869,301</u>	<u>\$ -</u>	<u>\$ 37,485</u>	<u>\$ 831,816</u>	<u>\$ 29,450</u>

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

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

### G. Invested in capital assets, net of related debt

As of December 31, 2010, net assets invested in capital assets, net of related debt were comprised of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Invested in capital assets:		
Capital assets not being depreciated	\$ 5,571,676	\$ -
Capital assets being depreciated, net	27,297,835	215,805
Less related debt:		
Bonds payable	(6,894,105)	-
Unspent bond proceeds	<u>40,850</u>	<u>-</u>
<b>Total investment in capital assets</b>	<b><u>\$ 26,016,256</u></b>	<b><u>\$ 215,805</u></b>

## 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.



# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

Accordingly, the government records a restricted asset for its portion of the unexpended member retention fund. At December 31, 2010, the balance of the County's member retention fund was \$458,902.

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

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>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$1,734,801	\$1,326,805
Incurred claims (including change in IBNR provision)	500,157	593,026
Claim payments	<u>(339,244)</u>	<u>(185,030)</u>
<b>Unpaid claims, end of year</b>	<b><u>\$1,895,714</u></b>	<b><u>\$1,734,801</u></b>

**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.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

	<u>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$2,135,038	\$ 1,939,109
Incurred claims (including IBNR's)	9,714,590	9,724,229
Claim payments	<u>(9,600,023)</u>	<u>(9,528,300)</u>
<b>Unpaid claims, end of year</b>	<b><u>\$2,249,605</u></b>	<b><u>\$2,135,038</u></b>

**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>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$ -	\$ -
Incurred claims	88,865	50,589
Claim payments	<u>(88,865)</u>	<u>(50,589)</u>
<b>Unpaid claims, end of year</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

**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.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

	<u>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$ 176,321	\$ 411,083
Incurred claims (including IBNR's)	151,633	9,407
Claim payments	<u>(151,851)</u>	<u>(244,169)</u>
<b>Unpaid claims, end of year</b>	<b><u>\$ 176,103</u></b>	<b><u>\$ 176,321</u></b>

**Board errors and omissions.** The County is also self-insured for Board errors and omissions, which is accounted for in the Property/Liability Insurance internal service fund. No estimated claims liability was outstanding at December 31, 2010 or 2009, nor were the amount of claims paid or incurred during 2010 or 2009 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.

### **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 2010 levy was \$6,806,793,350. 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.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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### 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, 2010, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	566
Terminated plan members entitled to but not yet receiving benefits	48
Active plan members	<u>865</u>
Total	<u>1,479</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 for which quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Board, with the assistance of a valuation service; and cash deposits are reported at carrying amounts which reasonably approximates fair value.

*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 4.5 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, 2010, represents 8.22% 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 \$3,233,525 was equal to the County's required and actual contributions.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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### 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>
12/31/08	\$ 2,552,514	100%	\$ -
12/31/09	2,654,772	100	-
12/31/10	3,233,525	100	-

*Funded Status and Funding Progress.* As of December 31, 2010, the most recent actuarial valuation date, the plan was 79.9 percent funded. The actuarial accrued liability for benefits was \$158,158,590 and the actuarial value of assets was \$126,364,581, resulting in an unfunded actuarial accrued liability (UAAL) of \$31,794,009. The covered payroll (annual payroll of active employees covered by the plan) was \$39,356,501, and the ratio of the UAAL to the covered payroll was 80.8 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, 2010, 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.

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.

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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*Basis of Accounting.* The financial statements of the Plan are included in the County's financial statements as an other postemployment benefit trust fund and are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which they are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

*Methods Used to Value Investments.* Investments are reported at fair value which is determined using selected bases as follows: short-term investments are reported at cost, which approximates fair value; securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; investments for which quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Board, with the assistance of a valuation service; and cash deposits are reported at carrying amounts which reasonably approximates fair value.

*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 \$1,166,335 or approximately 50% of total premiums, through their required contribution of \$263.04 - \$526.08 per month for retiree-only coverage and \$659.57 - \$1,319.14 for retiree and spouse coverage (offered to Sheriff department retirees only), depending on age and bargaining unit.

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

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

Annual required contribution	\$ 3,385,174
Interest on net OPEB obligation	(85,579)
Adjustment to annual required contribution	<u>57,181</u>
Annual OPEB cost	3,356,776
Contributions made	<u>5,190,765</u>
Increase (decrease) in net OPEB (asset)	(1,833,989)
Net OPEB (asset), beginning of year	<u>(1,006,809)</u>
Net OPEB (asset), end of year	<u><u>\$(2,840,798)</u></u>

# COUNTY OF BERRIEN, MICHIGAN

## Notes to the Financial Statements

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

### Three-Year Trend Information

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB (Asset)</u>
12/31/08	\$ 1,207,372	100%	\$ -
12/31/09	4,305,885	123	(1,006,809)
12/31/10	3,356,776	155	(2,840,798)

*Funded status and funding progress.* As of December 31, 2010, the date of the most recent actuarial valuation, the Plan was 55 percent funded. The actuarial accrued liability for benefits was \$38,425,109, and the actuarial value of assets was \$21,127,425, resulting in an unfunded actuarial accrued liability (UAAL) of \$17,297,684. The covered payroll (annual payroll of the active employees covered by the Plan) was \$36,158,193 and the ratio of the UAAL to the covered payroll was 47.8 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, 2010 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.

\* \* \* \* \*

## 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
12/31/2005 *	\$ 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%
12/31/2010	126,364,581	158,158,590	(31,794,009)	79.9%	39,356,501	-80.8%

**Schedule of Employer Contributions (Pension)**

<u>Year Ended December 31</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2005	\$ 836,144	100%
2006	1,430,228	100%
2007	2,229,778	100%
2008	2,552,514	100%
2009	2,654,772	100%
2010	3,233,525	100%

\* After changes in benefit provisions

**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	18.1%	\$ 34,524,792	110.0%
12/31/2008	* 9,378,052	42,194,772	32,816,720	22.2%	34,797,360	94.3%
12/31/2009	15,414,989	40,224,901	24,809,912	38.3%	35,483,698	69.9%
12/31/2010	21,127,425	38,425,109	17,297,684	55.0%	36,158,193	47.8%

*Schedule of Employer Contributions (Other Postemployment Benefits)*

<u>Year Ended December 31</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2007	\$ 1,112,028	100%
2008	1,207,372	100%
2009	4,305,885	123%
2010	3,385,174	153%

\* After changes in benefit provisions

\*\* After changes in actuarial assumptions or methods

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

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2010**

	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Projects Funds</b>	<b>Total Other Governmental Funds</b>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 17,287,590	\$ 260	\$ 915,291	\$ 18,203,141
Receivables:				
Taxes receivable - current	5,472,084	-	-	5,472,084
Taxes receivable - delinquent	18,291	-	-	18,291
Due from other governments	3,176,266	-	-	3,176,266
Due from other funds	296,760	-	-	296,760
Advances to other funds	357,000	-	-	357,000
Advances to component units	3,111	-	-	3,111
Notes receivable	430,609	-	-	430,609
	<b><u>\$ 27,041,711</u></b>	<b><u>\$ 260</u></b>	<b><u>\$ 915,291</u></b>	<b><u>\$ 27,957,262</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 778,223	\$ -	\$ -	\$ 778,223
Accrued and other liabilities	481,774	-	-	481,774
Due to other funds	307,626	-	-	307,626
Due to other governments	192,308	-	-	192,308
Interfund payable	494,187	-	-	494,187
Advances from other governments	90,000	-	-	90,000
Advances from other funds	1,057,000	-	-	1,057,000
Undistributed receipts	343	-	-	343
Deferred revenue	6,139,746	-	-	6,139,746
	<b><u>9,541,207</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>9,541,207</u></b>
<b>Fund balance</b>				
Reserved for:				
Long-term receivables	150,000	-	-	150,000
Advances to other funds and component units	360,111	-	-	360,111
Unreserved:				
Designated for subsequent years' expenditures	9,231,770	-	223,903	9,455,673
Undesignated	7,758,623	260	691,388	8,450,271
	<b><u>17,500,504</u></b>	<b><u>260</u></b>	<b><u>915,291</u></b>	<b><u>18,416,055</u></b>
	<b><u>\$ 27,041,711</u></b>	<b><u>\$ 260</u></b>	<b><u>\$ 915,291</u></b>	<b><u>\$ 27,957,262</u></b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2010**

	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Projects Funds</b>	<b>Total Other Governmental Funds</b>
<b>Revenue</b>				
Taxes	\$ 6,265,045	\$ -	\$ -	\$ 6,265,045
Licenses and permits	263,334	-	-	263,334
Intergovernmental revenue	15,609,068	-	-	15,609,068
Charges for services	4,374,143	1,298,888	-	5,673,031
Fines and forfeitures	-	-	-	-
Interest revenue	28,378	-	653	29,031
Other revenue and reimbursements	3,104,825	-	224,199	3,329,024
<b>Total revenue</b>	<b>29,644,793</b>	<b>1,298,888</b>	<b>224,852</b>	<b>31,168,533</b>
<b>Expenditures</b>				
Current expenditures:				
Judicial	3,677,573	-	-	3,677,573
General government	162,067	-	-	162,067
Public safety	10,016,546	-	-	10,016,546
Public works	-	-	286,557	286,557
Health and welfare	16,443,173	-	-	16,443,173
Recreation and cultural	3,039,045	-	-	3,039,045
Community development	419,342	-	-	419,342
Other governmental activities	4,571,616	-	-	4,571,616
Debt service:				
Principal	-	975,000	6,040	981,040
Interest and fiscal charges	-	323,888	754	324,642
<b>Total expenditures</b>	<b>38,329,362</b>	<b>1,298,888</b>	<b>293,351</b>	<b>39,921,601</b>
Revenue under expenditures	(8,684,569)	-	(68,499)	(8,753,068)
<b>Other financing sources (uses)</b>				
Transfers in	10,792,617	-	206,794	10,999,411
Transfers out	(6,520,551)	-	-	(6,520,551)
<b>Total other financing sources (uses)</b>	<b>4,272,066</b>	<b>-</b>	<b>206,794</b>	<b>4,478,860</b>
Net change in fund balances	(4,412,503)	-	138,295	(4,274,208)
Fund balance, beginning of year	21,913,007	260	776,996	22,690,263
<b>Fund balance, end of year</b>	<b>\$ 17,500,504</b>	<b>\$ 260</b>	<b>\$ 915,291</b>	<b>\$ 18,416,055</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	<b>Public Safety Cigarette Tax 205.00</b>	<b>Public Safety Four Winds Casino 205.01</b>	<b>Parks and Recreation 208.00</b>	<b>Parks and Recreation Grants 208.xx</b>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 83,409	\$ -	\$ 285,937	\$ -
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	-	-	2,764	44,000
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Advances to component units	-	-	-	-
Notes receivable	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b>\$ 83,409</b>	<b>\$ -</b>	<b>\$ 288,701</b>	<b>\$ 44,000</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 3,452	\$ -
Accrued and other liabilities	-	-	13,511	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Interfund payable	-	-	-	44,000
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	16,963	44,000
<b>Fund balances</b>				
Reserved for:				
Long-term receivables	-	-	-	-
Advances to other funds and component units	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	61,169	-
Undesignated	83,409	-	210,569	-
Total fund balances	83,409	-	271,738	-
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b>\$ 83,409</b>	<b>\$ -</b>	<b>\$ 288,701</b>	<b>\$ 44,000</b>

<b>Historical Association Loan Fund 211.00</b>	<b>Berrien Community Foundation 213.00</b>	<b>Generous Juror Program 214.00</b>	<b>Friend of the Court 215.00</b>	<b>Family Counseling Services 216.00</b>	<b>Four Winds Casino Revenue Sharing 217.00</b>	<b>Health Department 221.00</b>
\$ 2,596	\$ 13,772	\$ 894	\$ 78,525	\$ 147,505	\$ 190,602	\$ 182,824
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	413,440	-	-	106,593
-	-	-	-	-	-	198,985
-	-	-	-	-	-	-
-	-	-	-	-	-	-
150,000	-	-	-	-	-	-
<hr/>						
\$ 152,596	\$ 13,772	\$ 894	\$ 491,965	\$ 147,505	\$ 190,602	\$ 488,402
<hr/>						
\$ -	\$ 8,077	\$ -	\$ 7,618	\$ 3,128	\$ -	\$ 37,690
-	-	-	59,767	-	-	68,126
-	-	-	-	-	-	66,942
-	-	-	-	-	-	9,543
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	8,077	-	67,385	3,128	-	182,301
<hr/>						
150,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	4,570	-	-	25,000	-	117,234
2,596	1,125	894	424,580	119,377	190,602	188,867
<hr/>						
152,596	5,695	894	424,580	144,377	190,602	306,101
<hr/>						
\$ 152,596	\$ 13,772	\$ 894	\$ 491,965	\$ 147,505	\$ 190,602	\$ 488,402
<hr/>						

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**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	<b>Drug Court Drug Treatment 221.01</b>	<b>Health Department Grants 221.xx</b>	<b>Berrien County Landfill Use 227.00</b>	<b>Public Maintenance &amp; Improvement 245.00</b>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 44,594	\$ 435,445	\$ 2,284,136	\$ 3,405,613
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	-	565,566	-	-
Due from other funds	-	66,942	-	-
Advances to other funds	-	-	-	-
Advances to component units	-	-	-	-
Notes receivable	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b>\$ 44,594</b>	<b>\$ 1,067,953</b>	<b>\$ 2,284,136</b>	<b>\$ 3,405,613</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 5,018	\$ 119,584	\$ 3,193	\$ 110,634
Accrued and other liabilities	3,129	61,113	-	-
Due to other funds	-	198,985	-	-
Due to other governments	-	182,368	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	109,561	-	-
Total liabilities	8,147	671,611	3,193	110,634
<b>Fund balances</b>				
Reserved for:				
Long-term receivables	-	-	-	-
Advances to other funds and component units	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	238,227	522,174	3,294,979
Undesignated	36,447	158,115	1,758,769	-
Total fund balances	36,447	396,342	2,280,943	3,294,979
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b>\$ 44,594</b>	<b>\$ 1,067,953</b>	<b>\$ 2,284,136</b>	<b>\$ 3,405,613</b>



<b>Revenue Sharing Board Four Winds Casino 255.00</b>	<b>Register of Deeds Automation 256.00</b>	<b>Register of Deeds Tax Foreclosure Search Fund 256.01</b>	<b>Law Enforcement Funds [various #s]</b>	<b>Drug Enforcement Public Safety 264.00</b>	<b>Prosecutor's Welfare Fraud Grant 266.02</b>	<b>Prosecutor's Grant Victim Witness 266.04</b>
\$ 7	\$ 117,839	\$ 50,782	\$ 1,927,359	\$ 894,616	\$ -	\$ -
-	-	-	-	2,092,700	-	-
-	-	-	-	4,713	-	-
-	-	-	603,931	-	101,822	52,539
-	-	-	14,411	-	11,715	2,415
-	-	-	-	-	-	-
-	-	-	3,111	-	-	-
-	-	-	-	-	-	-
<b>\$ 7</b>	<b>\$ 117,839</b>	<b>\$ 50,782</b>	<b>\$ 2,548,812</b>	<b>\$ 2,992,029</b>	<b>\$ 113,537</b>	<b>\$ 54,954</b>
\$ -	\$ -	\$ 750	\$ 39,528	\$ -	\$ 391	\$ -
-	953	309	86,800	-	9,667	6,859
-	-	-	39,407	-	-	-
-	-	-	397	-	-	-
-	-	-	-	-	103,479	48,095
-	-	-	-	-	-	-
-	-	-	807,000	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,267,716	-	-
-	953	1,059	973,132	2,267,716	113,537	54,954
-	-	-	-	-	-	-
-	-	-	3,111	-	-	-
-	-	-	77,092	-	-	-
7	116,886	49,723	1,495,477	724,313	-	-
7	116,886	49,723	1,575,680	724,313	-	-
<b>\$ 7</b>	<b>\$ 117,839</b>	<b>\$ 50,782</b>	<b>\$ 2,548,812</b>	<b>\$ 2,992,029</b>	<b>\$ 113,537</b>	<b>\$ 54,954</b>

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**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	<b>911 County Operational Fund 266.09</b>	<b>Drug Court Program 267.00</b>	<b>Self-Help Legal Resource Center 268.00</b>	<b>County Law Library 269.00</b>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 1,116,486	\$ 32,560	\$ 64,483	\$ 48,600
Taxes receivable - current	1,494,356	-	-	-
Taxes receivable - delinquent	9,564	-	-	-
Due from other governments	2,807	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	357,000	-	-	-
Advances to component units	-	-	-	-
Notes receivable	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b>\$ 2,980,213</b>	<b>\$ 32,560</b>	<b>\$ 64,483</b>	<b>\$ 48,600</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 12,710	\$ -	\$ -	\$ 2,019
Accrued and other liabilities	66,865	7,882	1,491	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	1,619,364	-	-	-
Total liabilities	1,698,939	7,882	1,491	2,019
<b>Fund balances</b>				
Reserved for:				
Long-term receivables	-	-	-	-
Advances to other funds and component units	357,000	-	-	-
Unreserved:				
Designated for subsequent year expenditures	528,673	-	62,992	20,316
Undesignated	395,601	24,678	-	26,265
Total fund balances	1,281,274	24,678	62,992	46,581
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b>\$ 2,980,213</b>	<b>\$ 32,560</b>	<b>\$ 64,483</b>	<b>\$ 48,600</b>

<b>Senior Citizen 270.00</b>	<b>Hazardous Materials Emergency Preparedness 273.22</b>	<b>Juvenile Mental Health Plan Grant 273.73</b>	<b>National Children's Advocacy Equipment Grant 273.74</b>	<b>Michigan Housing CDBG 274.00</b>	<b>MSHDA 2008 Housing CDBG 274.14</b>	<b>DNR Waterways Grant 274.16</b>
\$ 150,179	\$ 49,031	\$ -	\$ 6,471	\$ 3,000	\$ -	\$ -
1,885,028	-	-	-	-	-	-
4,014	-	-	-	-	-	-
-	-	5,905	22,974	-	9,040	195,789
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>\$ 2,039,221</b>	<b>\$ 49,031</b>	<b>\$ 5,905</b>	<b>\$ 29,445</b>	<b>\$ 3,000</b>	<b>\$ 9,040</b>	<b>\$ 195,789</b>
\$ -	\$ -	\$ 3,672	\$ 29,445	\$ 3,000	\$ 234	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	2,233	-	-	8,806	195,789
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,035,016	49,031	-	-	-	-	-
<b>2,035,016</b>	<b>49,031</b>	<b>5,905</b>	<b>29,445</b>	<b>3,000</b>	<b>9,040</b>	<b>195,789</b>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,205	-	-	-	-	-	-
<b>4,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>\$ 2,039,221</b>	<b>\$ 49,031</b>	<b>\$ 5,905</b>	<b>\$ 29,445</b>	<b>\$ 3,000</b>	<b>\$ 9,040</b>	<b>\$ 195,789</b>

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**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	<b>Small Bus Program 281.00</b>	<b>Clean Sweep Pest Control Grant 281.14</b>	<b>Project Zero Transit Grant 281.17</b>	<b>Southwest Michigan Planning Commission 281.21</b>
<b><u>ASSETS</u></b>				
<b>Assets</b>				
Cash and investments	\$ 606,947	\$ -	\$ 28,449	\$ -
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	33,464	-	-	-
Due from other funds	-	-	-	2,292
Advances to other funds	-	-	-	-
Advances to component units	-	-	-	-
Notes receivable	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b>\$ 640,411</b>	<b>\$ -</b>	<b>\$ 28,449</b>	<b>\$ 2,292</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 55,418	\$ -	\$ -	\$ -
Accrued and other liabilities	-	-	-	-
Due to other funds	2,292	-	-	-
Due to other governments	-	-	-	-
Interfund payable	-	-	-	2,292
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	28,449	-
Total liabilities	57,710	-	28,449	2,292
<b>Fund balances</b>				
Reserved for:				
Long-term receivables	-	-	-	-
Advances to other funds and component units	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	102,500	-	-	-
Undesignated	480,201	-	-	-
Total fund balances	582,701	-	-	-
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b>\$ 640,411</b>	<b>\$ -</b>	<b>\$ 28,449</b>	<b>\$ 2,292</b>

<b>Capital Bus Purchase Grant 282.00</b>	<b>Revenue Sharing Reserve Fund 285.00</b>	<b>Three Oaks Land Purchase 286.00</b>	<b>Social Services 290.00</b>	<b>Child Care Probate 292.00</b>	<b>Child Care Social Services 292.01</b>	<b>Soldiers and Sailors Relief 293.00</b>
\$ -	\$ 4,104,479	\$ -	\$ 81,767	\$ 265,294	\$ 245,002	\$ 1,757
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	47,809	805,737	72,593	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	280,609	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ 4,104,479	\$ 280,609	\$ 129,576	\$ 1,071,031	\$ 317,595	\$ 1,757
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ 331,762	\$ -	\$ -
-	-	-	-	94,316	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	90,000	-	-	-
-	-	250,000	-	-	-	-
-	-	-	-	343	-	-
-	-	30,609	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	280,609	90,000	426,421	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,650,873	-	-	517,321	-	1,650
-	453,606	-	39,576	127,289	317,595	107
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	4,104,479	-	39,576	644,610	317,595	1,757
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ 4,104,479	\$ 280,609	\$ 129,576	\$ 1,071,031	\$ 317,595	\$ 1,757

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**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet (Concluded)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2010**

	Veteran's Trust 294.00	Board of Public Works 296.00	Campaign Finance Administration 297.03	Juvenile Delinquent Title V Plan Grant 297.25 & 297.27
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**ASSETS**

**Assets**

Cash and investments	\$ 343	\$ 110,195	\$ 3,139	\$ -
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Advances to component units	-	-	-	-
Notes receivable	-	-	-	-

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**TOTAL ASSETS**

	\$ 343	\$ 110,195	\$ 3,139	\$ -
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**LIABILITIES AND FUND BALANCES**

**Liabilities**

Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued and other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governments	-	-	-	-
Advances from other funds	-	-	-	-
Undistributed receipts	-	-	-	-
Deferred revenue	-	-	-	-

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Total liabilities

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

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**Fund balances**

Reserved for:				
Long-term receivables	-	-	-	-
Advances to other funds and component units	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	5,000	-	-
Undesignated	343	105,195	3,139	-

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Total fund balances

	343	110,195	3,139	-
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**TOTAL LIABILITIES  
AND FUND BALANCES**

	\$ 343	\$ 110,195	\$ 3,139	\$ -
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<b>Hollywood Basin Wetland Grant 297.28</b>	<b>Juvenile Accountability Block Grant 297.34</b>	<b>Animal Control Neuter / Spay Program 298.01</b>	<b>Animal Control Special Fund 298.02</b>	<b>Homestead Audit Administration 620.00</b>	<b>Total</b>
\$ -	\$ -	\$ 14,946	\$ 4,195	\$ 203,812	\$ 17,287,590
-	-	-	-	-	5,472,084
-	-	-	-	-	18,291
89,493	-	-	-	-	3,176,266
-	-	-	-	-	296,760
-	-	-	-	-	357,000
-	-	-	-	-	3,111
-	-	-	-	-	430,609

<b>\$ 89,493</b>	<b>\$ -</b>	<b>\$ 14,946</b>	<b>\$ 4,195</b>	<b>\$ 203,812</b>	<b>\$ 27,041,711</b>
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\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 778,223
-	-	-	-	986	481,774
-	-	-	-	-	307,626
-	-	-	-	-	192,308
89,493	-	-	-	-	494,187
-	-	-	-	-	90,000
-	-	-	-	-	1,057,000
-	-	-	-	-	343
-	-	-	-	-	6,139,746

<b>89,493</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>986</b>	<b>9,541,207</b>
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-	-	-	-	-	150,000
-	-	-	-	-	360,111
-	-	2,000	-	-	9,231,770
-	-	12,046	4,195	202,826	7,758,623

<b>-</b>	<b>-</b>	<b>14,046</b>	<b>4,195</b>	<b>202,826</b>	<b>17,500,504</b>
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<b>\$ 89,493</b>	<b>\$ -</b>	<b>\$ 14,946</b>	<b>\$ 4,195</b>	<b>\$ 203,812</b>	<b>\$ 27,041,711</b>
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**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2010**

	Public Safety Cigarette Tax 205.00	Public Safety Four Winds Casino 205.01	Parks and Recreation 208.00	Parks and Recreation Grants 208.xx
<b>Revenue</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	10,000	-	-	88,000
Charges for services	-	62,564	476,352	-
Interest	-	-	-	-
Other revenue	-	-	130,221	-
<b>Total revenue</b>	<b>10,000</b>	<b>62,564</b>	<b>606,573</b>	<b>88,000</b>
<b>Expenditures</b>				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	1	67,101	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	818,102	88,000
Community development	-	-	-	-
Other governmental activities	-	-	-	-
<b>Total expenditures</b>	<b>1</b>	<b>67,101</b>	<b>818,102</b>	<b>88,000</b>
Revenue over (under) expenditures	9,999	(4,537)	(211,529)	-
<b>Other financing sources (uses)</b>				
Transfers in	7,889	3,687	381,500	-
Transfers out	(1,280)	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,609</b>	<b>3,687</b>	<b>381,500</b>	<b>-</b>
Net change in fund balances	16,608	(850)	169,971	-
Fund balances (deficits), beginning of year	66,801	850	101,767	-
<b>Fund balances, end of year</b>	<b>\$ 83,409</b>	<b>\$ -</b>	<b>\$ 271,738</b>	<b>\$ -</b>



<b>Historical Association Loan Fund 211.00</b>	<b>Berrien Community Foundation 213.00</b>	<b>Generous Juror Program 214.00</b>	<b>Friend of the Court 215.00</b>	<b>Family Counseling Services 216.00</b>	<b>Four Winds Casino Revenue Sharing 217.00</b>	<b>Health Department 221.00</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	17,355	-	245,979
-	-	-	1,762,011	-	-	365,503
-	-	-	217,266	-	-	105,365
-	-	-	-	-	-	-
-	50,844	1,366	1,505	-	281,130	587,255
-	50,844	1,366	1,980,782	17,355	281,130	1,304,102
-	-	-	2,849,656	22,035	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,341,406
2,405	39,672	2,556	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,405	39,672	2,556	2,849,656	22,035	-	2,341,406
(2,405)	11,172	(1,190)	(868,874)	(4,680)	281,130	(1,037,304)
5,000	-	-	387,884	-	-	1,186,894
-	(6,794)	-	-	-	(235,659)	(4,910)
5,000	(6,794)	-	387,884	-	(235,659)	1,181,984
2,595	4,378	(1,190)	(480,990)	(4,680)	45,471	144,680
150,001	1,317	2,084	905,570	149,057	145,131	161,421
\$ 152,596	\$ 5,695	\$ 894	\$ 424,580	\$ 144,377	\$ 190,602	\$ 306,101

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, 2010**

	<b>Drug Court Drug Treatment 221.01</b>	<b>Health Department Grants 221.xx</b>	<b>Berrien County Landfill Use 227.00</b>	<b>Public Maintenance &amp; Improvement 245.00</b>
<b>Revenue</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	4,534,443	-	-
Charges for services	89,093	318,162	496,235	-
Interest	-	-	4,347	1,793
Other revenue	-	181,642	-	-
<b>Total revenue</b>	<b>89,093</b>	<b>5,034,247</b>	<b>500,582</b>	<b>1,793</b>
<b>Expenditures</b>				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	173,735	5,286,739	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	-	1,772,029	1,344,764
<b>Total expenditures</b>	<b>173,735</b>	<b>5,286,739</b>	<b>1,772,029</b>	<b>1,344,764</b>
Revenue over (under) expenditures	(84,642)	(252,492)	(1,271,447)	(1,342,971)
<b>Other financing sources (uses)</b>				
Transfers in	128,000	4,910	-	1,888,042
Transfers out	-	-	(63,000)	-
<b>Total other financing sources (uses)</b>	<b>128,000</b>	<b>4,910</b>	<b>(63,000)</b>	<b>1,888,042</b>
Net change in fund balances	43,358	(247,582)	(1,334,447)	545,071
Fund balances (deficits), beginning of year	(6,911)	643,924	3,615,390	2,749,908
<b>Fund balances, end of year</b>	<b>\$ 36,447</b>	<b>\$ 396,342</b>	<b>\$ 2,280,943</b>	<b>\$ 3,294,979</b>

<b>Revenue Sharing Board Four Winds Casino 255.00</b>	<b>Register of Deeds Automation 256.00</b>	<b>Register of Deeds Tax Foreclosure Search Fund 256.01</b>	<b>Law Enforcement Funds [various #s]</b>	<b>Drug Enforcement Public Safety 264.00</b>	<b>Prosecutor's Welfare Fraud Grant 266.02</b>	<b>Prosecutor's Grant Victim Witness 266.04</b>
\$ -	\$ -	\$ -	\$ -	\$ 2,436,968	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	1,979,191	-	268,383	172,899
-	-	-	2,096,273	-	-	-
-	-	-	521	-	-	-
-	-	218,051	663,491	-	-	154
-	-	218,051	4,739,476	2,436,968	268,383	173,053
-	-	-	-	-	388,375	-
-	130,739	31,328	-	-	-	-
-	-	-	6,368,182	-	-	274,315
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	130,739	31,328	6,368,182	-	388,375	274,315
-	(130,739)	186,723	(1,628,706)	2,436,968	(119,992)	(101,262)
-	157,282	-	1,967,240	-	119,992	101,262
-	-	(137,000)	(40,825)	(2,158,654)	-	-
-	157,282	(137,000)	1,926,415	(2,158,654)	119,992	101,262
-	26,543	49,723	297,709	278,314	-	-
7	90,343	-	1,277,971	445,999	-	-
\$ 7	\$ 116,886	\$ 49,723	\$ 1,575,680	\$ 724,313	\$ -	\$ -

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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, 2010**

	<b>911 County Operational Fund 266.09</b>	<b>Drug Court Program 267.00</b>	<b>Self-Help Legal Resource Center 268.00</b>	<b>County Law Library 269.00</b>
<b>Revenue</b>				
Taxes	\$ 1,740,590	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	484,978	4,313	20,000	-
Charges for services	385	12,698	5,656	-
Interest	1,999	-	-	-
Other revenue	778,014	-	-	6,500
<b>Total revenue</b>	<b>3,005,966</b>	<b>17,011</b>	<b>25,656</b>	<b>6,500</b>
<b>Expenditures</b>				
Judicial	-	280,650	62,150	55,420
General government	-	-	-	-
Public safety	3,248,191	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	-	-	-
<b>Total expenditures</b>	<b>3,248,191</b>	<b>280,650</b>	<b>62,150</b>	<b>55,420</b>
Revenue over (under) expenditures	(242,225)	(263,639)	(36,494)	(48,920)
<b>Other financing sources (uses)</b>				
Transfers in	106,582	257,163	-	55,170
Transfers out	(305,060)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(198,478)</b>	<b>257,163</b>	<b>-</b>	<b>55,170</b>
Net change in fund balances	(440,703)	(6,476)	(36,494)	6,250
Fund balances (deficits), beginning of year	1,721,977	31,154	99,486	40,331
<b>Fund balances, end of year</b>	<b>\$ 1,281,274</b>	<b>\$ 24,678</b>	<b>\$ 62,992</b>	<b>\$ 46,581</b>

<b>Senior Citizen 270.00</b>	<b>Hazardous Materials Emergency Preparedness 273.22</b>	<b>Juvenile Mental Health Plan Grant 273.73</b>	<b>National Children's Advocacy Equipment Grant 273.74</b>	<b>Michigan Housing CDBG 274.00</b>	<b>MSHDA 2008 Housing CDBG 274.14</b>	<b>DNR Waterways Grant 274.16</b>
\$ 2,087,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	156	5,905	22,974	-	151,001	(4,211)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	19,996	-	-
2,087,487	156	5,905	22,974	19,996	151,001	(4,211)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	156	5,905	29,445	-	-	-
-	-	-	-	-	-	-
2,088,310	-	-	-	-	-	-
-	-	-	-	19,996	151,001	-
-	-	-	-	-	-	-
2,088,310	156	5,905	29,445	19,996	151,001	-
(823)	-	-	(6,471)	-	-	(4,211)
-	-	-	6,471	-	-	-
-	-	-	-	-	-	-
-	-	-	6,471	-	-	-
(823)	-	-	-	-	-	(4,211)
5,028	-	-	-	-	-	4,211
\$ 4,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2010**

	Small Bus Program 281.00	Clean Sweep Pest Control Grant 281.14	Project Zero Transit Grant 281.17	Southwest Michigan Planning Commission 281.21
<b>Revenue</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	555,145	6,624	-	-
Charges for services	368,222	-	-	-
Interest	276	-	-	-
Other revenue	18,132	-	-	-
<b>Total revenue</b>	<b>941,775</b>	<b>6,624</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	834,275	6,624	-	-
<b>Total expenditures</b>	<b>834,275</b>	<b>6,624</b>	<b>-</b>	<b>-</b>
Revenue over (under) expenditures	107,500	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	107,500	-	-	-
Fund balances (deficits), beginning of year	475,201	-	-	-
<b>Fund balances, end of year</b>	<b>\$ 582,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Capital Bus Purchase Grant 282.00</b>	<b>Revenue Sharing Reserve Fund 285.00</b>	<b>Three Oaks Land Purchase 286.00</b>	<b>Social Services 290.00</b>	<b>Child Care Probate 292.00</b>	<b>Child Care Social Services 292.01</b>	<b>Soldiers and Sailors Relief 293.00</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
571,012	-	-	697,365	3,151,925	470,374	-
-	18,186	-	-	-	-	-
-	-	-	-	153,604	-	-
571,012	18,186	-	697,365	3,305,529	470,374	-
-	-	-	-	1,687	-	-
-	-	-	-	-	-	-
-	-	-	710,578	7,012,031	904,199	-
-	-	-	-	-	-	-
571,012	-	-	-	-	-	-
571,012	-	-	710,578	7,013,718	904,199	-
-	18,186	-	(13,213)	(3,708,189)	(433,825)	-
-	-	-	15,000	3,579,169	432,200	-
-	(3,567,369)	-	-	-	-	-
-	(3,567,369)	-	15,000	3,579,169	432,200	-
-	(3,549,183)	-	1,787	(129,020)	(1,625)	-
-	7,653,662	-	37,789	773,630	319,220	1,757
\$ -	\$ 4,104,479	\$ -	\$ 39,576	\$ 644,610	\$ 317,595	\$ 1,757

continued...

**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, 2010**

	<b>Veteran's Trust 294.00</b>	<b>Board of Public Works 296.00</b>	<b>Campaign Finance Administration 297.03</b>	<b>Juvenile Delinquent Title V Plan Grant 297.25 &amp; 297.27</b>
<b>Revenue</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	13,612	-	-	17,600
Charges for services	-	40,335	-	-
Interest	-	-	-	-
Other revenue	-	-	25	-
<b>Total revenue</b>	<b>13,612</b>	<b>40,335</b>	<b>25</b>	<b>17,600</b>
<b>Expenditures</b>				
Judicial	-	-	-	17,600
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	14,451	34	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Other governmental activities	-	-	-	-
<b>Total expenditures</b>	<b>14,451</b>	<b>34</b>	<b>-</b>	<b>17,600</b>
Revenue over (under) expenditures	(839)	40,301	25	-
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(839)	40,301	25	-
Fund balances (deficits), beginning of year	1,182	69,894	3,114	-
<b>Fund balances, end of year</b>	<b>\$ 343</b>	<b>\$ 110,195</b>	<b>\$ 3,139</b>	<b>\$ -</b>



<b>Hollywood Basin Wetland Grant 297.28</b>	<b>Juvenile Accountability Block Grant 297.34</b>	<b>Animal Control Neuter / Spay Program 298.01</b>	<b>Animal Control Special Fund 298.02</b>	<b>Homestead Audit Administration 620.00</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,265,045
-	-	-	-	-	263,334
248,345	11,520	-	-	-	15,609,068
-	-	-	-	85,537	4,374,143
-	-	-	-	1,256	28,378
-	-	8,700	4,195	-	3,104,825
248,345	11,520	8,700	4,195	86,793	29,644,793
-	-	-	-	-	3,677,573
-	-	-	-	-	162,067
-	12,800	10,450	-	-	10,016,546
-	-	-	-	-	16,443,173
-	-	-	-	-	3,039,045
248,345	-	-	-	-	419,342
-	-	-	-	42,912	4,571,616
248,345	12,800	10,450	-	42,912	38,329,362
-	(1,280)	(1,750)	4,195	43,881	(8,684,569)
-	1,280	-	-	-	10,792,617
-	-	-	-	-	(6,520,551)
-	1,280	-	-	-	4,272,066
-	-	(1,750)	4,195	43,881	(4,412,503)
-	-	15,796	-	158,945	21,913,007
\$ -	\$ -	\$ 14,046	\$ 4,195	\$ 202,826	\$ 17,500,504

**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, 2010**

	<b>Public Safety Cigarette Tax - 205.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	10,000	10,000
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	-	-
	<hr/>		
Total revenue	-	10,000	10,000
<hr/>			
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	3,118	1	(3,117)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	3,118	1	(3,117)
	<hr/>		
Revenue over (under) expenditures	(3,118)	9,999	13,117
<hr/>			
<b>Other financing sources (uses)</b>			
Transfers in	4,398	7,889	3,491
Transfers out	(1,280)	(1,280)	-
	<hr/>		
Total other financing sources (uses)	3,118	6,609	3,491
	<hr/>		
Net change in fund balances	-	16,608	16,608
	<hr/>		
Fund balances (deficits), beginning of year	66,801	66,801	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ 66,801</b>	<b>\$ 83,409</b>	<b>\$ 16,608</b>
	<hr/> <hr/>		

<b>Public Safety Four Winds Casino - 205.01</b>			<b>Parks and Recreation - 208.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	62,564	62,564	368,539	476,352	107,813
-	-	-	-	-	-
-	-	-	140,795	130,221	(10,574)
-	62,564	62,564	509,334	606,573	97,239
-	-	-	-	-	-
-	-	-	-	-	-
81,690	67,101	(14,589)	-	-	-
-	-	-	-	-	-
-	-	-	890,834	818,102	(72,732)
-	-	-	-	-	-
-	-	-	-	-	-
81,690	67,101	(14,589)	890,834	818,102	(72,732)
(81,690)	(4,537)	77,153	(381,500)	(211,529)	169,971
81,690	3,687	(78,003)	381,500	381,500	-
-	-	-	-	-	-
81,690	3,687	(78,003)	381,500	381,500	-
-	(850)	(850)	-	169,971	169,971
850	850	-	101,767	101,767	-
\$ 850	\$ -	\$ (850)	\$ 101,767	\$ 271,738	\$ 169,971

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, 2010**

	<b>Parks and Recreation Grants - 208.03</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	88,001	88,000	(1)
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	-	-
	<hr/>		
Total revenue	88,001	88,000	(1)
	<hr/>		
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	88,001	88,000	(1)
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	88,001	88,000	(1)
	<hr/>		
Revenue over (under) expenditures	-	-	-
	<hr/>		
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	-	-	-
	<hr/>		
Net change in fund balances	-	-	-
	<hr/>		
Fund balances (deficits), beginning of year	-	-	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<hr/> <hr/>		

<b>Historical Association Loan Fund - 211.00</b>			<b>Berrien Community Foundation - 213.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	51,416	50,844	(572)
-	-	-	51,416	50,844	(572)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	2,405	(2,595)	44,621	39,672	(4,949)
-	-	-	-	-	-
-	-	-	-	-	-
5,000	2,405	(2,595)	44,621	39,672	(4,949)
(5,000)	(2,405)	2,595	6,795	11,172	4,377
5,000	5,000	-	-	-	-
-	-	-	(6,795)	(6,794)	1
5,000	5,000	-	(6,795)	(6,794)	1
-	2,595	2,595	-	4,378	4,378
150,001	150,001	-	1,317	1,317	-
\$ 150,001	\$ 152,596	\$ 2,595	\$ 1,317	\$ 5,695	\$ 4,378

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, 2010**

	<b>Generous Juror Program - 214.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	4,000	1,366	(2,634)
<b>Total revenue</b>	<b>4,000</b>	<b>1,366</b>	<b>(2,634)</b>
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	4,000	2,556	(1,444)
Community development	-	-	-
Other governmental activities	-	-	-
<b>Total expenditures</b>	<b>4,000</b>	<b>2,556</b>	<b>(1,444)</b>
Revenue over (under) expenditures	-	(1,190)	(1,190)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(1,190)	(1,190)
Fund balances (deficits), beginning of year	2,084	2,084	-
<b>Fund balances, end of year</b>	<b>\$ 2,084</b>	<b>\$ 894</b>	<b>\$ (1,190)</b>

<b>Friend of the Court - 215.00</b>			<b>Family Counseling Services - 216.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	20,000	17,355	(2,645)
1,980,035	1,762,011	(218,024)	-	-	-
210,000	217,266	7,266	-	-	-
-	-	-	-	-	-
367,581	1,505	(366,076)	25,000	-	(25,000)
<u>2,557,616</u>	<u>1,980,782</u>	<u>(576,834)</u>	<u>45,000</u>	<u>17,355</u>	<u>(27,645)</u>
2,945,500	2,849,656	(95,844)	45,000	22,035	(22,965)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,945,500</u>	<u>2,849,656</u>	<u>(95,844)</u>	<u>45,000</u>	<u>22,035</u>	<u>(22,965)</u>
(387,884)	(868,874)	(480,990)	-	(4,680)	(4,680)
387,884	387,884	-	-	-	-
-	-	-	-	-	-
<u>387,884</u>	<u>387,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(480,990)	(480,990)	-	(4,680)	(4,680)
905,570	905,570	-	149,057	149,057	-
<u>\$ 905,570</u>	<u>\$ 424,580</u>	<u>\$ (480,990)</u>	<u>\$ 149,057</u>	<u>\$ 144,377</u>	<u>\$ (4,680)</u>

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, 2010**

	<b>Four Winds Casino Revenue Sharing - 217.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ 79,169	\$ -	\$ (79,169)
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	156,491	281,130	124,639
	<hr/>		
Total revenue	235,660	281,130	45,470
	<hr/>		
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	-	-	-
	<hr/>		
Revenue over (under) expenditures	235,660	281,130	45,470
	<hr/>		
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	(235,660)	(235,659)	1
	<hr/>		
Total other financing sources (uses)	(235,660)	(235,659)	1
	<hr/>		
Net change in fund balances	-	45,471	45,471
	<hr/>		
Fund balances (deficits), beginning of year	145,131	145,131	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ 145,131</b>	<b>\$ 190,602</b>	<b>\$ 45,471</b>
	<hr/> <hr/>		



<b>Health Department - 221.00</b>			<b>Drug Court-Drug Treatment - 221.01</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
247,736	245,979	(1,757)	-	-	-
372,772	365,503	(7,269)	-	-	-
147,451	105,365	(42,086)	70,544	89,093	18,549
-	-	-	-	-	-
784,758	587,255	(197,503)	10,000	-	(10,000)
<b>1,552,717</b>	<b>1,304,102</b>	<b>(248,615)</b>	<b>80,544</b>	<b>89,093</b>	<b>8,549</b>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,415,000	2,341,406	(73,594)	208,544	173,735	(34,809)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>2,415,000</b>	<b>2,341,406</b>	<b>(73,594)</b>	<b>208,544</b>	<b>173,735</b>	<b>(34,809)</b>
<b>(862,283)</b>	<b>(1,037,304)</b>	<b>(175,021)</b>	<b>(128,000)</b>	<b>(84,642)</b>	<b>43,358</b>
929,226	1,186,894	257,668	128,000	128,000	-
(66,943)	(4,910)	62,033	-	-	-
<b>862,283</b>	<b>1,181,984</b>	<b>319,701</b>	<b>128,000</b>	<b>128,000</b>	<b>-</b>
-	144,680	144,680	-	43,358	43,358
161,421	161,421	-	(6,911)	(6,911)	-
<b>\$ 161,421</b>	<b>\$ 306,101</b>	<b>\$ 144,680</b>	<b>\$ (6,911)</b>	<b>\$ 36,447</b>	<b>\$ 43,358</b>

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, 2010**

	<b>Health Department Grants - 221.xx</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	5,224,618	4,534,443	(690,175)
Charges for services	350,000	318,162	(31,838)
Interest	-	-	-
Other revenue	647,677	181,642	(466,035)
	<hr/>		
Total revenue	6,222,295	5,034,247	(1,188,048)
<hr/>			
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	6,223,763	5,286,739	(937,024)
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	6,223,763	5,286,739	(937,024)
	<hr/>		
Revenue over (under) expenditures	(1,468)	(252,492)	(251,024)
<hr/>			
<b>Other financing sources (uses)</b>			
Transfers in	1,468	4,910	3,442
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	1,468	4,910	3,442
	<hr/>		
Net change in fund balances	-	(247,582)	(247,582)
	<hr/>		
Fund balances (deficits), beginning of year	643,924	643,924	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ 643,924</b>	<b>\$ 396,342</b>	<b>\$ (247,582)</b>
	<hr/>		

<b>Berrien County Landfill Use- 227.00</b>			<b>Public Maintenance &amp; Improvement - 245.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
769,700	496,235	(273,465)	-	-	-
71,280	4,347	(66,933)	-	1,793	1,793
1,233,088	-	(1,233,088)	2,030,277	-	(2,030,277)
<b>2,074,068</b>	<b>500,582</b>	<b>(1,573,486)</b>	<b>2,030,277</b>	<b>1,793</b>	<b>(2,028,484)</b>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,846,068	1,772,029	(74,039)	2,120,413	1,344,764	(775,649)
<b>1,846,068</b>	<b>1,772,029</b>	<b>(74,039)</b>	<b>2,120,413</b>	<b>1,344,764</b>	<b>(775,649)</b>
<b>228,000</b>	<b>(1,271,447)</b>	<b>(1,499,447)</b>	<b>(90,136)</b>	<b>(1,342,971)</b>	<b>(1,252,835)</b>
-	-	-	90,136	1,888,042	1,797,906
(228,000)	(63,000)	165,000	-	-	-
<b>(228,000)</b>	<b>(63,000)</b>	<b>165,000</b>	<b>90,136</b>	<b>1,888,042</b>	<b>1,797,906</b>
-	(1,334,447)	(1,334,447)	-	545,071	545,071
3,615,390	3,615,390	-	2,749,908	2,749,908	-
<b>\$ 3,615,390</b>	<b>\$ 2,280,943</b>	<b>\$ (1,334,447)</b>	<b>\$ 2,749,908</b>	<b>\$ 3,294,979</b>	<b>\$ 545,071</b>

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, 2010**

	<b>Revenue Sharing Board</b>		
	<b>Four Winds Casino - 255.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	-	-	-
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Total expenditures	-	-	-
Revenue over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances (deficits), beginning of year	7	7	-
<b>Fund balances, end of year</b>	<b>\$ 7</b>	<b>\$ 7</b>	<b>\$ -</b>

<b>Register of Deeds Automation- 256.00</b>			<b>Register of Deeds Tax Foreclosure Search- 256.01</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
500	-	(500)	-	-	-
-	-	-	168,330	218,051	49,721
500	-	(500)	168,330	218,051	49,721
-	-	-	-	-	-
175,500	130,739	(44,761)	31,330	31,328	(2)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
175,500	130,739	(44,761)	31,330	31,328	(2)
(175,000)	(130,739)	44,261	137,000	186,723	49,723
175,000	157,282	(17,718)	-	-	-
-	-	-	(137,000)	(137,000)	-
175,000	157,282	(17,718)	(137,000)	(137,000)	-
-	26,543	26,543	-	49,723	49,723
90,343	90,343	-	-	-	-
\$ 90,343	\$ 116,886	\$ 26,543	\$ -	\$ 49,723	\$ 49,723

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, 2010**

	<b>Law Enforcement Funds - [various #s]</b>		
	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	2,754,821	1,979,191	(775,630)
Charges for services	2,176,295	2,096,273	(80,022)
Interest	5,000	521	(4,479)
Other revenue	639,666	663,491	23,825
<b>Total revenue</b>	<b>5,575,782</b>	<b>4,739,476</b>	<b>(836,306)</b>
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	7,395,980	6,368,182	(1,027,798)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
<b>Total expenditures</b>	<b>7,395,980</b>	<b>6,368,182</b>	<b>(1,027,798)</b>
Revenue over (under) expenditures	(1,820,198)	(1,628,706)	191,492
<b>Other financing sources (uses)</b>			
Transfers in	1,829,078	1,967,240	138,162
Transfers out	(8,880)	(40,825)	(31,945)
<b>Total other financing sources (uses)</b>	<b>1,820,198</b>	<b>1,926,415</b>	<b>106,217</b>
Net change in fund balances	-	297,709	297,709
Fund balances (deficits), beginning of year	1,277,971	1,277,971	-
<b>Fund balances, end of year</b>	<b>\$ 1,277,971</b>	<b>\$ 1,575,680</b>	<b>\$ 297,709</b>

<b>Drug Enforcement Public Safety - 264.00</b>			<b>Prosecutor's Welfare Fraud Grant - 266.02</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ 2,393,000	\$ 2,436,968	\$ 43,968	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	323,131	268,383	(54,748)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>2,393,000</b>	<b>2,436,968</b>	<b>43,968</b>	<b>323,131</b>	<b>268,383</b>	<b>(54,748)</b>
-	-	-	395,597	388,375	(7,222)
-	-	-	-	-	-
209,980	-	(209,980)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>209,980</b>	<b>-</b>	<b>(209,980)</b>	<b>395,597</b>	<b>388,375</b>	<b>(7,222)</b>
<b>2,183,020</b>	<b>2,436,968</b>	<b>253,948</b>	<b>(72,466)</b>	<b>(119,992)</b>	<b>(47,526)</b>
-	-	-	72,466	119,992	47,526
(2,183,020)	(2,158,654)	24,366	-	-	-
<b>(2,183,020)</b>	<b>(2,158,654)</b>	<b>24,366</b>	<b>72,466</b>	<b>119,992</b>	<b>47,526</b>
-	278,314	278,314	-	-	-
445,999	445,999	-	-	-	-
<b>\$ 445,999</b>	<b>\$ 724,313</b>	<b>\$ 278,314</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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, 2010**

	<b>Prosecutor's Grant Victim-Witness - 266.04</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	170,100	172,899	2,799
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	154	154
	<hr/>		
Total revenue	170,100	173,053	2,953
	<hr/>		
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	275,433	274,315	(1,118)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	275,433	274,315	(1,118)
	<hr/>		
Revenue over (under) expenditures	(105,333)	(101,262)	4,071
	<hr/>		
<b>Other financing sources (uses)</b>			
Transfers in	105,333	101,262	(4,071)
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	105,333	101,262	(4,071)
	<hr/>		
Net change in fund balances	-	-	-
	<hr/>		
Fund balances (deficits), beginning of year	-	-	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<hr/> <hr/>		



<b>911 County Operational Fund - 266.09</b>			<b>Drug Court Program - 267.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ 1,713,000	\$ 1,740,590	\$ 27,590	\$ -	\$ -	\$ -
-	-	-	-	-	-
435,000	484,978	49,978	5,035	4,313	(722)
-	385	385	18,928	12,698	(6,230)
-	1,999	1,999	-	-	-
1,887,259	778,014	(1,109,245)	-	-	-
<b>4,035,259</b>	<b>3,005,966</b>	<b>(1,029,293)</b>	<b>23,963</b>	<b>17,011</b>	<b>(6,952)</b>
-	-	-	281,126	280,650	(476)
-	-	-	-	-	-
3,593,389	3,248,191	(345,198)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>3,593,389</b>	<b>3,248,191</b>	<b>(345,198)</b>	<b>281,126</b>	<b>280,650</b>	<b>(476)</b>
441,870	(242,225)	(684,095)	(257,163)	(263,639)	(6,476)
-	106,582	106,582	257,163	257,163	-
(441,870)	(305,060)	136,810	-	-	-
(441,870)	(198,478)	243,392	257,163	257,163	-
-	(440,703)	(440,703)	-	(6,476)	(6,476)
1,721,977	1,721,977	-	31,154	31,154	-
<b>\$ 1,721,977</b>	<b>\$ 1,281,274</b>	<b>\$ (440,703)</b>	<b>\$ 31,154</b>	<b>\$ 24,678</b>	<b>\$ (6,476)</b>

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, 2010**

	<b>Self-Help Legal Resource Center - 268.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	20,000	20,000
Charges for services	500	5,656	5,156
Interest	-	-	-
Other revenue	99,186	-	(99,186)
Total revenue	99,686	25,656	(74,030)
<b>Expenditures</b>			
Judicial	99,686	62,150	(37,536)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Total expenditures	99,686	62,150	(37,536)
Revenue over (under) expenditures	-	(36,494)	(36,494)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	(36,494)	(36,494)
Fund balances (deficits), beginning of year	99,486	99,486	-
<b>Fund balances, end of year</b>	<b>\$ 99,486</b>	<b>\$ 62,992</b>	<b>\$ (36,494)</b>

<b>County Law Library - 269.00</b>			<b>Senior Citizen - 270.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ 2,066,450	\$ 2,087,487	\$ 21,037
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,400	6,500	(18,900)	21,861	-	(21,861)
25,400	6,500	(18,900)	2,088,311	2,087,487	(824)
80,570	55,420	(25,150)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,088,311	2,088,310	(1)
-	-	-	-	-	-
-	-	-	-	-	-
80,570	55,420	(25,150)	2,088,311	2,088,310	(1)
(55,170)	(48,920)	6,250	-	(823)	(823)
55,170	55,170	-	-	-	-
-	-	-	-	-	-
55,170	55,170	-	-	-	-
-	6,250	6,250	-	(823)	(823)
40,331	40,331	-	5,028	5,028	-
\$ 40,331	\$ 46,581	\$ 6,250	\$ 5,028	\$ 4,205	\$ (823)

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, 2010**

	<b>Hazardous Materials Emergency Preparedness - 273.22</b>		
	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	156	156
Charges for services	-	-	-
Interest	-	-	-
Other revenue	43,615	-	(43,615)
Total revenue	43,615	156	(43,459)
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	43,615	156	(43,459)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Total expenditures	43,615	156	(43,459)
Revenue over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances (deficits), beginning of year	-	-	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Juvenile Mental Health Plan Grant - 273.73</b>			<b>National Children's Advocacy Equipment Grant - 273.74</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
28,857	5,905	(22,952)	22,974	22,974	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,857	5,905	(22,952)	22,974	22,974	-
-	-	-	-	-	-
-	-	-	-	-	-
28,857	5,905	(22,952)	30,633	29,445	(1,188)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,857	5,905	(22,952)	30,633	29,445	(1,188)
-	-	-	(7,659)	(6,471)	1,188
-	-	-	7,659	6,471	(1,188)
-	-	-	-	-	-
-	-	-	7,659	6,471	(1,188)
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2010**

	<b>Michigan Housing CDBG - 274.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	19,996	19,996	-
Total revenue	19,996	19,996	-
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	19,996	19,996	-
Other governmental activities	-	-	-
Total expenditures	19,996	19,996	-
Revenue over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances (deficits), beginning of year	-	-	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

MSHDA 2008 Housing CDBG - 274.14			DNR Waterways Grant - 274.16		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
156,126	151,001	(5,125)	-	(4,211)	(4,211)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
156,126	151,001	(5,125)	-	(4,211)	(4,211)
-	-	-	-	-	-
156,126	151,001	(5,125)	-	-	-
-	-	-	-	(4,211)	(4,211)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(4,211)	(4,211)
-	-	-	4,211	4,211	-
\$ -	\$ -	\$ -	\$ 4,211	\$ -	\$ (4,211)

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, 2010**

	<b>Small Bus Program - 281.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	701,000	555,145	(145,855)
Charges for services	582,000	368,222	(213,778)
Interest	4,000	276	(3,724)
Other revenue	83,500	18,132	(65,368)
Total revenue	1,370,500	941,775	(428,725)
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	1,370,500	834,275	(536,225)
Total expenditures	1,370,500	834,275	(536,225)
Revenue over (under) expenditures	-	107,500	107,500
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	107,500	107,500
Fund balances (deficits), beginning of year	475,201	475,201	-
<b>Fund balances, end of year</b>	<b>\$ 475,201</b>	<b>\$ 582,701</b>	<b>\$ 107,500</b>





**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, 2010**

	Southwest Michigan Planning Commission - 281.21		
	Amended Budget	Actual	Over (Under) Budget
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenue	-	-	-
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Total expenditures	-	-	-
Revenue over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances (deficits), beginning of year	-	-	-
<b>Fund balances, end of year</b>	\$ -	\$ -	\$ -

<b>Capital Bus Purchase Grant - 282.00</b>			<b>Revenue Sharing Reserve Fund - 285.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
852,100	571,012	(281,088)	-	-	-
-	-	-	-	-	-
-	-	-	151,632	18,186	(133,446)
-	-	-	-	-	-
852,100	571,012	(281,088)	151,632	18,186	(133,446)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
852,100	571,012	(281,088)	-	-	-
852,100	571,012	(281,088)	-	-	-
-	-	-	151,632	18,186	(133,446)
-	-	-	-	-	-
-	-	-	(3,567,369)	(3,567,369)	-
-	-	-	(3,567,369)	(3,567,369)	-
-	-	-	(3,415,737)	(3,549,183)	(133,446)
-	-	-	7,653,662	7,653,662	-
\$ -	\$ -	\$ -	\$ 4,237,925	\$ 4,104,479	\$ (133,446)

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, 2010**

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

<b>Social Services - 290.00</b>			<b>Child Care Probate - 292.00</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
722,000	697,365	(24,635)	3,564,549	3,151,925	(412,624)
-	-	-	-	-	-
-	-	-	-	-	-
5,000	-	(5,000)	1,021,437	153,604	(867,833)
<b>727,000</b>	<b>697,365</b>	<b>(29,635)</b>	<b>4,585,986</b>	<b>3,305,529</b>	<b>(1,280,457)</b>
-	-	-	1,700	1,687	(13)
-	-	-	-	-	-
-	-	-	-	-	-
742,000	710,578	(31,422)	8,163,455	7,012,031	(1,151,424)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>742,000</b>	<b>710,578</b>	<b>(31,422)</b>	<b>8,165,155</b>	<b>7,013,718</b>	<b>(1,151,437)</b>
<b>(15,000)</b>	<b>(13,213)</b>	<b>1,787</b>	<b>(3,579,169)</b>	<b>(3,708,189)</b>	<b>(129,020)</b>
15,000	15,000	-	3,579,169	3,579,169	-
-	-	-	-	-	-
<b>15,000</b>	<b>15,000</b>	<b>-</b>	<b>3,579,169</b>	<b>3,579,169</b>	<b>-</b>
-	1,787	1,787	-	(129,020)	(129,020)
<b>37,789</b>	<b>37,789</b>	<b>-</b>	<b>773,630</b>	<b>773,630</b>	<b>-</b>
<b>\$ 37,789</b>	<b>\$ 39,576</b>	<b>\$ 1,787</b>	<b>\$ 773,630</b>	<b>\$ 644,610</b>	<b>\$ (129,020)</b>

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, 2010**

	<b>Child Care Social Services - 292.01</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	399,000	470,374	71,374
Charges for services	-	-	-
Interest	-	-	-
Other revenue	73,001	-	(73,001)
	<hr/>		
Total revenue	472,001	470,374	(1,627)
<hr/>			
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	904,201	904,199	(2)
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	904,201	904,199	(2)
	<hr/>		
Revenue over (under) expenditures	(432,200)	(433,825)	(1,625)
<hr/>			
<b>Other financing sources (uses)</b>			
Transfers in	432,200	432,200	-
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	432,200	432,200	-
	<hr/>		
Net change in fund balances	-	(1,625)	(1,625)
	<hr/>		
Fund balances (deficits), beginning of year	319,220	319,220	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ 319,220</b>	<b>\$ 317,595</b>	<b>\$ (1,625)</b>
	<hr/> <hr/>		

<b>Soldiers and Sailors Relief - 293.00</b>				<b>Veteran's Trust - 294.00</b>			
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>		<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	
\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-	-
-	-	-	-	16,975	13,612	(3,363)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	16,975	13,612	(3,363)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	16,975	14,451	(2,524)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	16,975	14,451	(2,524)	-
-	-	-	-	-	(839)	(839)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(839)	(839)	-
1,757	1,757	-	-	1,182	1,182	-	-
\$ 1,757	\$ 1,757	\$ -	-	\$ 1,182	\$ 343	\$ (839)	-

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, 2010**

	<b>Board of Public Works - 296.00</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	1,000	40,335	39,335
Interest	-	-	-
Other revenue	-	-	-
Total revenue	1,000	40,335	39,335
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	1,000	34	(966)
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
Total expenditures	1,000	34	(966)
Revenue over (under) expenditures	-	40,301	40,301
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	40,301	40,301
Fund balances (deficits), beginning of year	69,894	69,894	-
<b>Fund balances, end of year</b>	<b>\$ 69,894</b>	<b>\$ 110,195</b>	<b>\$ 40,301</b>



<b>Campaign Finance Administration - 297.03</b>			<b>Juvenile Delinquent Title V Plan Grant - 297.25 &amp; 297.27</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	70,000	17,600	(52,400)
-	-	-	-	-	-
-	-	-	-	-	-
100	25	(75)	-	-	-
100	25	(75)	70,000	17,600	(52,400)
-	-	-	70,000	17,600	(52,400)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100	-	(100)	-	-	-
100	-	(100)	70,000	17,600	(52,400)
-	25	25	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	25	25	-	-	-
3,114	3,114	-	-	-	-
\$ 3,114	\$ 3,139	\$ 25	\$ -	\$ -	\$ -

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, 2010**

	<b>Hollywood Basin Wetland Grant - 297.28</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	262,863	248,345	(14,518)
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	-	-
	<hr/>		
Total revenue	262,863	248,345	(14,518)
	<hr/>		
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	262,863	248,345	(14,518)
Other governmental activities	-	-	-
	<hr/>		
Total expenditures	262,863	248,345	(14,518)
	<hr/>		
Revenue over (under) expenditures	-	-	-
	<hr/>		
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>		
Total other financing sources (uses)	-	-	-
	<hr/>		
Net change in fund balances	-	-	-
	<hr/>		
Fund balances (deficits), beginning of year	-	-	-
	<hr/>		
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<hr/> <hr/>		

<b>Juvenile Accountability Block Grant - 297.34</b>			<b>Animal Control Neuter / Spay Program - 298.01</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
12,780	11,520	(1,260)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	11,000	8,700	(2,300)
12,780	11,520	(1,260)	11,000	8,700	(2,300)
-	-	-	-	-	-
-	-	-	-	-	-
14,200	12,800	(1,400)	11,000	10,450	(550)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,200	12,800	(1,400)	11,000	10,450	(550)
(1,420)	(1,280)	140	-	(1,750)	(1,750)
1,420	1,280	(140)	-	-	-
-	-	-	-	-	-
1,420	1,280	(140)	-	-	-
-	-	-	-	(1,750)	(1,750)
-	-	-	15,796	15,796	-
\$ -	\$ -	\$ -	\$ 15,796	\$ 14,046	\$ (1,750)

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, 2010**

	<b>Animal Control Special Fund - 298.02</b>		
	<b>Amended</b>		<b>Over</b>
	<b>Budget</b>	<b>Actual</b>	<b>(Under)</b>
			<b>Budget</b>
<b>Revenue</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Other revenue	-	4,195	4,195
<b>Total revenue</b>	<b>-</b>	<b>4,195</b>	<b>4,195</b>
<b>Expenditures</b>			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Other governmental activities	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>4,195</b>	<b>4,195</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>4,195</b>	<b>4,195</b>
Fund balances (deficits), beginning of year	-	-	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ 4,195</b>	<b>\$ 4,195</b>

<b>Homestead Audit Administration - 620.00</b>			<b>Total Special Revenue Funds</b>		
<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
\$ -	\$ -	\$ -	\$ 6,251,619	\$ 6,265,045	\$ 13,426
-	-	-	267,736	263,334	(4,402)
-	-	-	18,169,361	15,609,068	(2,560,293)
32,307	85,537	53,230	4,727,264	4,374,143	(353,121)
750	1,256	506	233,162	28,378	(204,784)
10,098	-	(10,098)	9,560,532	3,104,825	(6,455,707)
43,155	86,793	43,638	39,209,674	29,644,793	(9,564,881)
-	-	-	3,919,179	3,677,573	(241,606)
-	-	-	206,830	162,067	(44,763)
-	-	-	11,687,895	10,016,546	(1,671,349)
-	-	-	18,674,938	16,443,173	(2,231,765)
-	-	-	3,120,767	3,039,045	(81,722)
-	-	-	438,985	419,342	(19,643)
43,155	42,912	(243)	6,238,960	4,571,616	(1,667,344)
43,155	42,912	(243)	44,287,554	38,329,362	(5,958,192)
-	43,881	43,881	(5,077,880)	(8,684,569)	(3,606,689)
-	-	-	8,538,960	10,792,617	2,253,657
-	-	-	(6,876,817)	(6,520,551)	356,266
-	-	-	1,662,143	4,272,066	2,609,923
-	43,881	43,881	(3,415,737)	(4,412,503)	(996,766)
158,945	158,945	-	21,913,007	21,913,007	-
\$ 158,945	\$ 202,826	\$ 43,881	\$ 18,497,270	\$ 17,500,504	\$ (996,766)

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**December 31, 2010**

	<b>Bridge Bond 301.00</b>	<b>Building Authority 450.00</b>		<b>Total</b>
<b>Assets</b>				
Cash and investments	\$ 260	\$ -	\$	260
<b>Fund balances</b>				
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, 2010**

	<b>Bridge Bond 301.00</b>	<b>Building Authority 450.00</b>	<b>Total</b>
<b>Revenue</b>			
Charges for services	\$ -	\$ 1,298,888	\$ 1,298,888
<b>Expenditures</b>			
Debt service:			
Principal	-	975,000	975,000
Interest and fiscal charges	-	323,888	323,888
Total expenditures	-	1,298,888	1,298,888
Net change in fund balances	-	-	-
Fund balances, beginning of year	260	-	260
<b>Fund balances, end of year</b>	<b>\$ 260</b>	<b>\$ -</b>	<b>\$ 260</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**December 31, 2010**

	<b>Vehicle/ Equipment Replacement 402.00</b>	<b>Animal Shelter 413.00</b>	<b>Building Authority 450.00</b>	<b>Courthouse 470.00</b>	<b>Total</b>
<b>Assets</b>					
Cash and investments	\$ 487,339	\$ 387,101	\$ 40,850	\$ 1	\$ 915,291
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fund balances</b>					
Unreserved:					
Designated for subsequent years' expenditures	223,903	-	-	-	223,903
Undesignated	263,436	387,101	40,850	1	691,388
Total fund balances	487,339	387,101	40,850	1	915,291
Total liabilities and fund balances	\$ 487,339	\$ 387,101	\$ 40,850	\$ 1	\$ 915,291



**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Capital Project Funds**  
**For the Year Ended December 31, 2010**

	<b>Vehicle/ Equipment Replacement 402.00</b>	<b>Animal Shelter 413.00</b>	<b>Building Authority 450.00</b>	<b>Courthouse 470.00</b>	<b>Total</b>
<b>Revenue</b>					
Interest revenue	\$ -	\$ 444	\$ 209	\$ -	\$ 653
Other	-	224,199	-	-	224,199
Total revenue	-	224,643	209	-	224,852
<b>Expenditures</b>					
Current expenditures:					
Public works	162,139	-	124,418	-	286,557
Debt service:					
Principal	6,040	-	-	-	6,040
Interest and fiscal charges	754	-	-	-	754
Total expenditures	168,933	-	124,418	-	293,351
Revenue over (under) expenditures	(168,933)	224,643	(124,209)	-	(68,499)
<b>Other financing sources</b>					
Transfers in	206,794	-	-	-	206,794
Total other financing sources	206,794	-	-	-	206,794
Net change in fund balances	37,861	224,643	(124,209)	-	138,295
Fund balances, beginning of year	449,478	162,458	165,059	1	776,996
<b>Fund balances, end of year</b>	<b>\$ 487,339</b>	<b>\$ 387,101</b>	<b>\$ 40,850</b>	<b>\$ 1</b>	<b>\$ 915,291</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Net Assets**  
**Nonmajor Enterprise Funds**  
**December 31, 2010**

	<b>Delinquent Tax Foreclosure 617.xx</b>	<b>Delinquent Personal Property Tax 618.00</b>	<b>Drain Working Capital 639.00</b>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 107,761	\$ 167,503	\$ 227,473
Current portion of leases receivable	-	-	-
Due from other governments	-	-	105
Due from other funds	-	-	-
Inventories	-	-	36,905
Total current assets	<u>107,761</u>	<u>167,503</u>	<u>264,483</u>
Noncurrent assets:			
Leases receivable, net of current portion	-	-	-
Capital assets being depreciated, net	-	-	215,805
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>215,805</u>
Total assets	<u>107,761</u>	<u>167,503</u>	<u>480,288</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	9,476	-	783
Accrued and other liabilities	2,290	1,170	-
Due to other funds	-	-	135
Current portion of long-term debt	-	-	-
Total current liabilities	<u>11,766</u>	<u>1,170</u>	<u>918</u>
Long-term liabilities:			
Due in more than one year	-	-	-
Total liabilities	<u>11,766</u>	<u>1,170</u>	<u>918</u>
<b>Net assets</b>			
Invested in capital assets	-	-	215,805
Unrestricted	95,995	166,333	263,565
Total net assets	<u>\$ 95,995</u>	<u>\$ 166,333</u>	<u>\$ 479,370</u>

<b>Royalton Township Water System No. 20 851.15</b>	<b>Royalton Township Water System No. 23 851.17</b>	<b>Buchanan Township Sewer System No. 23/ No. 21 851.41</b>	<b>Royalton Township Sewer System No. 20 851.70 &amp; .79</b>	<b>Coloma Township Sewer System No. 24 851.81</b>	<b>Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82</b>
\$ -	\$ 158	\$ 7,433	\$ 765	\$ -	\$ 8,746
75,000	100,000	35,000	-	75,000	20,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
75,000	100,158	42,433	765	75,000	28,746
245,000	794,842	147,567	-	870,000	236,254
-	-	-	-	-	-
245,000	794,842	147,567	-	870,000	236,254
320,000	895,000	190,000	765	945,000	265,000
-	-	-	765	-	-
-	-	-	-	-	-
-	-	-	-	-	-
75,000	100,000	35,000	-	75,000	20,000
75,000	100,000	35,000	765	75,000	20,000
245,000	795,000	155,000	-	870,000	245,000
320,000	895,000	190,000	765	945,000	265,000
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

continued...

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Net Assets**  
**Nonmajor Enterprise Funds (Concluded)**  
**December 31, 2010**

	<b>Royalton Township Water System No. 25 851.84</b>	<b>Royalton Township Water System No. 26 851.86</b>	<b>New Buffalo City Water System No. 28 851.87</b>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 46	\$ 446	\$ 452,451
Current portion of leases receivable	125,000	20,000	61,000
Due from other governments	-	-	280,501
Due from other funds	-	-	-
Inventories	-	-	-
Total current assets	<u>125,046</u>	<u>20,446</u>	<u>793,952</u>
Noncurrent assets:			
Leases receivable, net of current portion	1,924,954	439,554	467,868
Capital assets being depreciated, net	-	-	-
Total noncurrent assets	<u>1,924,954</u>	<u>439,554</u>	<u>467,868</u>
Total assets	<u>2,050,000</u>	<u>460,000</u>	<u>1,261,820</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	-	-	719,229
Accrued and other liabilities	-	-	-
Due to other funds	-	-	-
Current portion of long-term debt	125,000	20,000	61,000
Total current liabilities	<u>125,000</u>	<u>20,000</u>	<u>780,229</u>
Long-term liabilities:			
Due in more than one year	<u>1,925,000</u>	<u>440,000</u>	<u>481,591</u>
Total liabilities	<u>2,050,000</u>	<u>460,000</u>	<u>1,261,820</u>
<b>Net assets</b>			
Invested in capital assets, net of related debt	-	-	-
Unrestricted	-	-	-
Total net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Village of  
Berrien Springs  
Water/Sewer  
System No. 29**

<b>851.89</b>	<b>Total</b>
\$ 2,553,383	\$ 3,526,165
-	511,000
-	280,606
-	-
-	36,905
2,553,383	4,354,676
742,360	5,868,399
-	215,805
742,360	6,084,204
3,295,743	10,438,880
125,283	855,536
-	3,460
-	135
-	511,000
125,283	1,370,131
3,170,460	8,327,051
3,295,743	9,697,182
-	215,805
-	525,893
\$ -	\$ 741,698

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenses**  
**and Changes in Net assets**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2010**

	<b>Delinquent Tax Foreclosure 617.xx</b>	<b>Delinquent Personal Property Tax 618.00</b>	<b>Drain Working Capital 639.00</b>
<b>Operating revenue</b>			
Charges for services	\$ 767,749	\$ 28,886	\$ 100,925
<b>Operating expense</b>			
Operations	749,367	30,663	28,780
Public works projects	-	-	-
Depreciation	-	-	61,112
Total operating expense	749,367	30,663	89,892
Operating income (loss)	18,382	(1,777)	11,033
<b>Nonoperating revenue (expenses)</b>			
Interest revenue	-	220	-
Interest and fiscal charges	-	-	-
Total nonoperating revenue (expenses)	-	220	-
Income (loss) before transfers and contributions	18,382	(1,557)	11,033
Transfers in	86,750	-	-
Transfers out	(76,000)	(10,000)	-
Capital contributions	-	-	-
Change in net assets	29,132	(11,557)	11,033
Net assets, beginning of year	66,863	177,890	468,337
<b>Net assets, end of year</b>	<b>\$ 95,995</b>	<b>\$ 166,333</b>	<b>\$ 479,370</b>

<b>Royalton Township Water System No. 20 851.15</b>	<b>Royalton Township Water System No. 23 851.17</b>	<b>Buchanan Township Sewer System No. 23/ Water System No. 21 851.41</b>	<b>Royalton Township Sewer System No. 20 851.70 &amp; .79</b>	<b>Coloma Township Sewer System No. 24 851.81</b>	<b>Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82</b>
\$ 21,975	\$ 44,588	\$ 12,485	\$ -	\$ 54,828	\$ 15,223
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
21,975	44,588	12,485	-	54,828	15,223
-	-	-	-	-	-
(21,975)	(44,588)	(12,485)	-	(54,828)	(15,223)
(21,975)	(44,588)	(12,485)	-	(54,828)	(15,223)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenses**  
**and Changes in Net assets**  
**Nonmajor Enterprise Funds (Concluded)**  
**For the Year Ended December 31, 2010**

	<b>Royalton Township Water System No. 25 851.84</b>	<b>Royalton Township Water System No. 26 851.86</b>	<b>New Buffalo City Water System No. 28 851.87</b>
<b>Operating revenue</b>			
Charges for services	\$ 82,238	\$ 20,815	\$ -
<b>Operating expense</b>			
Operations	-	-	-
Public works projects	-	-	1,065,000
Depreciation	-	-	-
Total operating expense	-	-	1,065,000
Operating income (loss)	82,238	20,815	(1,065,000)
<b>Nonoperating revenue (expenses)</b>			
Interest revenue	-	-	-
Interest and fiscal charges	(82,238)	(20,815)	-
Total nonoperating revenue (expenses)	(82,238)	(20,815)	-
Income (loss) before transfers	-	-	(1,065,000)
Transfers in	-	-	-
Transfers out	-	-	-
Capital contributions	-	-	1,065,000
Change in net assets	-	-	-
Net assets, beginning of year	-	-	-
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**Village of  
Berrien Springs  
Water/Sewer  
System No. 29  
851.89**

**Total**

	<u>851.89</u>	<u>Total</u>
\$	-	\$ 1,149,712
	-	808,810
	-	1,065,000
	-	<u>61,112</u>
	-	<u>1,934,922</u>
	-	<u>(785,210)</u>
	-	220
	-	<u>(252,152)</u>
	-	<u>(251,932)</u>
	-	(1,037,142)
	-	86,750
	-	(86,000)
	-	<u>1,065,000</u>
	-	28,608
	-	<u>713,090</u>
\$	-	<u><u>741,698</u></u>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2010**

	<b>Delinquent Tax Foreclosure 617.xx</b>	<b>Delinquent Personal Property Tax 618.00</b>	<b>Drain Working Capital 639.00</b>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ 767,749	\$ 28,886	\$ 100,925
Cash payments to suppliers for goods and services	(667,885)	(29,028)	(32,639)
Cash payments to employees for services	(100,580)	(2,001)	-
Net cash provided by (used in) operating activities	(716)	(2,143)	68,286
<b>Cash flows from noncapital financing activities</b>			
Proceeds from issuance of long-term debt	-	-	-
Transfers in	86,750	-	-
Transfers out	(76,000)	(10,000)	-
Net cash provided by (used in) noncapital financing activities	10,750	(10,000)	-
<b>Cash flows from capital and related financing activities</b>			
Principal payments	-	-	-
Interest payments	-	-	-
Capital grants received	-	-	-
Purchase of capital assets	-	-	(30,350)
Net cash provided by (used in) capital and related financing activities	-	-	(30,350)
<b>Cash flows from investing activities</b>			
Interest received	-	220	-
Amounts collected on leases receivable	-	-	-
Purchase of leased assets	-	-	-
Net cash provided by (used in) investing activities	-	220	-
Net increase (decrease) in cash and cash equivalents	10,034	(11,923)	37,936
Cash and cash equivalents, beginning of year	97,727	179,426	189,537
<b>Cash and cash equivalents, end of year</b>	<b>\$ 107,761</b>	<b>\$ 167,503</b>	<b>\$ 227,473</b>

<b>Royalton Township Water System No. 20 851.15</b>	<b>Royalton Township Water System No. 23 851.17</b>	<b>Buchanan Township Sewer System No. 23/ No. 21 851.41</b>	<b>Royalton Township Sewer System No. 20 851.70 &amp; .79</b>	<b>Coloma Township Sewer System No. 24 851.81</b>	<b>Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82</b>
\$ 21,975	\$ 44,588	\$ 12,485	\$ -	\$ 54,828	\$ 15,223
-	-	-	1	-	-
-	-	-	-	-	-
21,975	44,588	12,485	1	54,828	15,223
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(75,000)	(100,000)	(35,000)	-	(75,000)	(20,000)
(21,975)	(44,588)	(12,485)	-	(54,828)	(15,223)
-	-	-	-	-	-
-	-	-	-	-	-
(96,975)	(144,588)	(47,485)	-	(129,828)	(35,223)
-	-	-	-	-	-
75,000	100,000	35,011	-	75,000	19,957
-	-	-	-	-	-
75,000	100,000	35,011	-	75,000	19,957
-	-	11	1	-	(43)
-	158	7,422	764	-	8,789
\$ -	\$ 158	\$ 7,433	\$ 765	\$ -	\$ 8,746

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds (Continued)**  
**For the Year Ended December 31, 2010**

	<b>Royalton Township Water System No. 25 851.84</b>	<b>Royalton Township Water System No. 26 851.86</b>	<b>New Buffalo City Water System No. 28 851.87</b>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ 82,238	\$ 20,815	\$ -
Cash payments to suppliers for goods and services	-	-	(626,272)
Cash payments to employees for services	-	-	-
Net cash provided by (used in) operating activities	<u>82,238</u>	<u>20,815</u>	<u>(626,272)</u>
<b>Cash flows from noncapital financing activities</b>			
Proceeds from issuance of long-term debt	-	-	542,591
Transfers in	-	-	-
Transfers out	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>542,591</u>
<b>Cash flows from capital and related financing activities</b>			
Principal payments	(100,000)	(20,000)	-
Interest payments	(82,238)	(20,815)	-
Capital grants received	-	-	1,065,000
Purchase of capital assets	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(182,238)</u>	<u>(40,815)</u>	<u>1,065,000</u>
<b>Cash flows from investing activities</b>			
Interest received	-	-	-
Amounts collected on leases receivable	100,000	20,000	-
Purchase of leased assets	-	-	(528,868)
Net cash provided by (used in) investing activities	<u>100,000</u>	<u>20,000</u>	<u>(528,868)</u>
Net increase (decrease) in cash and cash equivalents	-	-	452,451
Cash and cash equivalents, beginning of year	<u>46</u>	<u>446</u>	<u>-</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 46</u>	<u>\$ 446</u>	<u>\$ 452,451</u>

**Village of  
Berrien Springs  
Water/Sewer  
System No. 29**

<b>851.89</b>	<b>Total</b>
\$ -	\$ 1,149,712
-	(1,355,823)
-	(102,581)
-	(308,692)
3,170,460	3,713,051
-	86,750
-	(86,000)
3,170,460	3,713,801
-	(425,000)
-	(252,152)
-	1,065,000
-	(30,350)
-	357,498
-	220
-	424,968
(617,077)	(1,145,945)
(617,077)	(720,757)
2,553,383	3,041,850
-	484,315
\$ 2,553,383	\$ 3,526,165

continued...

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds (Continued)**  
**For the Year Ended December 31, 2010**

	<b>Delinquent Tax Foreclosure 617.xx</b>	<b>Delinquent Personal Property Tax 618.00</b>	<b>Drain Working Capital 639.00</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 18,382	\$ (1,777)	\$ 11,033
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	-	-	61,112
Changes in assets and liabilities:			
Due from other governments	-	-	(105)
Inventories	-	-	(4,672)
Accounts payable	(19,141)	-	783
Accrued and other liabilities	43	(366)	-
Due to other funds	-	-	135
	<b>\$ (716)</b>	<b>\$ (2,143)</b>	<b>\$ 68,286</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (716)</b>	<b>\$ (2,143)</b>	<b>\$ 68,286</b>

<b>Royalton Township Water System No. 20 851.15</b>	<b>Royalton Township Water System No. 23 851.17</b>	<b>Buchanan Township Sewer System No. 23/ Water System No. 21 851.41</b>	<b>Royalton Township Sewer System No. 20 851.70 &amp; .79</b>	<b>Coloma Township Sewer System No. 24 851.81</b>	<b>Village of Berrien Springs/ Oronoko Township Water/Sewer System No. 26 851.82</b>
\$ 21,975	\$ 44,588	\$ 12,485	\$ -	\$ 54,828	\$ 15,223
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>\$ 21,975</b>	<b>\$ 44,588</b>	<b>\$ 12,485</b>	<b>\$ 1</b>	<b>\$ 54,828</b>	<b>\$ 15,223</b>

continued...

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds (Concluded)**  
**For the Year Ended December 31, 2010**

	<b>Royalton Township Water System No. 25 851.84</b>	<b>Royalton Township Water System No. 26 851.86</b>	<b>New Buffalo City Water System No. 28 851.87</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 82,238	\$ 20,815	\$ (1,065,000)
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	-	-	-
Changes in assets and liabilities:			
Due from other governments	-	-	(280,501)
Inventories	-	-	-
Accounts payable	-	-	719,229
Accrued and other liabilities	-	-	-
Due to other funds	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 82,238</b>	<b>\$ 20,815</b>	<b>\$ (626,272)</b>



**Village of  
Berrien Springs  
Water/Sewer  
System No. 29**

<b>851.89</b>	<b>Total</b>
\$ -	(785,210)
-	61,112
-	(280,606)
-	(4,672)
-	700,872
-	(323)
-	135
\$ -	\$ (308,692)

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**December 31, 2010**

	<b>Property/ Liability Insurance 677.00</b>	<b>Workers' Compensation Insurance 677.01</b>	<b>Health Care Insurance 677.02</b>	<b>Unemployment Insurance 677.03</b>	<b>Total</b>
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 2,421,823	\$ 1,816,419	\$ 8,666,305	\$ 123,009	\$ 13,027,556
Noncurrent assets:					
Restricted cash	458,902	-	-	-	458,902
Total assets	2,880,725	1,816,419	8,666,305	123,009	13,486,458
<b>Liabilities</b>					
Current liabilities:					
Accrued and other liabilities	1,895,714	176,103	2,249,605	-	4,321,422
<b>Net assets</b>					
Restricted for self-insurance claims	458,902	-	-	-	458,902
Unrestricted:					
Undesignated	526,109	1,640,316	6,416,700	123,009	8,706,134
Total net assets	\$ 985,011	\$ 1,640,316	\$ 6,416,700	\$ 123,009	\$ 9,165,036

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Revenue, Expenses and**  
**Changes in Fund Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2010**

	<b>Property/ Liability Insurance 677.00</b>	<b>Workers' Compensation Insurance 677.01</b>	<b>Health Care Insurance 677.02</b>	<b>Unemployment Insurance 677.03</b>	<b>Total</b>
<b>Operating revenue</b>					
Charges for services	\$ -	\$ 120,143	\$ 12,719,334	\$ 46,729	\$ 12,886,206
<b>Operating expenses</b>					
Operation and maintenance	-	-	3,394,253	1,600	3,395,853
Benefits and claims	500,157	151,633	9,714,590	88,865	10,455,245
Total operating expenses	500,157	151,633	13,108,843	90,465	13,851,098
Operating loss	(500,157)	(31,490)	(389,509)	(43,736)	(964,892)
<b>Nonoperating revenue</b>					
Interest income	12,705	2,099	7,231	-	22,035
Change in net assets	(487,452)	(29,391)	(382,278)	(43,736)	(942,857)
Net assets, beginning of year	1,472,463	1,669,707	6,798,978	166,745	10,107,893
<b>Net assets, end of year</b>	<b>\$ 985,011</b>	<b>\$ 1,640,316</b>	<b>\$ 6,416,700</b>	<b>\$ 123,009</b>	<b>\$ 9,165,036</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2010**

	<b>Property/ Liability Insurance 677.00</b>	<b>Workers' Compensation Insurance 677.01</b>	<b>Health Care Insurance 677.02</b>	<b>Unemployment Insurance 677.03</b>	<b>Total</b>
<b>Cash flows from operating activities</b>					
Cash received from interfund services provided	\$ -	\$ 120,143	\$ 12,719,334	\$ 46,729	\$ 12,886,206
Cash payments to suppliers for goods and services	(339,244)	(151,851)	(12,994,276)	(90,465)	(13,575,836)
Net cash used in operating activities	(339,244)	(31,708)	(274,942)	(43,736)	(689,630)
<b>Cash flows from investing activities</b>					
Interest received	12,705	2,099	7,231	-	22,035
Net decrease in cash and cash equivalents	(326,539)	(29,609)	(267,711)	(43,736)	(667,595)
Cash and cash equivalents, beginning of year	3,207,264	1,846,028	8,934,016	166,745	14,154,053
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,880,725</b>	<b>\$ 1,816,419</b>	<b>\$ 8,666,305</b>	<b>\$ 123,009</b>	<b>\$ 13,486,458</b>
<b>Balance sheet classification of cash and cash equivalents</b>					
Cash and cash equivalents	\$ 2,421,823	\$ 1,816,419	\$ 8,666,305	\$ 123,009	\$ 13,027,556
Restricted cash	458,902	-	-	-	458,902
	<b>\$ 2,880,725</b>	<b>\$ 1,816,419</b>	<b>\$ 8,666,305</b>	<b>\$ 123,009</b>	<b>\$ 13,486,458</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>					
Operating loss	\$ (500,157)	\$ (31,490)	\$ (389,509)	\$ (43,736)	\$ (964,892)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Accrued and other liabilities	160,913	(218)	114,567	-	275,262
<b>Net cash used in operating activities</b>	<b>\$ (339,244)</b>	<b>\$ (31,708)</b>	<b>\$ (274,942)</b>	<b>\$ (43,736)</b>	<b>\$ (689,630)</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Fiduciary Net Assets**  
**All Agency Funds**  
**December 31, 2010**

	<b>Trust and Agency 701.00</b>	<b>Court Orders Payable 702.00</b>	<b>Library Trust 721.00</b>	<b>District Court Trust</b>	<b>Jail Inmate Trust</b>	<b>Total</b>
<b><u>ASSETS</u></b>						
<b>Assets</b>						
Cash and investments	\$ 1,588,975	\$ 96,674	\$ 762,134	\$ 485,638	\$ 8,619	\$ 2,942,040
Taxes receivable - delinquent	720,376	-	-	-	-	720,376
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 2,309,351</u></b>	<b><u>\$ 96,674</u></b>	<b><u>\$ 762,134</u></b>	<b><u>\$ 485,638</u></b>	<b><u>\$ 8,619</u></b>	<b><u>\$ 3,662,416</u></b>
<b><u>LIABILITIES</u></b>						
<b>Liabilities</b>						
Undistributed receipts	\$ 1,588,975	\$ 96,674	\$ 762,134	\$ 485,638	\$ 8,619	\$ 2,942,040
Delinquent taxes payable	720,376	-	-	-	-	720,376
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 2,309,351</u></b>	<b><u>\$ 96,674</u></b>	<b><u>\$ 762,134</u></b>	<b><u>\$ 485,638</u></b>	<b><u>\$ 8,619</u></b>	<b><u>\$ 3,662,416</u></b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2010**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>
<b><u>Trust and Agency Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,494,979	\$ 96,101,885	\$ 96,007,889	\$ 1,588,975
Taxes receivable - delinquent	1,100,505	647,018	1,027,147	720,376
<b>Total assets</b>	<b>\$ 2,595,484</b>	<b>\$ 96,748,903</b>	<b>\$ 97,035,036</b>	<b>\$ 2,309,351</b>
<b>Liabilities</b>				
Undistributed receipts	\$ 1,494,979	\$ 96,101,885	\$ 96,007,889	\$ 1,588,975
Delinquent taxes payable	1,100,505	647,018	1,027,147	720,376
<b>Total liabilities</b>	<b>\$ 2,595,484</b>	<b>\$ 96,748,903</b>	<b>\$ 97,035,036</b>	<b>\$ 2,309,351</b>
<b><u>Court Orders Payable Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 254,233	\$ 443,760	\$ 601,319	\$ 96,674
<b>Liabilities</b>				
Undistributed receipts	\$ 254,233	\$ 443,760	\$ 601,319	\$ 96,674
<b><u>Library Trust Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 804,395	\$ 4,511,628	\$ 4,553,889	\$ 762,134
<b>Liabilities</b>				
Undistributed receipts	\$ 804,395	\$ 4,511,628	\$ 4,553,889	\$ 762,134

continued...

**COUNTY OF BERRIEN, MICHIGAN**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds (Concluded)**  
**For the Year Ended December 31, 2010**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>
<b><u>District Court Trust Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 384,334	\$ 485,638	\$ 384,334	\$ 485,638
<b>Liabilities</b>				
Undistributed receipts	\$ 384,334	\$ 485,638	\$ 384,334	\$ 485,638
<b><u>Jail Inmate Trust Fund</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 16,160	\$ 8,619	\$ 16,160	\$ 8,619
<b>Liabilities</b>				
Undistributed receipts	\$ 16,160	\$ 8,619	\$ 16,160	\$ 8,619
<b><u>Total - All Agency Funds</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,954,101	\$ 101,551,530	\$ 101,563,591	\$ 2,942,040
Taxes receivable - delinquent	1,100,505	647,018	1,027,147	720,376
<b>Total assets</b>	<b>\$ 4,054,606</b>	<b>\$ 102,198,548</b>	<b>\$ 102,590,738</b>	<b>\$ 3,662,416</b>
<b>Liabilities</b>				
Undistributed receipts	\$ 2,954,101	\$ 101,551,530	\$ 101,563,591	\$ 2,942,040
Delinquent taxes payable	1,100,505	647,018	1,027,147	720,376
<b>Total liabilities</b>	<b>\$ 4,054,606</b>	<b>\$ 102,198,548</b>	<b>\$ 102,590,738</b>	<b>\$ 3,662,416</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Drain Commission Component Unit**  
**Statement of Net Assets and Governmental Funds Balance Sheet**  
**December 31, 2010**

	<b>Capital Projects Funds</b>			
	<b>Drain 801.00</b>	<b>Drain Revolving 802.00</b>	<b>Hollywood Road Detention Bonds 803.03</b>	<b>Starr &amp; Wellington Drain 803.04</b>
<b>Assets</b>				
Cash and investments	\$ 1,760,439	\$ 403,664	\$ 149,224	\$ 43,128
Special assessments receivable	2,516,361	-	240,000	169,000
Due from other funds	-	261,472	-	-
Capital assets not being depreciated	-	-	-	-
Capital assets being depreciated, net	-	-	-	-
Total assets	\$ 4,276,800	\$ 665,136	\$ 389,224	\$ 212,128
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 189	\$ -	\$ -
Accrued and other liabilities	-	-	-	-
Due to other funds	261,472	-	-	-
Advances from primary government	3,111	650,000	-	-
Deferred revenue	2,516,361	-	240,000	169,000
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	2,780,944	650,189	240,000	169,000
<b>Fund balances</b>				
Unreserved, undesignated	1,495,856	14,947	149,224	43,128
Total liabilities and fund balances	\$ 4,276,800	\$ 665,136	\$ 389,224	\$ 212,128
<b>Net assets</b>				
Invested in capital assets, net of related debt (deficit)				
Unrestricted				
Total net assets				



<b>Close Drain 803.05</b>	<b>Schwark Drain Drainage District 803.06</b>	<b>Hollywood Road Consolidated Drain 803.07</b>	<b>Barnes &amp; Hamilton Drain Drainage District 803.08</b>	<b>Lakeshore Drain Drainage District 803.09</b>	<b>Total</b>	<b>Adjustments</b>	<b>Statement of Net Assets</b>
\$ 209,406	\$ 589,295	\$ 276,639	\$ 535,624	\$ 2,562,058	\$ 6,529,477	\$ -	\$ 6,529,477
1,290,000	1,760,000	2,700,000	1,880,000	3,900,000	14,455,361	-	14,455,361
-	-	-	-	-	261,472	(261,472)	-
-	-	-	-	-	-	1,730,318	1,730,318
-	-	-	-	-	-	9,264,556	9,264,556
<b>\$ 1,499,406</b>	<b>\$ 2,349,295</b>	<b>\$ 2,976,639</b>	<b>\$ 2,415,624</b>	<b>\$ 6,462,058</b>	<b>\$ 21,246,310</b>	<b>10,733,402</b>	<b>31,979,712</b>
\$ -	\$ -	\$ -	\$ -	\$ 3,510	\$ 3,699	-	3,699
-	-	-	-	-	-	58,568	58,568
-	-	-	-	-	261,472	(261,472)	-
-	-	-	-	-	653,111	-	653,111
1,290,000	1,760,000	2,700,000	1,880,000	3,900,000	14,455,361	(14,455,361)	-
-	-	-	-	-	-	2,440,256	2,440,256
-	-	-	-	-	-	11,880,226	11,880,226
1,290,000	1,760,000	2,700,000	1,880,000	3,903,510	15,373,643	(337,783)	15,035,860
209,406	589,295	276,639	535,624	2,558,548	5,872,667	(5,872,667)	-
<b>\$ 1,499,406</b>	<b>\$ 2,349,295</b>	<b>\$ 2,976,639</b>	<b>\$ 2,415,624</b>	<b>\$ 6,462,058</b>	<b>\$ 21,246,310</b>		
						1,036,256	1,036,256
						15,907,596	15,907,596
						<b>\$ 16,943,852</b>	<b>\$ 16,943,852</b>

**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, 2010**

	<b>Capital Projects Funds</b>			
	<b>Drain 801.00</b>	<b>Drain Revolving 802.00</b>	<b>Hollywood Road Detention Bonds 803.03</b>	<b>Starr &amp; Wellington Drain 803.04</b>
<b>Expenditures / expenses</b>				
Public works	\$ 1,635,384	\$ -	\$ 11,655	\$ 3,593
Debt Service:				
Principal	2,492,017	-	20,000	12,000
Interest	47,177	-	-	10,770
<b>Total expenditures / expenses</b>	<b>4,174,578</b>	<b>-</b>	<b>31,655</b>	<b>26,363</b>
<b>Program revenues</b>				
Operating grants and contributions	1,661,103	-	26,929	22,165
Special assessments / capital grants and contributions	-	-	-	-
<b>Total program revenues</b>	<b>1,661,103</b>	<b>-</b>	<b>26,929</b>	<b>22,165</b>
Net program revenue	-	-	-	-
<b>Other financing sources</b>				
Issuance of long-term debt	1,563,700	-	-	-
Discount on issuance of debt	-	-	-	-
Transfers in	2,010,951	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>3,574,651</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue and other financing sources over (under) expenditures / change in net assets	1,061,176	-	(4,726)	(4,198)
Fund balances / net assets, beginning of year	434,680	14,947	153,950	47,326
<b>Fund balances / net assets, end of year</b>	<b>\$ 1,495,856</b>	<b>\$ 14,947</b>	<b>\$ 149,224</b>	<b>\$ 43,128</b>

<b>Close Drain 803.05</b>	<b>Schwark Drain Drainage District 803.06</b>	<b>Hollywood Road Consolidated Drain 803.07</b>	<b>Barnes &amp; Hamilton Drain Drainage District 803.08</b>	<b>Lakeshore Drain Drainage District 803.09</b>	<b>Total</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
\$ 113,473	\$ 1,406,775	\$ 1,630,978	\$ 1,145,869	\$ 703,220	\$ 6,650,947	\$ (6,103,009)	\$ 547,938
120,000	-	-	-	-	2,644,017	(2,644,017)	-
44,113	11,029	-	-	-	113,089	-	113,089
277,586	1,417,804	1,630,978	1,145,869	703,220	9,408,053	(8,747,026)	661,027
190,137	498,983	15,508	180,303	69,013	2,664,141	-	2,664,141
-	-	-	-	-	-	9,673,361	9,673,361
190,137	498,983	15,508	180,303	69,013	2,664,141	9,673,361	12,337,502
-	-	-	-	-	-	-	11,676,475
-	1,760,000	2,700,000	1,880,000	3,900,000	11,803,700	(11,803,700)	-
-	(27,204)	(40,500)	-	(67,175)	(134,879)	134,879	-
-	-	-	-	-	2,010,951	(2,010,951)	-
-	(224,680)	(767,391)	(378,810)	(640,070)	(2,010,951)	2,010,951	-
-	1,508,116	1,892,109	1,501,190	3,192,755	11,668,821	(11,668,821)	-
(87,449)	589,295	276,639	535,624	2,558,548	4,924,909	6,751,566	11,676,475
296,855	-	-	-	-	947,758	4,319,619	5,267,377
\$ 209,406	\$ 589,295	\$ 276,639	\$ 535,624	\$ 2,558,548	\$ 5,872,667	\$ 11,071,185	\$ 16,943,852

**COUNTY OF BERRIEN, MICHIGAN**  
**Economic Development Corporation Component Unit**  
**Statement of Net Assets**  
**December 31, 2010**

	<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>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 84,178	\$ 365,563	\$ 449,741
Noncurrent assets:			
Notes receivable	-	799,436	799,436
Advance to other component unit	-	1,150,000	1,150,000
Total noncurrent assets	-	1,949,436	1,949,436
Total assets	84,178	2,314,999	2,399,177
<b>Liabilities</b>			
Current liabilities:			
Accrued liabilities	561	-	561
Long-term liabilities:			
Advances from primary government	-	1,150,000	1,150,000
Total liabilities	561	1,150,000	1,150,561
<b>Net Assets</b>			
Unrestricted:			
Designated for subsequent years' expenditures	15,303	-	15,303
Undesignated	68,314	1,164,999	1,233,313
	<u>\$ 83,617</u>	<u>\$ 1,164,999</u>	<u>\$ 1,248,616</u>

**COUNTY OF BERRIEN, MICHIGAN**  
**Economic Development Corporation Component Unit**  
**Statement of Activities**  
**For the Year Ended December 31, 2010**

	<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>
<b>Expenses</b>			
Community development	\$ 28,111	\$ 96,866	\$ 124,977
<b>Program revenues</b>			
Charges for services	<u>5,560</u>	<u>-</u>	<u>5,560</u>
Net expense	(22,551)	(96,866)	(119,417)
<b>General revenues</b>			
Interest revenue	<u>19</u>	<u>30,954</u>	<u>30,973</u>
Change in net assets	(22,532)	(65,912)	(88,444)
Net assets, beginning of year	<u>106,149</u>	<u>1,230,911</u>	<u>1,337,060</u>
<b>Net assets, end of year</b>	<u><u>\$ 83,617</u></u>	<u><u>\$ 1,164,999</u></u>	<u><u>\$ 1,248,616</u></u>

**COUNTY OF BERRIEN, MICHIGAN**  
**Economic Development Corporation Component Unit**  
**Combining Statement of Net Assets**  
**Enterprise Funds**  
**December 31, 2010**

	<b>Small Cities Block Grant 289.00</b>	<b>Brownfield Redevelopment Authority Loan Fund 289.03</b>	<b>Revolving Loan Fund 691.00</b>	<b>Total</b>
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 326,492	\$ -	\$ 39,071	\$ 365,563
Noncurrent assets:				
Notes receivable	799,436	-	-	799,436
Advance to other component unit	-	1,150,000	-	1,150,000
Total noncurrent assets	799,436	1,150,000	-	1,949,436
Total assets	1,125,928	1,150,000	39,071	2,314,999
<b>Liabilities</b>				
Advances from primary government	-	1,150,000	-	1,150,000
<b>Net assets, unrestricted</b>	\$ 1,125,928	\$ -	\$ 39,071	\$ 1,164,999

**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, 2010**

	<b>Small Cities Block Grant 289.00</b>	<b>Brownfield Redevelopment Authority Loan Fund 289.03</b>	<b>Revolving Loan Fund 691.00</b>	<b>Total</b>
<b>Operating revenue</b>				
Interest on loans	\$ -	\$ -	\$ -	\$ -
<b>Operating expense</b>				
Community development	95,039	-	1,827	96,866
Operating loss	(95,039)	-	(1,827)	(96,866)
<b>Nonoperating revenue</b>				
Interest revenue	30,954	-	-	30,954
Change in net assets	(64,085)	-	(1,827)	(65,912)
Net assets, beginning of year	1,190,013	-	40,898	1,230,911
<b>Net assets, end of year</b>	<b>\$ 1,125,928</b>	<b>\$ -</b>	<b>\$ 39,071</b>	<b>\$ 1,164,999</b>

**COUNTY OF BERRIEN, MICHIGAN**  
**Economic Development Corporation Component Unit**  
**Combining Statement of Cash Flows**  
**Enterprise Funds**  
**For the Year Ended December 31, 2010**

	<b>Small Cities Block Grant 289.00</b>	<b>Brownfield Redevelopment Authority Loan Fund 289.03</b>	<b>Revolving Loan Fund 691.00</b>	<b>Total</b>
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 211,765	\$ -	\$ 1,827	\$ 213,592
Cash payments to suppliers for goods and services	(185,387)	-	(1,827)	(187,214)
Net cash provided by operating activities	26,378	-	-	26,378
<b>Cash flows from investing activities</b>				
Interest received	30,954	-	-	30,954
Net increase in cash and cash equivalents	57,332	-	-	57,332
Cash and cash equivalents, beginning of year	269,160	-	39,071	308,231
<b>Cash and cash equivalents, end of year</b>	<b>\$ 326,492</b>	<b>\$ -</b>	<b>\$ 39,071</b>	<b>\$ 365,563</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
Operating loss	\$ (95,039)	\$ -	\$ (1,827)	\$ (96,866)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Decrease in notes receivable	121,417	-	1,827	123,244
<b>Net cash provided by operating activities</b>	<b>\$ 26,378</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,378</b>