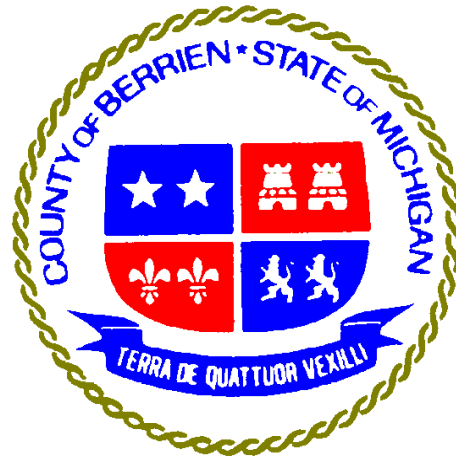


County of Berrien,
Michigan



Year Ended
December 31, 2013

Financial
Statements

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COUNTY OF BERRIEN, MICHIGAN

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INDEPENDENT AUDITORS' REPORT

June 30, 2014

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *County of Berrien, Michigan* (the "County") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Berrien County Road Commission or the Berrien Mental Health Authority which represent 54.4% and 10.0% of the assets, respectively, 69.0% and 6.8% of the net position, respectively, and 22.1% and 60.2% of the revenues, respectively, of the aggregate discretely presented component units of the County. Those statements were audited by other auditors whose reports were furnished to us, and our opinion, insofar as it relates to the amounts included for the Berrien County Road Commission and Berrien Mental Health Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Berrien, Michigan, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the 911 county operational fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Rehmann Loborn LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

As management of the County of Berrien, Michigan (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the accompanying audited financial statements. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$115,694 (*net position*). Of this amount, \$73,258 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's net position increased by \$4,475. Net position from governmental activities increased by \$2,549 while net position from business-type activities (i.e. delinquent tax funds, public works projects funds) increased by \$1,926.
- 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 \$31,351, a decrease of \$1,738 in comparison with the prior year. Of this balance, \$15,176 (48.4 percent), is unassigned fund balance.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,176, or 29.8 percent of total general fund expenditures and transfers out.
- The County's total installment debt increased by \$1,823 (5.2 percent) during the current fiscal year. The key factor in this increase was the issuance of the Coloma City Water System #30 bonds of \$4,000.

Overview of the Financial Statements

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

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

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

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

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

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

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.

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

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

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

The County maintains 43 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and 911 county operational fund which are considered to be major funds. Data from the other 41 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

Proprietary Funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its delinquent tax revolving fund, delinquent tax foreclosure and personal property tax funds, drain working capital, and various public works projects funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses *internal service funds* to account for its risk management and employee benefit programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the delinquent tax revolving, Benton Township water system fund and the Coloma City water system fund, which are considered to be major funds of the County. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

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

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

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

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities and deferred inflows of resources by \$115,694 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 59,888	\$ 59,298	\$ 75,949	\$ 72,070	\$ 135,837	\$ 131,368
Capital assets, net	35,118	33,007	130	113	35,248	33,120
Total assets	95,006	92,305	76,079	72,183	171,085	164,488
Long-term liabilities	2,733	3,475	36,256	33,630	38,989	37,105
Other liabilities	6,661	7,253	1,421	2,077	8,082	9,330
Total liabilities	9,394	10,728	37,677	35,707	47,071	46,435
Deferred inflows	8,320	6,834	-	-	8,320	6,834
Net position:						
Net investment in capital assets	34,694	31,780	130	113	34,824	31,893
Restricted	7,612	9,405	-	-	7,612	9,405
Unrestricted	34,986	33,558	38,272	36,363	73,258	69,921
Total net position	\$ 77,292	\$ 74,743	\$ 38,402	\$ 36,476	\$ 115,694	\$ 111,219

A portion of the County's net position, \$34,824 (30.1 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 position of \$7,612 (6.6 percent) represents resources that are subject to external restrictions on how they may be used. The County may use the remaining balance of *unrestricted net position* of \$73,258 (63.3 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 position, both for the government as a whole, and for its separate governmental and business-type activities.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

There was a decrease of \$1,793 in restricted net position reported in connection with the County's governmental activities. This decrease was a result of use of \$826 in Capital Reserve funds to pay a portion of general obligation bonds issued by the Berrien County Building Authority. The remaining \$458 was due to decreases in stated mandated programs and net decreases in functional activities.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services	\$ 13,897	\$ 13,195	\$ 6,029	\$ 2,709	\$ 19,926	\$ 15,904
Operating grants and contributions	25,872	23,299	-	1,687	25,872	24,986
General revenues:						
Property taxes	41,054	39,396	-	-	41,054	39,396
Grants and contributions not restricted to specific programs	298	702	-	-	298	702
Unrestricted investment earnings	38	80	-	-	38	80
Total revenues	81,159	76,672	6,029	4,396	87,188	81,068
Expenses						
Legislative	1,919	2,153	-	-	1,919	2,153
Judicial	10,311	13,033	-	-	10,311	13,033
General government	17,798	9,456	-	-	17,798	9,456
Public safety	23,569	23,685	-	-	23,569	23,685
Public works	792	606	-	-	792	606
Health and welfare	20,207	16,605	-	-	20,207	16,605
Recreation and cultural	927	3,663	-	-	927	3,663
Community development	2,412	1,112	-	-	2,412	1,112
Other governmental activities	669	6,983	-	-	669	6,983
Interest on long-term debt	18	162	-	-	18	162
Delinquent tax collections/forfeitures	-	-	1,264	1,117	1,264	1,117
Public works projects	-	-	2,827	1,186	2,827	1,186
Total expenses	78,622	77,458	4,091	2,303	82,713	79,761
Change in net position, before transfers	2,537	(786)	1,938	2,093	4,475	1,307
Transfers	12	5,425	(12)	(5,425)	-	-
Change in net position	2,549	4,639	1,926	(3,332)	4,475	1,307
Net position:						
Beginning of year	74,743	70,104	36,476	39,808	111,219	109,912
End of year	\$ 77,292	\$ 74,743	\$ 38,402	\$ 36,476	\$ 115,694	\$ 111,219

The County's net position increased by \$4,475 during the current fiscal year. This increase was driven by governmental and business-type activities balances of \$2,549 and \$1,926 respectively. The overall increase can be attributed to an increase in the general fund balance of \$883, internal service funds of \$1,661, and delinquent tax revolving fund of \$1,803.

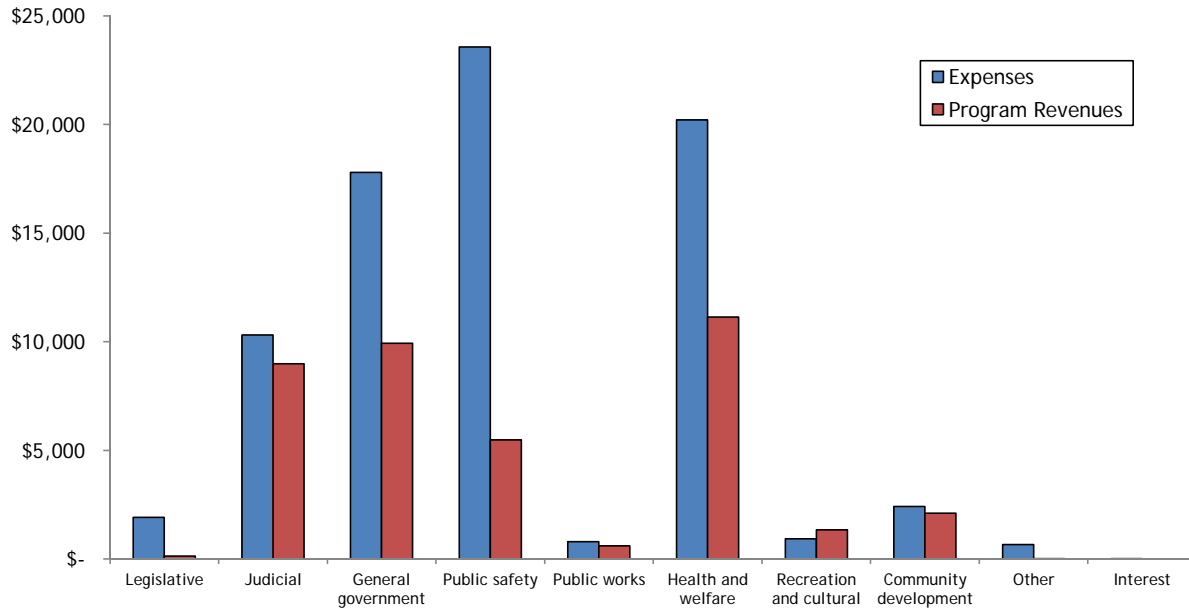
COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Governmental Activities. Governmental activities increased the County's net position by \$2,549. Key elements of this increase are as follows:

- Increased charges for services of \$925 (7.0 percent).
- Increased operating grants and contributions of \$1,945 (8.1 percent).
- Increase in property taxes of \$1,658 (4.2 percent) driven by a slight increase in taxable values and payments in lieu of taxes.
- Increase in expenses of \$1,164 (1.5 percent) partially driven by increased operating grants and contributions.
- Decrease in transfers from the Tax Revolving Fund (business-type activities) to eliminate the Building Authority prior year deficit and reduce long term debt for a total of \$5,413.

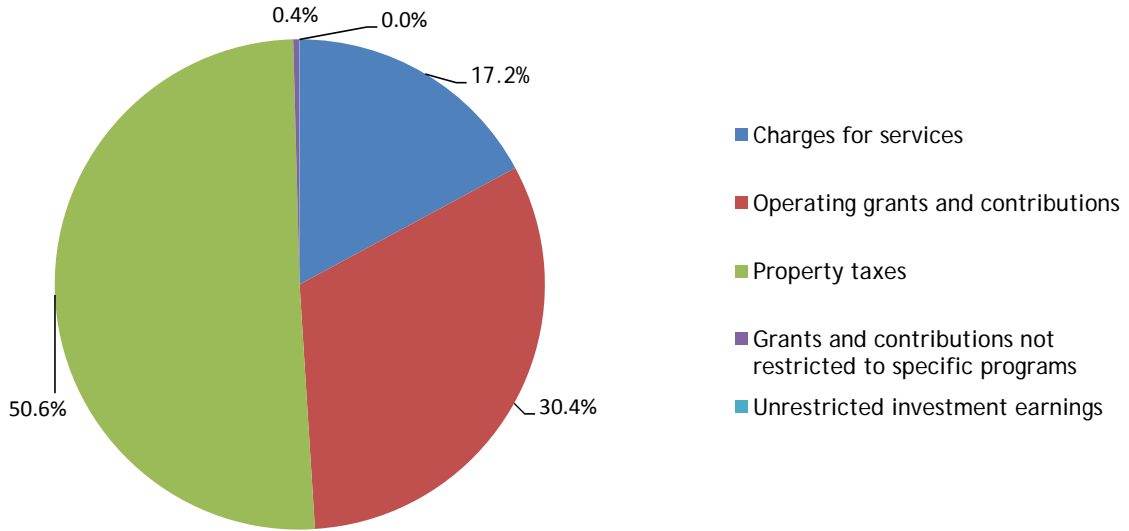
Expenses and Program Revenues - Governmental Activities



COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

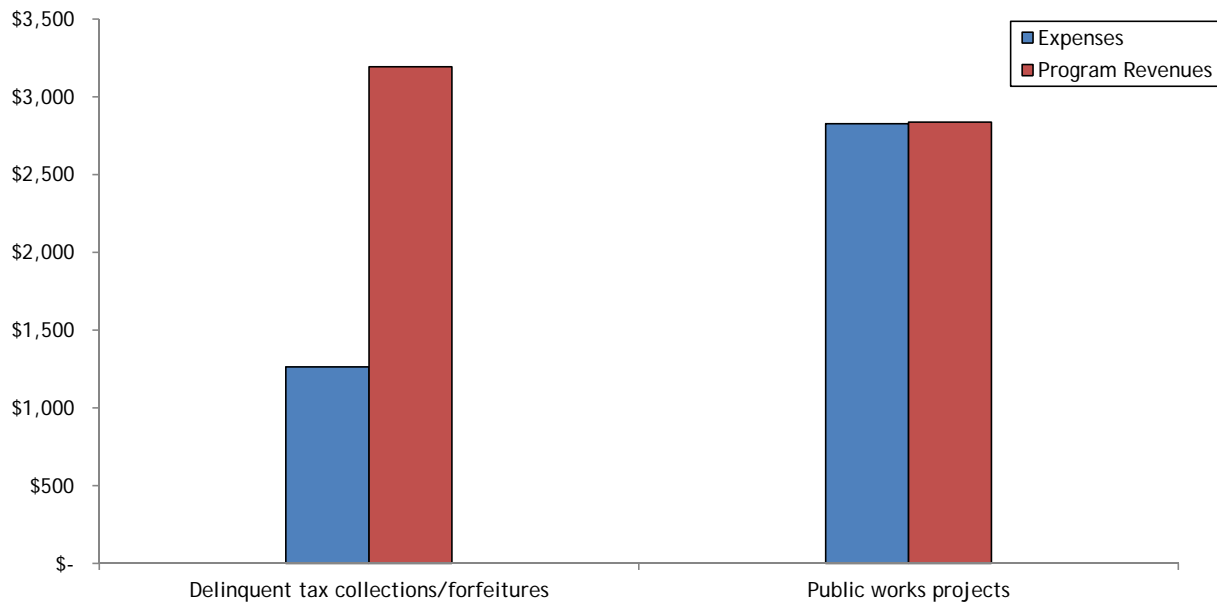
Revenues by Source - Governmental Activities



Business-type Activities. Business-type activities increased the County's net position by \$1,926. Key elements of this increase are as follows:

- Delinquent Tax Revolving Fund revenue, driven by penalty and interest revenue, continuing to outpace expenditures by \$1,803.
- Delinquent Tax Foreclosure Fund revenue outpacing expenditures by \$119.

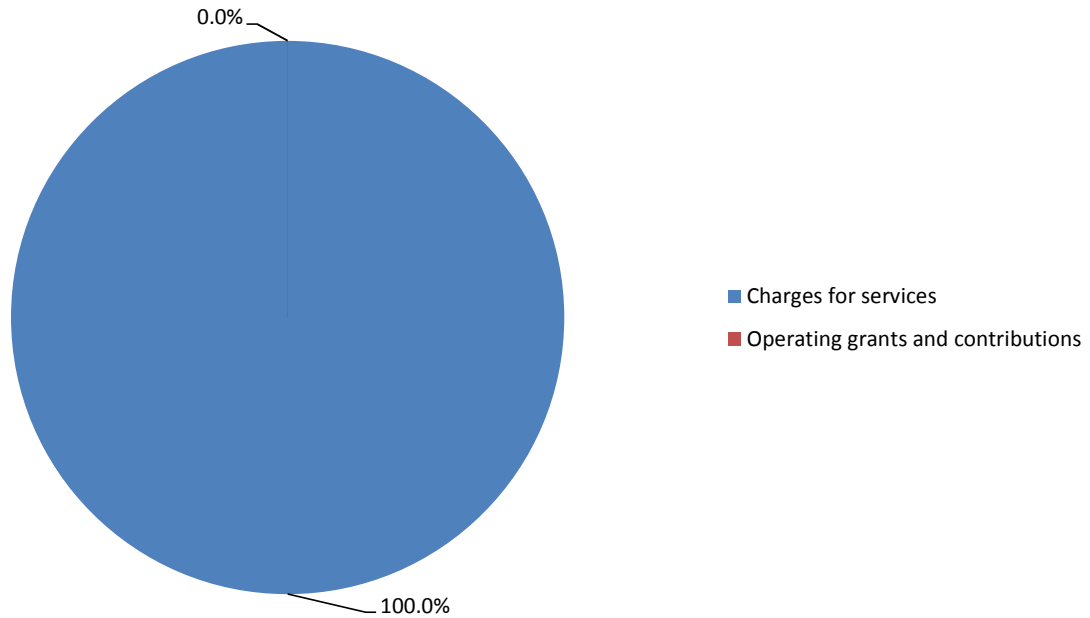
Expenses and Program Revenues - Business-type Activities



COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Revenues by Source - Business-type Activities



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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$31,351, a decrease of \$1,738 in comparison with the prior year. Approximately half of the total amount (\$15,176 or 48.4 percent) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has already been 1) advanced to other funds or component units (\$2,245), 2) restricted for various purposes (\$5,121) or 3) committed for various projects (\$8,810).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$15,176, while total fund balance reached \$17,271. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 29.8 percent of total general fund expenditures and transfers out, while total fund balance represents 33.9 percent of that same amount.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

The fund balance of the County's general fund increased by \$883 during the current fiscal year, a decrease over the prior year increase by \$157. Key factors in this growth are as follows:

- An increase in tax revenues of \$719 driven by current taxes real property taxes of \$839 created by a small increase in taxable values partially offset by decrease in delinquent real tax collections of \$138.
- A decrease in intergovernmental revenue of \$259 created by a decrease in state revenue sharing of \$428 and grant funding of \$221, offset by an increase in state cobo hall revenue sharing of \$179 and reclassification of state reimbursed prisoner care of \$214.
- A decrease in charges for services of \$301 primarily driven by reclassification of prisoner care reimbursements of \$214.
- A decrease in fines and forfeitures of \$49.
- An increase in other revenues and reimbursements of \$788 driven primarily by an increase in administrative cost reimbursements of \$982 offset by a prior year insurance refund of \$200.
- An increase in expenditures of \$744 (1.8 percent) of which \$38 is employee costs for salaries and fringe benefits and \$706 in increased non-personnel costs. Non-personnel cost increases are driven by jail medical cost increases of \$486 and appropriations to outside agencies of \$414 partially offset by all other expenses decrease of \$194.
- An increase in interfund net transfers of \$224.

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

Unrestricted net position of the delinquent tax revolving funds at the end of the year amounted to \$36,683. An increase in net position of \$1,803 was driven by an increase in charges for services.

General Fund Budgetary Highlights

The general fund budgeted for \$577 decrease in fund balance and the actual increase in fund balance was \$883. Budgetary variances are as follows:

- Tax revenues had a favorable budgetary variance of \$1,051, the majority of which is better than anticipated current property tax collections of \$1,069.
- Charges for services had an favorable budgetary variance \$645. The favorable variance is primarily made up of \$427 in Registrar of Deeds fees and \$194 in court service fees.
- Intergovernmental revenues had a favorable budgetary variance of \$59, of which \$99 is COBO Hall taxes and \$12 state revenue sharing partially offset by a decline in state court funding of \$39 and prisoner care of \$26.
- Lower than budgeted interest revenue of \$82 created by continued poor interest rates.
- All other revenue categories net unfavorable \$198.
- Other financing uses unfavorable \$1,096, the majority of which is transfers in from other funds of \$1,129.
- Expenditures had an overall favorable budgetary variance of \$1081. Almost all departments contributed to a favorable variance compared to the original budget of \$2,797.

The general fund amended budget had appropriations to other funds (transfers out) of \$8,697. Actual appropriations were \$8,697.

During the year, there was a \$277 decrease in appropriations between the original and final amended budget. Following are the main components of the change:

- \$183 increase in appropriations to outside agencies for legislative expenditures.
- \$269 increase in public safety activities primarily allocated to the jail division.
- \$596 decrease in other governmental activities primarily related to the decrease in contingencies.
- \$596 decrease in other financing sources (uses) primarily due to transfers.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of December 31, 2013 amounted to \$35,248 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and equipment. The total increase in the County's investment in capital assets for the current fiscal year was 6.43 percent (a 6.37 percent increase for governmental activities and a 0.05 percent increase for business-type activities).

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

- Acquisition of law enforcement vehicles at a cost of \$175.
- Acquisition of new busses for Berrien Bus at a cost of \$147.
- Development of Galien River Park at a cost of \$908.
- Acquisition and Remodeling of Napier building at a cost of \$1,979.
- Acquisition of Fiscal/HR software and hardware at a cost of \$176.
- Replacement of desktop computers and software at a cost of \$250.
- Acquisition of sheriff department radios, equipment and software at a cost of \$113.
- Replacement of roof at 2100 complex at a cost of \$116.
- Upgrade of emergency management equipment at a cost of \$65.
- Upgrade of phone system at a cost of \$56.
- Acquisition of drain equipment at a cost of \$65.
- Acquisition of parks and recreation equipment at a cost of \$45.
- Upgrades of computer network and storage equipment at a cost of \$66.
- Building improvements and remodeling at various buildings at a cost of \$82.
- All other equipment, vehicle, and software purchases at a cost of \$264.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 6,022	\$ 5,572	\$ -	\$ -	\$ 6,022	\$ 5,572
Construction in progress	931	165	-	-	931	165
Land improvements	298	322	-	-	298	322
Buildings	22,653	21,719	-	-	22,653	21,719
Equipment	5,214	5,229	130	113	5,344	5,342
Total capital assets, net	\$ 35,118	\$ 33,007	\$ 130	\$ 113	\$ 35,248	\$ 33,120

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

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

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

Long-Term Debt. At the end of the current fiscal year, the County had total debt outstanding of \$36,683 excluding compensated absences. Of this amount, \$29,100 comprises debt backed by the full faith and credit of the government and general obligation limited tax notes of \$7,522.

	Bonds and Notes					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 245	\$ 1,060	\$ 28,855	\$ 25,939	\$ 29,100	\$ 26,999
Capital leases payable	182	170	-	-	182	170
Unamortized bond discount	-	-	(121)	(102)	(121)	(102)
Delinquent tax notes	-	-	7,522	7,792	7,522	7,792
Total	\$ 427	\$ 1,230	\$ 36,256	\$ 33,629	\$ 36,683	\$ 34,859

The County's total installment debt increased by \$1,823 (5.2 percent) during the current fiscal year. The key factor in this increase was the issuance of the Coloma City Water System #30 bonds of \$4,000.

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

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total state equalized valuation. The current debt limitation for the County is \$698,147 which is significantly higher than the County's outstanding general obligation debt.

In May 2014, the County issued \$11,700 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's long-term debt can be found in Note 10 of this report.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the County's budget for the 2014 fiscal year:

- The average annual unemployment rate for the County for 2013 was 8.9 percent, which is down slightly from a year ago. This is slightly above the State's average annual unemployment rate of 8.8 percent and above the national average of 7.4 percent for 2013. The average unemployment rate for the County for 2014 through April is 8.0 percent.
- Inflationary trends in the region compare closely to national indices. Consumer Price Index annual percentage increases traditionally 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. The 2014 budget assumes taxable values increase from the 2013 taxable valuation by 1.0 percent.
- Interest rates have declined over the past few years. The 2014 budget assumes the continuation of these poor rates.
- Each year, the State of Michigan provides guidance on state revenue sharing the County is to receive during the year. The 2014 budget reflects this guidance.
- Defined benefit plan maintenance costs are predicted to continue to impact the fiscal operations of the County. The 2014 employer contribution percentages as determined by actuarial recommendations are up from the 2013 budget.
- 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's share of healthcare contribution to the self insurance fund increased by 1.0 percent in 2014 from the 2013 budgeted level.

COUNTY OF BERRIEN, MICHIGAN

Management's Discussion and Analysis

During the current fiscal year, unassigned fund balance in the general fund was \$15,176. 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 2014 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 2014 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 County of Berrien Administration Center, Financial Services Department, 701 Main Street, St. Joseph, Michigan 49085-1316.

BASIC FINANCIAL STATEMENTS

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COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position

December 31, 2013

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 14,071,631	\$ 11,115,656	\$ 25,187,287	\$ 29,035,638
Investments	29,103,000	24,248,672	53,351,672	1,139,631
Restricted cash	1,087,781	-	1,087,781	654,181
Receivables, net	14,759,409	39,100,245	53,859,654	27,912,400
Internal balances	(1,450,000)	1,450,000	-	-
Prepaid items and other assets	793,593	34,626	828,219	1,649,483
Net other postemployment benefit asset	1,522,286	-	1,522,286	-
Capital assets not being depreciated	6,953,314	-	6,953,314	15,602,983
Capital assets being depreciated, net	28,164,206	129,776	28,293,982	77,029,938
Total assets	95,005,220	76,078,975	171,084,195	153,024,254
Liabilities				
Accounts payable and accrued expenses	6,470,464	1,420,748	7,891,212	10,576,479
Unearned revenue	190,729	-	190,729	193,421
Long-term liabilities:				
Due within one year	2,679,585	2,496,619	5,176,204	2,842,035
Due in more than one year	53,656	33,759,350	33,813,006	21,635,431
Net other postemployment benefit obligation	-	-	-	543,815
Total liabilities	9,394,434	37,676,717	47,071,151	35,791,181
Deferred inflows of resources				
Taxes levied for a subsequent period	8,318,979	-	8,318,979	-
Net position				
Net investment in capital assets	34,693,802	129,776	34,823,578	80,640,329
Restricted for:				
Judicial	145,181	-	145,181	-
Public safety	1,720,315	-	1,720,315	-
Health and welfare	788,824	-	788,824	-
Recreation and cultural	440,263	-	440,263	-
State mandated programs and other purposes	3,409,731	-	3,409,731	2,420,208
Capital projects	1,107,945	-	1,107,945	-
Unrestricted	34,985,746	38,272,482	73,258,228	34,172,536
Total net position	\$ 77,291,807	\$ 38,402,258	\$ 115,694,065	\$ 117,233,073

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$ 1,918,518	\$ 13,429	\$ 120,639	\$ -	\$ (1,784,450)
Judicial	10,311,161	4,705,532	4,288,650	-	(1,316,979)
General government	17,798,354	2,873,171	7,063,537	-	(7,861,646)
Public safety	23,569,139	4,113,944	1,373,305	-	(18,081,890)
Public works	792,443	609,248	1,331	-	(181,864)
Health and welfare	20,207,070	543,739	10,599,752	-	(9,063,579)
Recreation and cultural	926,583	442,075	907,003	-	422,495
Community development	2,411,902	585,637	1,517,685	-	(308,580)
Other governmental activities	669,433	10,604	-	-	(658,829)
Interest on long-term debt	17,841	-	-	-	(17,841)
Total governmental activities	78,622,444	13,897,379	25,871,902	-	(38,853,163)
Business-type activities:					
Delinquent tax collections/forfeitures	1,264,122	3,191,744	-	-	1,927,622
Public works projects	2,826,703	2,837,114	-	-	10,411
Total business-type activities	4,090,825	6,028,858	-	-	1,938,033
Total primary government	\$ 82,713,269	\$ 19,926,237	\$ 25,871,902	\$ -	\$ (36,915,130)
Component units					
County roads	\$ 15,319,332	\$ -	\$ 14,216,542	\$ -	\$ (1,102,790)
County drains	2,142,036	6,978	4,267,672	5,141,733	7,274,347
Brownfield redevelopment	521,438	7,705	81,642	-	(432,091)
Economic development	33,514	170,325	-	-	136,811
Land bank	974,513	24,107	162,032	819,521	31,147
Community mental health	38,036,480	32,776,270	5,905,740	-	645,530
Total component units	\$ 57,027,313	\$ 32,985,385	\$ 24,633,628	\$ 5,961,254	\$ 6,552,954

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COUNTY OF BERRIEN, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2013

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expenses) revenues	\$ (38,853,163)	\$ 1,938,033	\$ (36,915,130)	\$ 6,552,954
General revenues:				
Property taxes	41,053,879	-	41,053,879	624,683
Grants and contributions not restricted to specific programs	297,777	-	297,777	-
Unrestricted investment earnings	38,481	-	38,481	-
Transfers - internal activities	12,236	(12,236)	-	-
Total general revenues and transfers	41,402,373	(12,236)	41,390,137	624,683
Change in net position	2,549,210	1,925,797	4,475,007	7,177,637
Net position, beginning of year	74,742,597	36,476,461	111,219,058	110,055,436
Net position, end of year	<u>\$ 77,291,807</u>	<u>\$ 38,402,258</u>	<u>\$ 115,694,065</u>	<u>\$ 117,233,073</u>

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Balance Sheet

Governmental Funds

December 31, 2013

	General (1010)	911 County Operational Fund (2610)	Other Governmental Funds	Total
Assets				
Cash and investments	\$ 1,819,331	\$ -	\$ 10,691,733	\$ 12,511,064
Investments	14,232,961	1,158,000	2,461,948	17,852,909
Receivables:				
Accounts	190,735	13,750	300,939	505,424
Taxes - current	1,853,294	2,938,592	4,896,207	9,688,093
Taxes - delinquent	9,531	3,400	-	12,931
Due from other governments	71,451	3,700	2,281,847	2,356,998
Notes	-	-	350,963	350,963
Interfund receivable	1,120,576	-	-	1,120,576
Advances to other funds	250,000	-	-	250,000
Advances to component units	1,845,000	-	-	1,845,000
Total assets	\$ 21,392,879	\$ 4,117,442	\$ 20,983,637	\$ 46,493,958
Liabilities				
Accounts payable	\$ 306,537	\$ -	\$ 481,630	\$ 788,167
Accrued expenses	964,117	91,146	489,838	1,545,101
Due to other governments	-	-	284,891	284,891
Interfund payable	-	525,825	298,442	824,267
Advances from other governments	-	-	89,000	89,000
Advances from other funds	1,450,000	-	250,000	1,700,000
Unearned revenue	-	-	190,729	190,729
Total liabilities	2,720,654	616,971	2,084,530	5,422,155
Deferred inflows of resources				
Unavailable revenue - property taxes	1,401,336	-	-	1,401,336
Taxes levied for a subsequent period	-	3,120,160	5,198,819	8,318,979
Total deferred inflows of resources	1,401,336	3,120,160	5,198,819	9,720,315
Fund balances				
Nonspendable	2,095,000	-	150,000	2,245,000
Restricted	-	380,311	4,475,147	4,855,458
Committed	-	-	9,075,141	9,075,141
Unassigned	15,175,889	-	-	15,175,889
Total fund balances	17,270,889	380,311	13,700,288	31,351,488
Total liabilities, deferred inflows of resources and fund balances	\$ 21,392,879	\$ 4,117,442	\$ 20,983,637	\$ 46,493,958

The accompanying notes are an integral part of these

COUNTY OF BERRIEN, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Governmental Activities
December 31, 2013

Fund balances - total governmental funds	\$ 31,351,488
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore not reported in the funds.	
Capital assets not being depreciated	6,953,314
Capital assets being depreciated, net	28,164,206
Other long-term assets are not available to pay for current-period expenditures and therefore are not recorded in the funds.	
Unavailable property taxes	1,401,336
Governmental funds report expenditures equal to amounts contributed to defined benefit other postemployment benefit plans (OPEB). However, in the statement of activities, net OPEB costs are equal to the actuarially determined net OPEB costs. Differences between actuarially determined net OPEB costs and annual contributions are accumulated and reported as a net OPEB asset.	
Net OPEB cost in excess of contributions made	1,522,286
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.	
Net position of governmental activities accounted for in internal service funds	10,634,052
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Bonds, notes and capital lease payable	(426,984)
Compensated absences	(2,306,257)
Accrued interest on long-term liabilities	(1,634)
Net position of governmental activities	<u>\$ 77,291,807</u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2013

	General (1010)	911 County Operational Fund (2610)	Other Governmental Funds	Total
Revenues				
Taxes	\$ 33,972,348	\$ 1,746,225	\$ 5,233,666	\$ 40,952,239
Licenses and permits	278,452	-	282,244	560,696
Intergovernmental revenue	6,164,551	-	12,689,581	18,854,132
Charges for services	6,769,979	1,202,493	4,838,341	12,810,813
Fines and forfeitures	516,223	-	9,647	525,870
Interest revenue	19,731	233	11,523	31,487
Other revenue	3,093,827	-	4,226,956	7,320,783
Total revenues	50,815,111	2,948,951	27,291,958	81,056,020
Expenditures				
Current expenditures:				
Legislative	1,634,372	-	-	1,634,372
Judicial	9,271,975	-	3,998,266	13,270,241
General government	13,079,466	-	3,709,727	16,789,193
Public safety	15,502,322	3,465,878	5,057,600	24,025,800
Public works	282,851	-	509,989	792,840
Health and welfare	817,007	-	19,379,994	20,197,001
Recreation and cultural	101,978	-	2,011,041	2,113,019
Community development	582,784	-	1,737,652	2,320,436
Other governmental activities	836,210	-	-	836,210
Debt service:				
Principal	149,418	-	815,000	964,418
Interest and fiscal charges	1,924	-	21,350	23,274
Total expenditures	42,260,307	3,465,878	37,240,619	82,966,804
Revenues over (under) expenditures	8,554,804	(516,927)	(9,948,661)	(1,910,784)
Other financing sources (uses)				
Proceeds from issuance of long-term debt	160,965	-	-	160,965
Transfers in	864,284	338,502	12,476,545	13,679,331
Transfers out	(8,696,649)	(286,430)	(4,684,016)	(13,667,095)
Total other financing sources (uses)	(7,671,400)	52,072	7,792,529	173,201
Net change in fund balances	883,404	(464,855)	(2,156,132)	(1,737,583)
Fund balance, beginning of year	16,387,485	845,166	15,856,420	33,089,071
Fund balance, end of year	\$ 17,270,889	\$ 380,311	\$ 13,700,288	\$ 31,351,488

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

COUNTY OF BERRIEN, MICHIGAN

Reconciliation

Net Changes in Fund Balance of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended December 31, 2013

Net change in fund balances - total governmental funds	\$ (1,737,583)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Acquisition/construction of capital assets	4,276,656
Depreciation expense	(2,086,985)
Net book value of capital asset disposals	(79,336)
Revenues in the statement of activities that do not provide current resources are not reported as revenues in the funds.	
Change in unavailable property taxes	101,640
Governmental funds report expenditures equal to amounts contributed to defined benefit other postemployment benefit (OPEB) plans. However, in the statement of activities, net OPEB costs are equal to actuarially determined net OPEB costs.	
Excess contributions over net OPEB cost	(333,484)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Proceeds from issuance of long-term debt	(160,965)
Principal payments on long-term debt	964,418
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.	
Change in accrued interest on bonds payable	5,433
Change in accrued compensated absences	(61,388)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The net revenue of the internal service fund is reported with governmental activities.	
Interest revenue from governmental internal service fund	1,758
Net operating income from governmental activities accounted for internal service funds	<u>1,659,046</u>
Change in net position of governmental activities	\$ <u><u>2,549,210</u></u>

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Taxes	\$ 32,920,888	\$ 32,920,888	\$ 33,972,348	\$ 1,051,460
Licenses and permits	283,700	283,700	278,452	(5,248)
Intergovernmental revenues	6,105,124	6,105,124	6,164,551	59,427
Charges for services	6,050,301	6,034,601	6,769,979	735,378
Fines and forfeitures	640,000	640,000	516,223	(123,777)
Interest revenue	102,000	102,000	19,731	(82,269)
Other revenue	3,251,626	3,253,626	3,093,827	(159,799)
Total revenues	49,353,639	49,339,939	50,815,111	1,475,172
Expenditures				
Legislative:				
Board of Commissioners	515,113	523,013	492,707	(30,306)
Appropriations to outside agencies	958,703	1,141,766	1,141,665	(101)
Total legislative	1,473,816	1,664,779	1,634,372	(30,407)
Judicial:				
Circuit court	841,400	804,400	783,599	(20,801)
District court	2,880,420	2,823,420	2,795,203	(28,217)
Probate court	293,791	275,791	258,175	(17,616)
Jury board	33,761	33,761	31,302	(2,459)
Family court intake	644,403	618,403	601,380	(17,023)
Tri-court cashiering unit	844,044	834,044	824,102	(9,942)
Trial court	2,092,303	1,941,310	1,871,492	(69,818)
District court probation	656,317	602,317	574,061	(28,256)
Adult probation	10,621	11,846	9,194	(2,652)
Juvenile probation	598,540	608,535	598,149	(10,386)
Probate court administration	847,559	838,160	826,084	(12,076)
Appropriations to outside agencies	99,234	99,234	99,234	-
Total judicial	9,842,393	9,491,221	9,271,975	(219,246)

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COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (continued)				
General government:				
Elections	\$ 86,615	\$ 84,615	\$ 80,656	\$ (3,959)
County Administrator	222,925	225,712	224,323	(1,389)
Clerk	966,979	936,970	914,965	(22,005)
Equalization	514,179	501,179	486,854	(14,325)
Personnel	342,924	347,441	347,434	(7)
Purchasing	63,861	63,861	63,443	(418)
Corporate counsel	142,626	142,919	142,915	(4)
Prosecutor	2,676,869	2,555,898	2,500,864	(55,034)
Register of deeds	324,070	324,070	323,529	(541)
Treasurer	413,643	416,406	413,629	(2,777)
Courthouse and grounds	1,274,563	1,188,063	1,131,854	(56,209)
Building authority	840	840	224	(616)
South county building	447,167	392,167	348,795	(43,372)
Other county property	175,575	148,575	122,275	(26,300)
Administration center	255,409	218,409	187,615	(30,794)
2100 complex	208,757	189,223	159,458	(29,765)
HD Buildings and grounds	303,512	277,012	250,740	(26,272)
Surveyor	100	100	-	(100)
Training facility	12,850	12,850	9,911	(2,939)
Drain commissioner	296,490	296,490	291,287	(5,203)
Building security	137,570	148,481	148,478	(3)
Financial services	497,296	541,598	537,559	(4,039)
Napier building	-	17,447	12,572	(4,875)
Telephone switchboard-central	149,273	158,273	140,091	(18,182)
Printing and microfilming	272,338	262,338	253,363	(8,975)
Mailing services	397,611	345,697	318,632	(27,065)
Motor pool	342,806	343,257	333,222	(10,035)
Information systems	2,202,472	2,110,021	2,070,967	(39,054)
GIS/mapping	323,804	305,711	291,439	(14,272)
Automation upgrade	407,579	313,973	276,872	(37,101)
Survey and remonumentation	80,000	76,000	70,659	(5,341)
Copy center	31,000	31,000	28,278	(2,722)
Cooperative extension service	260,484	262,334	262,330	(4)
Central supply	94,600	87,600	84,412	(3,188)
Records center	247,284	251,244	249,821	(1,423)
Total general government	14,174,071	13,577,774	13,079,466	(498,308)

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (continued)				
Public safety:				
Sheriff's office and road patrol	\$ 4,728,734	\$ 4,689,734	\$ 4,656,499	\$ (33,235)
Jail inmate rehabilitation	29,154	30,654	30,267	(387)
Sheriff's department radios	93,300	93,741	91,995	(1,746)
Law enforcement training facility	7,850	7,850	7,843	(7)
Jail division	8,920,246	9,244,334	9,028,056	(216,278)
Jail maintenance	920,933	878,424	835,958	(42,466)
Emergency management	332,388	354,100	349,879	(4,221)
Animal control	511,816	510,516	501,825	(8,691)
Livestock claims	100	100	-	(100)
Total public safety	15,544,521	15,809,453	15,502,322	(307,131)
Public works -				
Appropriations to outside agencies	283,001	283,001	282,851	(150)
Health and welfare:				
Contagious disease	30,500	48,500	39,553	(8,947)
Medical examiner	176,320	174,320	167,515	(6,805)
Veterans services	99,734	100,098	100,039	(59)
Veterans burial	10,000	10,000	9,900	(100)
Appropriations to outside agencies	500,000	500,000	500,000	-
Total health and welfare	816,554	832,918	817,007	(15,911)
Recreation and cultural -				
Appropriations to outside agencies	101,978	101,978	101,978	-
Community development:				
Economic development	546,064	583,309	580,571	(2,738)
Plat board	2,352	2,352	2,213	(139)
Total community development	548,416	585,661	582,784	(2,877)
Other governmental activities:				
Contingencies	1,348,443	-	-	-
Insurance and surety bonds	924,022	842,329	836,210	(6,119)
Total other governmental activities	2,272,465	842,329	836,210	(6,119)

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (concluded)				
Debt service:				
Principal	\$ -	\$ 150,000	\$ 149,418	\$ (582)
Interest and fiscal charges	-	2,000	1,924	(76)
	<hr/>	<hr/>	<hr/>	<hr/>
Total debt service	-	152,000	151,342	(658)
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	45,057,215	43,341,114	42,260,307	(1,080,807)
	<hr/>	<hr/>	<hr/>	<hr/>
Revenues over expenditures	4,296,424	5,998,825	8,554,804	2,555,979
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses)				
Proceeds from issuance of				
long-term debt	128,089	128,089	160,965	32,876
Transfers in	2,251,649	1,992,849	864,284	(1,128,565)
Transfers out	(6,976,462)	(8,696,649)	(8,696,649)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing uses	(4,596,724)	(6,575,711)	(7,671,400)	(1,095,689)
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	(300,300)	(576,886)	883,404	1,460,290
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance, beginning of year	16,387,485	16,387,485	16,387,485	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance, end of year	\$ 16,087,185	\$ 15,810,599	\$ 17,270,889	\$ 1,460,290
	<hr/>	<hr/>	<hr/>	<hr/>

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - 911 County Operational Fund

For the Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Taxes	\$ 1,743,212	\$ 1,743,212	\$ 1,746,225	\$ 3,013
Charges for services	1,102,053	1,102,053	1,202,493	100,440
Interest revenue	-	-	233	233
Other revenue	52,073	363,122	-	(363,122)
Total revenues	2,897,338	3,208,387	2,948,951	(259,436)
Expenditures				
Public safety	3,281,656	3,592,705	3,465,878	(126,827)
Revenues under expenditures	(384,318)	(384,318)	(516,927)	(132,609)
Other financing sources (uses)				
Transfers in	430,191	430,191	338,502	(91,689)
Transfers out	(359,174)	(359,174)	(286,430)	(72,744)
Total other financing sources	71,017	71,017	52,072	(18,945)
Net change in fund balance	(313,301)	(313,301)	(464,855)	(151,554)
Fund balance, beginning of year	845,166	845,166	845,166	-
Fund balance, end of year	\$ 531,865	\$ 531,865	\$ 380,311	\$ (151,554)

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Other Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 8,579,518	\$ -	\$ 1,023,830	\$ 1,512,308	\$ 11,115,656	\$ 1,560,567
Investments	24,064,736	-	-	183,936	24,248,672	11,250,091
Receivables:						
Accounts	404,979	-	-	-	404,979	-
Taxes receivable - delinquent	9,246,439	-	-	290,008	9,536,447	-
Interest	1,063,188	-	-	-	1,063,188	-
Leases receivable, current	-	780,000	155,000	330,000	1,265,000	-
Due from other governments	-	-	-	30,888	30,888	-
Prepaid items	-	-	-	-	-	793,593
Inventories	-	-	-	34,626	34,626	-
Total current assets	43,358,860	780,000	1,178,830	2,381,766	47,699,456	13,604,251
Noncurrent assets:						
Restricted cash	-	-	-	-	-	1,087,781
Advance to other funds	1,450,000	-	-	-	1,450,000	-
Leases receivable, net of current portion	-	18,783,095	2,988,801	5,027,847	26,799,743	-
Capital assets being depreciated, net	-	-	-	129,776	129,776	-
Total noncurrent assets	1,450,000	18,783,095	2,988,801	5,157,623	28,379,519	1,087,781
Total assets	44,808,860	19,563,095	4,167,631	7,539,389	76,078,975	14,692,032
Liabilities						
Current liabilities:						
Accounts payable	-	-	169,119	103,434	272,553	2,567
Accrued expenses	1,575	126,002	23,319	58,089	208,985	1,886,519
Due to other governments	601,470	-	-	337,740	939,210	1,872,585
Interfund payable	-	-	-	-	-	296,309
Current portion of long-term debt	1,231,619	780,000	155,000	330,000	2,496,619	-
Total current liabilities	1,834,664	906,002	347,438	829,263	3,917,367	4,057,980
Long-term liabilities -						
Due in more than one year	6,290,726	18,657,093	3,820,193	4,991,338	33,759,350	-
Total liabilities	8,125,390	19,563,095	4,167,631	5,820,601	37,676,717	4,057,980
Net position						
Net investment in capital assets	-	-	-	129,776	129,776	-
Restricted for self-insurance claims	-	-	-	-	-	1,087,781
Unrestricted	36,683,470	-	-	1,589,012	38,272,482	9,546,271
Total net position	\$ 36,683,470	\$ -	\$ -	\$ 1,718,788	\$ 38,402,258	\$ 10,634,052

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

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COUNTY OF BERRIEN, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Other Enterprise Funds	Total	Internal Service Funds
Operating revenues						
Charges for services	\$ 1,919,965	\$ 2,153,077	\$ 53,495	\$ 1,857,191	\$ 5,983,728	\$ 11,139,286
Interest on taxes	39,486	-	5,052	-	44,538	-
Total operating revenues	1,959,451	2,153,077	58,547	1,857,191	6,028,266	11,139,286
Operating expenses						
Operation and maintenance	175,867	636,893	-	1,293,464	2,106,224	17,555
Benefits and claims	-	-	-	-	-	9,462,685
Depreciation	-	-	-	3,914	3,914	-
Total operating expenses	175,867	636,893	-	1,297,378	2,110,138	9,480,240
Operating income	1,783,584	1,516,184	58,547	559,813	3,918,128	1,659,046
Nonoperating revenues (expenses)						
Interest income	-	-	-	592	592	1,758
Loss on disposal of capital assets	-	-	-	(44,180)	(44,180)	-
Interest and fiscal charges	(5,474)	(1,516,184)	(58,547)	(356,302)	(1,936,507)	-
Total nonoperating revenues (expenses)	(5,474)	(1,516,184)	(58,547)	(399,890)	(1,980,095)	1,758
Income before transfers	1,778,110	-	-	159,923	1,938,033	1,660,804
Transfers in	25,000	-	-	-	25,000	-
Transfers out	-	-	-	(37,236)	(37,236)	-
Change in net position	1,803,110	-	-	122,687	1,925,797	1,660,804
Net position, beginning of year	34,880,360	-	-	1,596,101	36,476,461	8,973,248
Net position, end of year	\$ 36,683,470	\$ -	\$ -	\$ 1,718,788	\$ 38,402,258	\$ 10,634,052

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, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities						
Cash received from customers	\$ 13,790,701	\$ 2,153,077	\$ 443,423	\$ 1,857,191	\$ 18,244,392	\$ -
Cash received from interfund services provided	-	-	-	-	-	11,435,595
Cash payments to suppliers for goods and services	(1,290,842)	(639,354)	(192,438)	(1,248,933)	(3,371,567)	(10,650,883)
Cash payments for delinquent tax rolls	(10,257,188)	-	-	-	(10,257,188)	-
Cash payments to employees for services	-	-	-	(89,620)	(89,620)	-
Net cash provided by operating activities	2,242,671	1,513,723	250,985	518,638	4,526,017	784,712
Cash flows from noncapital financing activities						
Purchase of capital assets	-	-	-	(64,500)	(64,500)	-
Cash flows from noncapital financing activities						
Proceeds from issuance of long-term debt	12,500,000	-	3,975,193	-	16,475,193	-
Principal payments	(12,769,233)	(755,000)	-	(330,000)	(13,854,233)	-
Interest payments	(5,474)	(1,511,300)	(58,547)	(355,825)	(1,931,146)	-
Transfers in	25,000	-	-	-	25,000	-
Transfers out	-	-	-	(37,236)	(37,236)	-
Net cash provided by (used in) noncapital financing activities	(249,707)	(2,266,300)	3,916,646	(723,061)	677,578	-
Cash flows from investing activities						
Purchase of investments	(24,064,736)	-	-	(183,936)	(24,248,672)	(11,250,091)
Interest received	-	-	-	592	592	1,758
Amounts collected on leases receivable	-	120,568	-	319,514	440,082	-
Purchase of leased assets	-	-	(3,143,801)	-	(3,143,801)	-
Net cash provided by (used in) investing activities	(24,064,736)	120,568	(3,143,801)	136,170	(26,951,799)	(11,248,333)
Net change in cash and investments	(22,071,772)	(632,009)	1,023,830	(132,753)	(21,812,704)	(10,463,621)
Cash and cash equivalents, beginning of year	30,651,290	632,009	-	1,645,061	32,928,360	13,111,969
Cash and cash equivalents, end of year	\$ 8,579,518	\$ -	\$ 1,023,830	\$ 1,512,308	\$ 11,115,656	\$ 2,648,348
Statement of net position classification of cash and investments						
Cash and cash equivalents	\$ 8,579,518	\$ -	\$ 1,023,830	\$ 1,512,308	\$ 11,115,656	\$ 1,560,567
Restricted cash	-	-	-	-	-	1,087,781
Cash and cash equivalents, end of year	\$ 8,579,518	\$ -	\$ 1,023,830	\$ 1,512,308	\$ 11,115,656	\$ 2,648,348

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	Delinquent Tax Revolving (5160)	Benton Township Water System No. 27 (5760)	Coloma City Water System No. 30 (5762)	Other Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 1,783,584	\$ 1,516,184	\$ 58,547	\$ 559,813	\$ 3,918,128	\$ 1,659,046
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	-	-	-	3,914	3,914	-
Changes in assets and liabilities:						
Accounts receivable	(404,979)	-	-	-	(404,979)	-
Taxes receivable	1,088,954	-	-	84,374	1,173,328	-
Interest receivable	197,932	-	-	-	197,932	-
Due from other governments	303,933	-	-	319	304,252	-
Advances to other funds	-	-	-	-	-	-
Due from other funds	388,222	-	-	512,025	900,247	-
Prepaid items	-	-	-	-	-	(793,593)
Inventories	-	-	-	2,894	2,894	-
Accounts payable	-	-	169,119	100,711	269,830	2,567
Accrued expenses	(2,324)	(2,461)	23,319	10,376	28,910	(2,252,202)
Due to other funds	(509,910)	-	-	(404,886)	(914,796)	-
Due to other governments	(602,741)	-	-	(350,902)	(953,643)	1,872,585
Interfund payable	-	-	-	-	-	296,309
Net cash provided by operating activities	<u>\$ 2,242,671</u>	<u>\$ 1,513,723</u>	<u>\$ 250,985</u>	<u>\$ 518,638</u>	<u>\$ 4,526,017</u>	<u>\$ 784,712</u>

concluded.

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2013

	Pension/Other Postemployment Benefit Trust Funds			Agency Funds
	Pension	Retiree Healthcare	Total	
Assets				
Cash and cash equivalents	\$ 359,186	\$ 4,479,482	\$ 4,838,668	\$ 4,038,762
Investments:				
Money markets	712,068	134,377	846,445	480,046
U.S. government obligations	2,512,340	474,112	2,986,452	-
U.S. government agencies	4,058,466	765,887	4,824,353	-
Municipal obligations	1,151,949	217,388	1,369,337	-
Corporate bonds	9,035,182	1,705,061	10,740,243	-
International bonds	872,624	164,676	1,037,300	-
Collateralized mortgage obligations	320,065	60,400	380,465	-
Corporate stocks	44,919,925	8,476,996	53,396,921	-
International stocks	4,375,334	825,685	5,201,019	-
American depository receipts	2,048,021	386,489	2,434,510	-
Bond mutual funds	13,993,114	2,640,690	16,633,804	-
Equity mutual funds	57,399,082	4,696,359	62,095,441	-
Receivables:				
Due from other governments	-	1,872,585	1,872,585	-
Accrued interest	183,102	26,410	209,512	-
Other assets	761,185	-	761,185	-
Total assets	<u>142,701,643</u>	<u>26,926,597</u>	<u>169,628,240</u>	<u>\$ 4,518,808</u>
Liabilities				
Obligation for impaired investment of securities lending collateral	70,336	10,145	80,481	\$ -
Undistributed receipts	-	-	-	4,518,808
Total liabilities	<u>70,336</u>	<u>10,145</u>	<u>80,481</u>	<u>\$ 4,518,808</u>
Net position				
Restricted for pension and other postemployment benefits	<u>\$ 142,631,307</u>	<u>\$ 26,916,452</u>	<u>\$ 169,547,759</u>	

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

COUNTY OF BERRIEN, MICHIGAN

Statement of Changes in Plan Net Position

Pension/Other Postemployment Benefits Trust Funds
For the Year Ended December 31, 2013

	Pension	Retiree Healthcare	Total
Additions			
Investment income:			
Net change in fair value of investments	\$ 24,742,690	\$ 3,441,571	\$ 28,184,261
Interest and dividends	2,374,554	328,657	2,703,211
Less investment expenses	(431,702)	(60,047)	(491,749)
Net investment income	26,685,542	3,710,181	30,395,723
Contributions:			
Employer	5,343,803	2,101,077	7,444,880
Employees	2,613,963	-	2,613,963
Total contributions	7,957,766	2,101,077	10,058,843
Total additions	34,643,308	5,811,258	40,454,566
Deductions			
Pension benefit payments	11,252,231	-	11,252,231
Contribution refunds	271,596	-	271,596
Medical insurance premiums	-	1,518,568	1,518,568
Administration	85,458	12,326	97,784
Total deductions	11,609,285	1,530,894	13,140,179
Change in net position	23,034,023	4,280,364	27,314,387
Net position, beginning of year	119,597,284	22,636,088	142,233,372
Net position, end of year	\$ 142,631,307	\$ 26,916,452	\$ 169,547,759

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

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Component Units

For the Year Ended December 31, 2013

	Road Commission	Drain Commission	Brownfield Redevelopment Authority
Assets			
Cash and cash equivalents	\$ 3,225,820	\$ 11,410,077	\$ 1,378,256
Investments	-	114,853	-
Restricted cash	183,474	-	-
Receivables, net	2,530,505	21,229,503	2,169,567
Prepaid items and other assets	1,364,601	-	-
Capital assets not being depreciated	14,806,261	668,722	-
Capital assets being depreciated, net	61,099,257	14,672,899	-
Total assets	83,209,918	48,096,054	3,547,823
Liabilities			
Accounts payable and accrued expenses	812,173	1,042,978	1,179,216
Unearned revenue	-	-	-
Long-term liabilities:			
Due within one year	281,000	2,367,000	160,172
Due in more than one year	663,433	18,730,836	1,490,873
Net other postemployment benefit obligation	543,815	-	-
Total liabilities	2,300,421	22,140,814	2,830,261
Net position			
Net investment in capital assets	76,553,640	2,995,989	-
Restricted for other purposes	183,474	2,236,734	-
Unrestricted	4,172,383	20,722,517	717,562
Total net position	\$ 80,909,497	\$ 25,955,240	\$ 717,562

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



Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ 217,107	\$ 121,767	\$ 12,682,611	\$ 29,035,638
1,024,778	-	-	1,139,631
-	-	470,707	654,181
1,495,005	-	487,820	27,912,400
-	-	284,882	1,649,483
-	-	128,000	15,602,983
-	-	1,257,782	77,029,938
<u>2,736,890</u>	<u>121,767</u>	<u>15,311,802</u>	<u>153,024,254</u>
1,152,391	46,534	6,343,187	10,576,479
-	-	193,421	193,421
-	-	33,863	2,842,035
-	-	750,289	21,635,431
-	-	-	543,815
<u>1,152,391</u>	<u>46,534</u>	<u>7,320,760</u>	<u>35,791,181</u>
-	-	1,090,700	80,640,329
-	-	-	2,420,208
<u>1,584,499</u>	<u>75,233</u>	<u>6,900,342</u>	<u>34,172,536</u>
<u>\$ 1,584,499</u>	<u>\$ 75,233</u>	<u>\$ 7,991,042</u>	<u>\$ 117,233,073</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Activities

Component Units
December 31, 2013

	Road Commission	Drain Commission	Brownfield Redevelopment Authority
Expenses			
County roads	\$ 15,319,332	\$ -	\$ -
County drains	-	2,142,036	-
Brownfield redevelopment	-	-	521,438
Economic development	-	-	-
Land bank	-	-	-
Community mental health	-	-	-
Total expenses	<u>15,319,332</u>	<u>2,142,036</u>	<u>521,438</u>
Program revenues			
Charges for services	-	6,978	7,705
Operating grants and contributions	14,216,542	4,267,672	81,642
Capital grants and contributions	-	5,141,733	-
Total program revenues	<u>14,216,542</u>	<u>9,416,383</u>	<u>89,347</u>
Net (expenses) revenues	(1,102,790)	7,274,347	(432,091)
General revenues			
Property taxes	-	-	624,683
Change in net position	(1,102,790)	7,274,347	192,592
Net position, beginning of year	<u>82,012,287</u>	<u>18,680,893</u>	<u>524,970</u>
Net position, end of year	<u>\$ 80,909,497</u>	<u>\$ 25,955,240</u>	<u>\$ 717,562</u>

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



Economic Development Corporation	Land Bank Authority	Mental Health Authority	Total
\$ -	\$ -	\$ -	\$ 15,319,332
-	-	-	2,142,036
-	-	-	521,438
33,514	-	-	33,514
-	974,513	-	974,513
-	-	38,036,480	38,036,480
<u>33,514</u>	<u>974,513</u>	<u>38,036,480</u>	<u>57,027,313</u>
170,325	24,107	32,776,270	32,985,385
-	162,032	5,905,740	24,633,628
-	819,521	-	5,961,254
<u>170,325</u>	<u>1,005,660</u>	<u>38,682,010</u>	<u>63,580,267</u>
136,811	31,147	645,530	6,552,954
-	-	-	624,683
<u>136,811</u>	<u>31,147</u>	<u>645,530</u>	<u>7,177,637</u>
<u>1,447,688</u>	<u>44,086</u>	<u>7,345,512</u>	<u>110,055,436</u>
<u>\$ 1,584,499</u>	<u>\$ 75,233</u>	<u>\$ 7,991,042</u>	<u>\$ 117,233,073</u>

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NOTES TO FINANCIAL STATEMENTS

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Berrien, Michigan (the "County" 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.

Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

Blended Component Unit

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

Discretely Presented Component Units

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Berrien County Drain Commission (the "Drain Commission") - The Berrien County Drain Commission oversees all drainage districts established pursuant to the Michigan Drain Code of 1956, which are separate legal entities with the power to contract, to sue and be sued, and to hold, manage and dispose of real and personal property. The Drain Commission has sole responsibility to administer Chapter 3 and 4 drainage districts. A drainage board or Drain Commissioner, on behalf of the drainage district, may issue debt and levy special assessments without the prior approval of the County. The full faith and credit of the County may be given for the debt of the drainage district. The Drain Commissioner is required by law to make an annual report to the Board of County Commissioners in October. The Drain Commission is financially accountable to the County, as defined by GASB Statement No 61, and is disclosed as a component unit, accordingly. The Drain Commission has a December 31 year end.

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

Berrien County Economic Development Corporation (the "EDC") - The Berrien County Economic Development Corporation, organized pursuant to State statutes, was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving or expanding within the County so as to provide needed services and facilities to the residents of the County. The governing body of the EDC is appointed by the County, and the EDC is financially accountable to the County, as defined by GASB Statement No. 61, and is disclosed as a component unit, accordingly. The EDC has a December 31 year end.

Berrien County Land Bank Authority - The Berrien County Land Bank Authority was created pursuant to the Michigan Land Bank Fast Track Act (Public Act 258). The governing body of the Land Bank Authority is appointed by the County, and is financially accountable to the County, as defined by GASB Statement No. 61, and is disclosed as a component unit, accordingly. The Land Bank Authority has a December 31 year end.

Berrien Mental Health Authority - The Berrien Mental Health Authority, established pursuant to State statutes, is governed by a 12-member board appointed by the Berrien County Board of Commissioners. The Mental Health Authority is financially accountable to the County, as defined by GASB Statement No. 61, and is disclosed as a component unit, accordingly. The Mental Health Authority has a September 30 year end.

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

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

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

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

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds, a type of fiduciary fund, are unlike all other types of funds, as agency funds report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

The County reports the following major governmental funds:

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

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

The County reports the following major proprietary funds:

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

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

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

Additionally, the County reports the following fund types:

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

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

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

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

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

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

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

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

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

Assets, Liabilities, Deferred Outflows/Inflows and Equity

Deposits and Investments

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

Investments are stated at fair value, which is determined as follows: a) short-term investments are reported at cost, which approximates fair value; b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; c) investments that do not have established market values are reported at estimated fair value; and d) cash deposits are reported at carrying amount, which reasonably approximates fair value.

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 Financial Statements

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

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

Inventories 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.

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.

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

	Depreciation Method	Useful Lives - Years
Primary government:		
Buildings	Straight-line	30
Public domain infrastructure	Straight-line	35
System infrastructure	Straight-line	35
Vehicles	Straight-line	3-20
Equipment	Straight-line	5-10

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

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.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the current period.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometime report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.

Fund Equity

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the government's highest level of decision-making authority). A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners has delegated the authority to assign fund balance to the Finance Committee or its designee. Unassigned fund balance is the residual classification for the general fund.

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

2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and certain special revenue funds. All annual appropriations lapse at year end. The legal level of budgetary control is at the activity 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.

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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. The approved budgets of the County were adopted on an activity level basis, which is the legal level of control. During the year ended December 31, 2013, the County did not incur expenditures in excess of the amounts appropriated at the legal level of budgetary control.

4. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposit and investment balances of December 31, 2013:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and cash equivalents	\$ 25,187,287	\$ 29,035,638	\$ 54,222,925
Investments	53,351,672	1,139,631	54,491,303
Restricted cash	1,087,781	654,181	1,741,962
Statement of Fiduciary Net Position			
Cash and cash equivalents	8,877,430	-	8,877,430
Investments	162,426,336	-	162,426,336
Total	\$ 250,930,506	\$ 30,829,450	\$ 281,759,956
Deposits and investments			
Bank deposits:			
Checking/savings accounts			\$ 43,974,981
Certificates of deposit - due within one year			1,975,463
Certificates of deposit - due in one to five years			1,279,149
Investments in securities and mutual funds:			
Treasurer's investment pool			71,482,592
Pension and OPEB investments			161,946,290
Cash on deposit with agent			1,087,781
Cash on hand			13,700
Total			\$ 281,759,956

Restricted cash of the primary government consists of the County's deposits with MMRMA.

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 \$47,229,593. The combined bank balance of these deposits was \$46,103,367 of which \$44,662,367 was uninsured and uncollateralized.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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, 2013:

U.S. treasury notes	\$ 896,447
U.S. government agencies	18,960,774
Repurchase agreements (collateralized by U.S. government securities)	26,159,256
Money market and cash management funds	<u>25,466,115</u>
Total	<u>\$ 71,482,592</u>

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy and State law require that commercial paper be rated in the top two ratings by at least two nationally recognized statistical rating organizations.

As of December 31, 2013, all of the County's investments in securities of U.S. agencies were rated AA+ by Standard & Poor's. United States treasury securities are explicitly guaranteed by the U.S. government and not considered to have credit risk. The County's money market funds were not rated.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy requires diversification by security type and institution, but does not place a fixed percentage limit for any one issuer.

At December 31, 2013, the County had greater than 5% of its total investment portfolio concentrated as follows:

Investment Type	Issuer	% of Portfolio
Government repurchase	Bank of New York	19.29%
Federal Home Loan Mortgage Corporation	Various	8.86%
Federal Home Loan Bank	Various	8.43%
Federal National Mortgage Association	Various	5.29%

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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

As of December 31, 2013, all of the County's debt securities had the following maturities:

	< 1 year	1 - 5 years	6 - 10 years	Total
U.S. treasury notes	\$ 30,140	\$ 866,307	\$ -	\$ 896,447
U.S. government agencies	3,191,960	15,281,349	487,465	18,960,774
Repurchase agreements	26,159,256	-	-	26,159,256
	<u>\$ 29,381,356</u>	<u>\$ 16,147,656</u>	<u>\$ 487,465</u>	<u>\$ 46,016,477</u>

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, 2013:

	Total	On Securities Loan
Investments at fair value, as determined by quoted market price:		
U.S. government obligations	\$ 2,986,452	\$ -
U.S. government agencies	4,824,353	-
Municipal obligations	1,369,337	-
Corporate bonds	10,740,243	-
International bonds	1,037,300	-
Collateralized mortgage obligations	380,465	-
Corporate stocks	53,396,921	3,611,180
International stocks	5,201,019	-
American depository receipts	2,434,510	-
Bond mutual funds	16,633,804	-
Equity mutual funds	62,095,441	-
Money markets	846,445	-
	<u>\$ 161,946,290</u>	<u>\$ 3,611,180</u>
Total investments	\$ 161,946,290	\$ 3,611,180

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trusts' investment policy emphasizes appropriate risk/return parameters and compliance with Public Act 314, and gives discretionary authority to its investment managers as opposed to establishing specific credit rating benchmarks. As of December 31, 2013, the Trusts' investments in debt securities were rated by Standard & Poor's as follows:

Rating	U.S. Agencies	Municipal Obligations	Corporate Bonds	International Bonds	Collateralized Mortgage Obligations
AAA	\$ -	\$ 828,252	\$ 901,499	\$ -	\$ 120,106
AA	3,408,242	541,085	1,226,642	467,236	-
A	-	-	4,595,285	367,535	-
BBB	-	-	3,703,134	-	-
BB	-	-	-	-	-
CCC	-	-	33,624	-	-
not rated	1,416,111	-	280,059	202,529	260,359
	<u>\$ 4,824,353</u>	<u>\$ 1,369,337</u>	<u>\$ 10,740,243</u>	<u>\$ 1,037,300</u>	<u>\$ 380,465</u>

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

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

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Trusts' investment in a single issuer. At December 31, 2013, the Trusts' investment portfolio was concentrated as follows.

Investment Type	Issuer	% of Portfolio
Commingled funds	S&P Composite 1500 Index Fund	28.55%
Mutual funds	Loomis New Hampshire	10.28%
Mutual funds	GMO	9.66%

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

As of December 31, 2013, maturities of the Trusts' debt securities were as follows:

	Fair Value	Weighted Average Maturity
U.S. treasuries	\$ 2,986,452	6.10
U.S. agencies	4,824,353	7.87
Municipal obligations	1,369,337	4.80
Corporate bonds	10,740,243	10.35
International bonds	1,037,300	3.29
Collateralized mortgage obligations	380,465	16.44
	<u>\$ 21,338,150</u>	<u>8.14</u>

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

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.

5. RECEIVABLES

	Governmental Activities	Business-type Activities
Accounts	\$ 505,424	\$ 404,979
Taxes (current)	9,688,093	-
Taxes (delinquent)	12,931	9,536,447
Interest	-	1,063,188
Due from other governments	2,356,998	30,888
Leases, current portion	-	1,265,000
Leases, long-term portion	-	26,799,743
Advances to component units (not due within one year)	1,845,000	-
Notes (not due within one year)	350,963	-
	<u>\$ 14,759,409</u>	<u>\$ 39,100,245</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

6. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2013 was as follows:

Primary government

	Beginning Balance	Reclassification	Additions	Disposals	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 5,571,676	\$ -	\$ 450,556	\$ -	\$ 6,022,232
Construction in progress	165,436	-	931,082	(165,436)	931,082
	<u>5,737,112</u>	<u>-</u>	<u>1,381,638</u>	<u>(165,436)</u>	<u>6,953,314</u>
Capital assets being depreciated:					
Land improvements	1,544,968	194,483	-	(61,480)	1,677,971
Buildings	37,698,144	(135,993)	1,726,633	-	39,288,784
Equipment	12,382,011	(58,490)	1,333,821	(515,706)	13,141,636
	<u>51,625,123</u>	<u>-</u>	<u>3,060,454</u>	<u>(577,186)</u>	<u>54,108,391</u>
Less accumulated depreciation for:					
Land improvements	(1,222,773)	(165,133)	(49,809)	57,706	(1,380,009)
Buildings	(15,978,776)	123,441	(781,027)	-	(16,636,362)
Equipment	(7,153,501)	41,692	(1,256,149)	440,144	(7,927,814)
	<u>(24,355,050)</u>	<u>-</u>	<u>(2,086,985)</u>	<u>497,850</u>	<u>(25,944,185)</u>
Total capital assets being depreciated, net	<u>27,270,073</u>	<u>-</u>	<u>973,469</u>	<u>(79,336)</u>	<u>28,164,206</u>
Governmental activities capital assets, net	<u>\$ 33,007,185</u>	<u>\$ -</u>	<u>\$ 2,355,107</u>	<u>\$ (244,772)</u>	<u>\$ 35,117,520</u>
Business-type activities					
Capital assets being depreciated -					
Equipment	\$ 833,372	\$ 64,500	\$ (88,360)	\$ 809,512	
Less accumulated depreciation for -					
Equipment	(720,002)	(3,914)	44,180	(679,736)	
Business-type activities capital assets, net	<u>\$ 113,370</u>	<u>\$ 60,586</u>	<u>\$ (44,180)</u>	<u>\$ 129,776</u>	

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Discretely presented component units

Capital asset activity for the Road Commission component unit for the year ended September 30, 2013, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Road Commission				
Capital assets not being depreciated -				
Land	\$ 14,806,261	\$ -	\$ -	\$ 14,806,261
Capital assets being depreciated:				
Land improvements	28,540	-	-	28,540
Buildings	2,489,547	145,943	-	2,635,490
Road equipment	10,852,019	48,672	(135,707)	10,764,984
Other equipment	1,029,067	91,704	(124,273)	996,498
Infrastructure	151,547,202	3,225,990	-	154,773,192
	<u>165,946,375</u>	<u>3,512,309</u>	<u>(259,980)</u>	<u>169,198,704</u>
Less accumulated depreciation for:				
Land improvements	(6,659)	(2,854)	-	(9,513)
Buildings	(1,890,124)	(59,019)	-	(1,949,143)
Road equipment	(10,171,717)	(309,810)	124,270	(10,357,257)
Other equipment	(898,155)	(37,455)	135,438	(800,172)
Infrastructure	(90,213,908)	(4,769,454)	-	(94,983,362)
	<u>(103,180,563)</u>	<u>(5,178,592)</u>	<u>259,708</u>	<u>(108,099,447)</u>
Total capital assets being depreciated, net	<u>62,765,812</u>	<u>(1,666,283)</u>	<u>(272)</u>	<u>61,099,257</u>
Road Commission capital assets, net	<u>\$ 77,572,073</u>	<u>\$ (1,666,283)</u>	<u>\$ (272)</u>	<u>\$ 75,905,518</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Capital asset activity for the Drain Commission component unit for the year ended December 31, 2013, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Drain Commission				
Capital assets not being depreciated -				
Construction in progress	\$ 215,747	\$ 635,733	\$ (182,758)	\$ 668,722
Capital assets being depreciated -				
Infrastructure	17,585,705	1,159,071	-	18,744,776
Less accumulated depreciation for -				
Infrastructure	(3,286,367)	(785,510)	-	(4,071,877)
Total capital assets being depreciated, net	14,299,338	373,561	-	14,672,899
Drain Commission capital assets, net	<u>\$ 14,515,085</u>	<u>\$ 1,009,294</u>	<u>\$ (182,758)</u>	<u>\$ 15,341,621</u>

Capital asset activity for the Community Mental Health Authority component unit for the year ended September 30, 2013, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Mental Health Authority				
Capital assets not being depreciated -				
Land	\$ 128,000	\$ -	\$ -	\$ 128,000
Capital assets being depreciated:				
Buildings and improvements	1,038,920	12,710	-	1,051,630
Furniture, fixtures and equipment	2,545,205	221,324	-	2,766,529
Vehicles	418,993	-	-	418,993
	4,003,118	234,034	-	4,237,152
Less accumulated depreciation for:				
Buildings and improvements	(253,233)	(50,332)	-	(303,565)
Furniture, fixtures and equipment	(2,193,131)	(169,566)	-	(2,362,697)
Vehicles	(248,387)	(64,721)	-	(313,108)
	(2,694,751)	(284,619)	-	(2,979,370)
Total capital assets being depreciated, net	1,308,367	(50,585)	-	1,257,782
Mental Health Authority capital assets, net	<u>\$ 1,436,367</u>	<u>\$ (50,585)</u>	<u>\$ -</u>	<u>\$ 1,385,782</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

Depreciation of governmental activities by function	
Legislative	\$ 443,715
Judicial	41,257
General government	771,849
Public safety	523,950
Health and welfare	58,378
Recreation and cultural	38,058
Community development	<u>209,778</u>
	<u>\$ 2,086,985</u>
 Depreciation of business-type activities by function	
Public works projects	<u>\$ 3,914</u>

7. ACCOUNTS PAYABLE

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

	Governmental Activities	Business-type Activities
Accounts payable	\$ 790,734	\$ 272,553
Accrued and other liabilities	3,431,620	208,985
Due to other governments	2,157,476	939,210
Advances from other governments	89,000	-
Accrued interest on long-term debt	<u>1,634</u>	<u>-</u>
	<u>\$ 6,470,464</u>	<u>\$ 1,420,748</u>

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

In addition, the 911 County Operational Fund, the nonmajor governmental funds and the internal service funds component unit with negative balances in the County's pooled cash accounts reported interfund payables of \$525,825, \$298,442, and \$296,309, respectively, which is equal to the interfund receivable of \$1,120,576 reported in the general fund.

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

For the year ended December 31, 2013, interfund transfers consisted of the following:

	Transfers in	Transfers out
General fund	\$ 864,284	\$ 8,696,649
911 county operational fund	338,502	286,430
Nonmajor governmental funds	12,476,545	4,684,016
Delinquent tax revolving fund	25,000	-
Nonmajor enterprise funds	-	37,236
	<u>\$ 13,704,331</u>	<u>\$ 13,704,331</u>

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

9. CAPITAL LEASES

The County has entered into three lease agreements for financing the acquisition of computer equipment. These lease agreements qualifies as capital lease for accounting purposes and, therefore have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Capital asset - equipment	\$ 445,648
Less accumulated depreciation for equipment	<u>(115,767)</u>
Total	<u>\$ 329,881</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2013, were as follows:

Year Ended December 31,	Amount
2014	\$ 128,577
2015	<u>53,681</u>
Total minimum lease payments	182,258
Less: amount representing interest	<u>(274)</u>
Present value of minimum lease payments	<u>\$ 181,984</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

10. 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 currently outstanding are as follows:

Governmental Activities

Bonds	Due	Annual Installments	Interest Rate	Amount
2011 Berrien County Building Authority - Refunding	2014	\$245,000-\$835,000	2.00%	<u>\$ 245,000</u>

The final principal payment of \$245,000 is due on September 1, 2014, with of \$2,450 due on March 1, 2014 and September 1, 2014.

Business-type Activities

Bonds	Due	Annual Installments	Interest Rate	Amount
1996 Buchanan Township Sewer System No. 23 and Water System No. 21	2015	\$35,000-\$50,000	5.15% - 5.80%	\$ 85,000
1999 Coloma Township Sewer System No. 24	2019	\$50,000-\$125,000	5.00% - 5.70%	695,000
2001 Village of Berrien Springs/Oronoko Township Water/Sewer System No. 26	2020	\$15,000-\$35,000	4.60% - 5.65%	200,000
2010 Benton Charter Township Water System No. 27	2031	\$675,000 - \$1,435,000	2.00% - 4.50%	18,160,000
2010 Village of Berrien Springs Water and Sewer System No. 29	2031	\$100,000-\$260,000	1.45% - 6.00%	2,975,000
2010 New Buffalo Water Supply System Bonds	2030	\$61,000-\$100,000	2.50%	1,374,924
2011 Benton Charter Township Water Supply System Bonds System No. 27	2031	\$55,000-\$105,000	1.00% - 4.35%	1,365,000
2013 City of Coloma Water and Sewer System Bonds System No. 30	2033	\$155,000-\$265,000	2.00% - 4.75%	<u>4,000,000</u>
Total business-type activities				<u><u>\$ 28,854,924</u></u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

Year Ended December 31,	Principal	Interest	Total
2014	\$ 1,265,000	\$ 1,116,812	\$ 2,381,812
2015	1,295,000	1,083,637	2,378,637
2016	1,305,000	1,045,773	2,350,773
2017	1,340,000	1,003,299	2,343,299
2018	1,405,000	956,797	2,361,797
2019-2023	7,150,000	3,988,192	11,138,192
2024-2028	8,525,000	2,448,200	10,973,200
2029-2033	6,569,924	525,169	7,095,093
	<u>\$ 28,854,924</u>	<u>\$ 12,167,879</u>	<u>\$ 41,022,803</u>

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 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, 2013, are as follows:

Series	Amount
2012 - \$13,000,000 G.O. Limited Tax Notes payable, variable rate, dated May 8, 2012	\$ 1,231,619
2013 - \$12,500,000 G.O. Limited Tax Notes payable, variable rate, dated May 15, 2013	<u>6,290,726</u>
	<u>\$ 7,522,345</u>

Road Commission Component Unit

Notes payable. The Road Commission also issues notes payable to local townships, and enters into equipment purchase agreements. Such notes are repayable at varying interest rates through 2020, and amounted to \$878,433 at September 30, 2013.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

Year Ended September 30,	Principal	Interest	Total
2014	\$ 215,000	\$ 9,094	\$ 224,094
2015	175,000	7,435	182,435
2016	180,000	5,510	185,510
2017	143,133	3,713	146,846
2018	49,800	1,846	51,646
2019-2020	115,500	402	115,902
	<u>\$ 878,433</u>	<u>\$ 28,000</u>	<u>\$ 906,433</u>

Drain Commission Component Unit

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

Bonds	Due	Annual Installments	Interest Rate	Amount
2002 Hollywood Road Detention Drainage				
District Bonds	2022	\$15,000-\$20,000	4.13% - 5.00%	\$ 180,000
2008 Starr & Wellington Drainage District Bonds	2024	\$12,000-\$13,000	5.95%	133,000
2009 Close Drainage District Bonds	2019	\$120,000-\$165,000	2.50% - 4.00%	905,000
2010 Barnes and Hamilton Drain Bonds	2020	\$170,000-\$215,000	1.90% - 3.50%	1,365,000
2010 Hollywood Road Consolidated Drain Bonds	2030	\$100,000-\$190,000	2.50% - 4.75%	2,395,000
2010 Schwark Drain Bonds	2030	\$60,000-\$130,000	2.00% - 4.75%	1,575,000
2010 Lake Shore Drain Bonds	2030	\$140,000-\$280,000	0.85% - 4.00%	3,475,000
2012 Smith and Strong Drain Bonds	2032	\$30,000-\$55,000	1.00 - 4.05%	770,000
2012 Lakeside Drain Bonds	2032	\$25,000-\$40,000	0.90 - 4.65%	580,000
2012 Estates Drain Bonds	2032	\$30,000-\$55,000	4.00 - 5.00%	750,000
2012 Oak Hills Springs Drain Bonds	2037	\$30,000-45,000	3.20%	530,000
2013 Blue Jay Drain Bonds	2033	\$135,000-\$250,000	2.00 - 4.50%	3,590,000
2013 Hibbard Lake Drain Bonds	2033	\$50,000-\$90,000	2.00 - 4.00%	1,305,000
Total component unit - Drain Commission				<u><u>\$ 17,553,000</u></u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

Year Ended December 31,	Principal	Interest	Total
2014	\$ 967,000	\$ 606,759	\$ 1,573,759
2015	992,000	582,638	1,574,638
2016	1,012,000	556,040	1,568,040
2017	1,047,000	526,522	1,573,522
2018	1,087,000	494,084	1,581,084
2019-2023	4,545,000	1,982,432	6,527,432
2024-2028	4,588,000	1,184,427	5,772,427
2029-2033	3,315,000	278,942	3,593,942
	<u>\$ 17,553,000</u>	<u>\$ 6,211,844</u>	<u>\$ 23,764,844</u>

Drain notes. The Drain Commission issues drain notes to finance various drain capital projects. Interest rates vary from 1.63% to 4.99%, with repayment based on actual collections of special assessments, which are subject to collection over a period of three to ten years. Drain notes outstanding at December 31, 2013, amounted to \$3,676,502.

Brownfield Redevelopment Authority Component Unit

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

Loan	Due	Annual Installments	Interest Rate	Amount
2007 DEQ Cleanup Revolving Fund Loan	2021	\$19,992	2.00%	\$ 833,397
2007 Michigan Cleanup Initiative Loan	2022	\$17,997	2.00%	817,648
Total component unit- Brownfield Redevelopment Authority				<u><u>\$ 1,651,045</u></u>

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

Year Ended December 31,	Principal	Interest	Total
2014	\$ 160,172	\$ 18,021	\$ 178,193
2015	163,375	16,218	179,593
2016	166,642	26,550	193,192
2017	169,975	23,217	193,192
2018	173,374	19,817	193,191
2019-2022	817,507	40,334	857,841
	<u>\$ 1,651,045</u>	<u>\$ 144,157</u>	<u>\$ 1,795,202</u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Mental Health Authority Component Unit

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

Note	Due	Annual Installments	Interest Rate	Amount
2005 Real Estate note	2020	\$8,338-\$13,332	3.83%	\$ 79,167
2007 Real Estate note	2022	\$9,481-\$34,320	4.99%	<u>234,278</u>
Total component unit - Mental Health Authority				<u><u>\$ 313,445</u></u>

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

Year Ended September 30,	Principal	Interest	Total
2014	\$ 33,863	\$ 13,789	\$ 47,652
2015	35,479	12,173	47,652
2016	37,172	10,480	47,652
2017	38,948	8,704	47,652
2018	40,810	6,842	47,652
2019-2022	<u>127,173</u>	<u>9,027</u>	<u>136,200</u>
	<u><u>\$ 313,445</u></u>	<u><u>\$ 61,015</u></u>	<u><u>\$ 374,460</u></u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Changes in long-term debt.

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 1,060,000	\$ -	\$ (815,000)	\$ 245,000	\$ 245,000
Capital lease payable	170,437	160,965	(149,418)	181,984	128,328
Compensated absences	2,244,869	2,174,511	(2,113,123)	2,306,257	2,306,257
	<u>\$ 3,475,306</u>	<u>\$ 2,335,476</u>	<u>\$ (3,077,541)</u>	<u>\$ 2,733,241</u>	<u>\$ 2,679,585</u>
Business-type Activities					
General obligation bonds	\$ 25,939,924	\$ 4,000,000	\$ (1,085,000)	\$ 28,854,924	\$ 1,265,000
Notes payable	7,791,578	12,500,000	(12,769,233)	7,522,345	1,231,619
Unamortized bond discount	(101,854)	(24,807)	5,361	(121,300)	-
	<u>\$ 33,629,648</u>	<u>\$ 16,475,193</u>	<u>\$ (13,848,872)</u>	<u>\$ 36,255,969</u>	<u>\$ 2,496,619</u>
Road Commission Component Unit					
General obligation notes payable	\$ 1,018,433	\$ -	\$ (140,000)	\$ 878,433	\$ 215,000
Compensated absences	60,000	6,000	-	66,000	66,000
	<u>\$ 1,078,433</u>	<u>\$ 6,000</u>	<u>\$ (140,000)</u>	<u>\$ 944,433</u>	<u>\$ 281,000</u>
Drain Commission Component Unit					
Special assessment bonds payable	\$ 13,425,000	\$ 4,895,000	\$ (767,000)	\$ 17,553,000	\$ 967,000
Drain notes payable	2,662,770	2,025,750	(1,012,018)	3,676,502	1,400,000
Unamortized bond discount	(121,391)	(17,019)	6,744	(131,666)	-
	<u>\$ 15,966,379</u>	<u>\$ 6,903,731</u>	<u>\$ (1,772,274)</u>	<u>\$ 21,097,836</u>	<u>\$ 2,367,000</u>
Brownfield Redevelopment Authority Component Unit					
Loans payable	\$ 1,808,476	\$ -	\$ (157,431)	\$ 1,651,045	\$ 160,172
Mental Health Authority Component Unit					
Notes payable	\$ 345,667	\$ -	\$ (32,222)	\$ 313,445	\$ 33,863
Compensated absences	476,643	-	(5,936)	470,707	-
	<u>\$ 822,310</u>	<u>\$ -</u>	<u>\$ (38,158)</u>	<u>\$ 784,152</u>	<u>\$ 33,863</u>

For the governmental activities, compensated absences are generally liquidated by the general fund.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

11. NET INVESTMENT IN CAPITAL ASSETS

As of December 31, 2013, the net investment in capital assets was comprised of the following:

	Governmental activities	Business-type activities
Capital assets:		
Capital assets not being depreciated	\$ 6,953,314	\$ -
Capital assets being depreciated, net	28,164,206	129,776
Less related debt:		
Bonds and capital leases payable	(426,984)	-
Unspent bond proceeds	3,266	-
Total net investment in capital assets	\$ 34,693,802	\$ 129,776

12. FUND BALANCE

GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	911 County Operational Fund	Nonmajor governmental funds	Total
Nonspendable:				
Advance to other funds	\$ 250,000	\$ -	\$ -	\$ 250,000
Advance to component unit	1,845,000	-	-	1,845,000
Long-term notes receivable	-	-	150,000	150,000
Total nonspendable	2,095,000	-	150,000	2,245,000
Restricted:				
Judicial	-	-	145,181	145,181
General government	-	-	142,928	142,928
Public safety	-	380,311	1,340,004	1,720,315
Health and welfare	-	-	788,824	788,824
Recreation and cultural	-	-	290,263	290,263
Community development	-	-	656,218	656,218
Capital projects	-	-	1,111,211	1,111,211
Debt service	-	-	518	518
Total restricted	-	380,311	4,475,147	4,855,458

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COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

	General Fund	911 County Operational Fund	Nonmajor governmental funds	Total
Committed:				
Judicial	\$ -	\$ -	\$ 286,261	\$ 286,261
General government	-	-	790,841	790,841
Public safety	-	-	1,581,262	1,581,262
Public works	-	-	1,472,043	1,472,043
Health and welfare	-	-	916,244	916,244
Recreation and cultural	-	-	231,878	231,878
Other governmental activities	-	-	16,961	16,961
Capital projects	-	-	3,779,651	3,779,651
Total committed	-	-	9,075,141	9,075,141
Unassigned	15,175,889	-	-	15,175,889
Total fund balances governmental funds	\$ 17,270,889	\$ 380,311	\$ 13,700,288	\$ 31,351,488

13. RISK MANAGEMENT / SELF-INSURANCE PROGRAMS

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

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

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

Accordingly, the government records a restricted asset for its portion of the unexpended member retention fund. At December 31, 2013, the balance of the County's member retention fund was \$1,087,781.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

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

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:

	2013	2012
Unpaid claims, beginning of year	\$ 1,503,942	\$ 1,401,479
Incurred claims (including change in IBNR provisions)	(515,193)	298,285
Claims payments	(126,647)	(195,822)
Unpaid claims, end of year	\$ 862,102	\$ 1,503,942

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.

	2013	2012
Unpaid claims, beginning of year	\$ 2,447,490	\$ 2,401,806
Incurred claims (including change in IBNR provisions)	9,705,813	10,321,327
Claims payments	(11,389,403)	(10,275,643)
Unpaid claims, end of year	\$ 763,900	\$ 2,447,490

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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:

	2013	2012
Unpaid claims, beginning of year	\$ -	\$ -
Incurred claims	35,940	52,243
Claims payments	(35,940)	(52,243)
	<u> </u>	<u> </u>
Unpaid claims, end of year	<u>\$ -</u>	<u>\$ -</u>

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

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

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

	2013	2012
Unpaid claims, beginning of year	\$ 187,289	\$ 185,076
Incurred claims	236,124	204,696
Claims payments	(162,896)	(202,483)
	<u> </u>	<u> </u>
Unpaid claims, end of year	<u>\$ 260,517</u>	<u>\$ 187,289</u>

Board errors and omissions. The County is also self-insured for Board errors and omissions, which is accounted for in the property/liability insurance internal service fund. No estimated claims liability was outstanding at December 31, 2013 or 2012, nor were the amount of claims paid or incurred during 2013 or 2012 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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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.

14. PROPERTY TAXES

Property taxes are levied on the assessed taxable value of the property as established by local units, accepted by the County and equalized under State statute at approximately 50% of the current estimated market value. In March 1994, Michigan voters approved Proposal A, which limits annual increases in assessed values to the lesser of 5% or the rate of inflation with assessed value reverting to 50% of true cash value when the property is sold.

The assessed and taxable value of real and personal property for the 2013 levy was \$6,981,465,276. The general operating tax rate for this levy was 4.7723 mills. The taxable value of real and personal property for the 2012 levy was \$6,917,251,292. The tax rates for this levy was 0.2500 mills, 0.3500 mills, 0.3000 mills, and .1000 mills assessed for 911 emergency services, public safety operations, senior center operations, and parks respectively.

By agreement with various taxing authorities, the County purchases at face value the real property taxes returned delinquent each March 1 and records a corresponding delinquent taxes receivable.

15. PENSION PLAN

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, 2013, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	628
Terminated plan members entitled to but not yet receiving benefits	52
Active plan members	<u>844</u>
Total	<u><u>1,524</u></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.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

Funding Policy. The contribution requirements of plan members and the County are established and may be amended by the County Board of Commissioners. Plan members are required to contribute 5.00% to 14.12% 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, 2013, represents 12.96% 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 \$5,343,803 was equal to the County’s required and actual contributions.

Three-Year Trend Information			
Years Ended December 31,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 3,865,484	100%	\$ -
2012	4,338,987	100%	-
2013	5,343,803	100%	-

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the plan was 67.4 percent funded. The actuarial accrued liability for benefits was \$194,817,623 and the actuarial value of assets was \$131,339,517, resulting in an unfunded actuarial accrued liability (UAAL) of \$63,478,106. The covered payroll (annual payroll of active employees covered by the plan) was \$41,219,549, and the ratio of the UAAL to the covered payroll was 154.0 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, 2013, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included: (a) a rate of return on investments of 8.0%; (b) projected salary increases of 4.0% attributable to inflation; and (c) additional projected salary increases ranging from 4.04% to 6.30%, 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.

16. OTHER POSTEMPLOYMENT BENEFITS

General County

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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 \$1,282,084 or approximately 50% of total premiums, through their required contribution of \$269 - \$539 per month for retiree-only coverage and \$762 - \$1,524 for retiree and spouse coverage (offered to Sheriff department retirees only), depending on age and bargaining unit.

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

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

Annual required contribution	\$ 2,478,359
Interest on net OPEB asset	(157,740)
Adjustment to annual required contribution	<u>113,942</u>
Annual OPEB cost	2,434,561
Contributions made	<u>(2,101,077)</u>
Change in net OPEB asset	333,484
Net OPEB asset, beginning of year	<u>(1,855,770)</u>
Net OPEB asset, end of year	<u><u>\$ (1,522,286)</u></u>

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB asset for 2013 and the two preceding years were as follows:

Three-Year Trend Information			
Years Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)
2011	\$ 2,609,300	71%	\$ (2,087,114)
2012	2,619,887	91%	(1,855,770)
2013	2,434,561	86%	(1,522,286)

Funded status and funding progress. As of December 31, 2013, the date of the most recent actuarial valuation, the Plan was 62 percent funded. The actuarial accrued liability for benefits was \$40,803,238, and the actuarial value of assets was \$25,287,797, resulting in an unfunded actuarial accrued liability (UAAL) of \$15,515,441. The covered payroll (annual payroll of the active employees covered by the Plan) was \$36,604,967 and the ratio of the UAAL to the covered payroll was 42.4 percent.

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

Actuarial Methods and Assumptions. In the December 31, 2013 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions includes: (a) a rate of return on investments of 8.0%; (b) projected salary increases of 4.0% attributable to inflation; (c) additional projected salary increases ranging from 4.04% to 6.3%, depending on age, attributable to seniority/merit; and (d) projected healthcare benefit increases of 4.0% to 9.0%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over 30 years on an open basis.

Road Commission

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

Funding Policy. The collective bargaining agreements require a contribution of \$370 per month for married employees and \$220 per month for single employees from retiree age 60 to 65. The Road Commission has no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a "pay-as-you-go" basis). Therefore, the Road Commission has elected not to fund the plan in advance.

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

The following table shows the components of the Road Commission's annual OPEB cost for the year ended September 30, 2013, the amount actually contributed to the plan, and the changes in the net OPEB obligation:

Annual required contribution	\$ 58,012
Interest on net OPEB obligation	<u>19,503</u>
Annual OPEB cost	77,515
Contributions made	<u>(21,270)</u>
Change in net OPEB obligation	56,245
Net OPEB obligation, beginning of year	<u>487,570</u>
Net OPEB obligation, end of year	<u><u>\$ 543,815</u></u>

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

Years Ended September 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 42,744	64.1%	\$ 400,970
2012	59,990	44.4%	487,570
2013	77,515	27.4%	543,815

Funded status and funding progress. As of September 30, 2013, the date of the most recent actuarial valuation, the Plan was zero percent funded. The actuarial accrued liability for benefits was \$584,630, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$584,630. The covered payroll (annual payroll of the active employees covered by the Plan) was \$4,855,386 and the ratio of the UAAL to the covered payroll was 12.0 percent.

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

COUNTY OF BERRIEN, MICHIGAN

Notes To Financial Statements

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

The following simplifying assumptions were made:

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

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

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

Health Insurance Premiums - Health insurance premiums of \$370 for married participants and \$220 for single participants were used as the basis for calculation of the present value of total benefits to be paid.

Based on the historical and expected returns of the County's short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level dollar contribution on a closed basis. The remaining amortization period at September 30, 2013 was nine years.

17. SUBSEQUENT EVENTS

On May 15, 2014, the County issued general obligation delinquent tax notes with a face value of \$11,700,000 to finance the purchase of delinquent property taxes receivable from each taxing unit in the County, which is part of the normal financing activities of the County.

On June 12, 2014, the County retired its \$150,000 North Royalton Drain Notes, Series 2011 and renewed the note as North Royalton Drain #373, Series 2014 in the amount of \$200,000 at an interest rate of 2.42%, due June 30, 2016.



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REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF BERRIEN, MICHIGAN

Employees Amended Retirement Plan

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded AAL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percent of Covered Payroll
* 12/31/2008	\$ 129,718,059	\$ 146,500,504	\$ (16,782,445)	88.54%	\$ 38,043,448	-44.11%
12/31/2009	127,414,760	152,122,494	(24,707,734)	83.76%	38,740,752	-63.78%
12/31/2010	126,364,581	158,158,590	(31,794,009)	79.90%	39,356,501	-80.78%
* 12/31/2011	123,832,798	169,686,367	(45,853,569)	72.98%	39,864,657	-115.02%
** 12/31/2012	121,796,165	187,133,635	(65,337,470)	65.09%	39,864,228	-163.90%
* 12/31/2013	131,339,517	194,817,623	(63,478,106)	67.42%	41,219,549	-154.00%

Schedule of Employer Contributions		
Year Ended December 31	Annual Required Contributions	Percentage Contributed
2008	\$ 2,552,514	100.00%
2009	2,654,772	100.00%
2010	3,233,525	100.00%
2011	3,865,484	100.00%
2012	4,338,987	100.00%
2013	5,343,803	100.00%

* After changes in benefit provisions
 ** After changes in actuarial assumptions or methods

COUNTY OF BERRIEN, MICHIGAN

Other Postemployment Benefits Plan

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded AAL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percent of Covered Payroll
* 12/31/2008	\$ 9,378,052	\$ 42,194,772	\$ (32,816,720)	22.23%	\$ 34,797,360	-94.31%
12/31/2009	15,414,989	40,224,901	(24,809,912)	38.32%	35,483,698	-69.92%
12/31/2010	21,127,425	38,425,109	(17,297,684)	54.98%	36,158,193	-47.84%
12/31/2011	21,707,340	41,979,208	(20,271,868)	51.71%	36,721,186	-55.20%
12/31/2012	22,974,224	37,895,718	(14,921,494)	60.62%	36,537,889	-40.84%
* 12/31/2013	25,287,797	40,803,238	(15,515,441)	61.97%	36,604,967	-42.39%

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contributions	Percentage Contributed
2008	\$ 1,207,372	100.00%
2009	4,305,885	123.00%
2010	3,385,174	153.34%
2011	2,689,427	69.00%
2012	2,671,938	89.39%
2013	2,478,359	84.78%

* After changes in benefit provisions

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2013

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
Assets				
Cash and cash equivalents	\$ 6,180,466	\$ 518	\$ 4,510,749	\$ 10,691,733
Investments	2,014,834	-	447,114	2,461,948
Receivables:				
Accounts	300,939	-	-	300,939
Taxes - current	4,896,207	-	-	4,896,207
Due from other governments	2,281,847	-	-	2,281,847
Notes	350,963	-	-	350,963
Total assets	\$ 16,025,256	\$ 518	\$ 4,957,863	\$ 20,983,637
Liabilities				
Accounts payable	\$ 414,629	\$ -	\$ 67,001	\$ 481,630
Accrued expenses	489,838	-	-	489,838
Due to other governments	284,891	-	-	284,891
Interfund payable	298,442	-	-	298,442
Advances from other governments	89,000	-	-	89,000
Advances from other funds	250,000	-	-	250,000
Unearned revenue	190,729	-	-	190,729
Total liabilities	2,017,529	-	67,001	2,084,530
Deferred inflows of resources				
Taxes levied for a subsequent period	5,198,819	-	-	5,198,819
Fund balances				
Nonspendable	150,000	-	-	150,000
Restricted	3,363,418	518	1,111,211	4,475,147
Committed	5,295,490	-	3,779,651	9,075,141
Total fund balances	8,808,908	518	4,890,862	13,700,288
Total liabilities, deferred inflows of resources and fund balances	\$ 16,025,256	\$ 518	\$ 4,957,863	\$ 20,983,637

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2013

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
Revenues				
Taxes	\$ 5,233,666	\$ -	\$ -	\$ 5,233,666
Licenses and permits	282,244	-	-	282,244
Intergovernmental revenue	12,689,581	-	-	12,689,581
Charges for services	4,827,737	10,604	-	4,838,341
Fines and forfeitures	9,647	-	-	9,647
Interest revenue	10,231	-	1,292	11,523
Other revenue	4,188,483	-	38,473	4,226,956
Total revenues	27,241,589	10,604	39,765	27,291,958
Expenditures				
Current expenditures:				
Judicial	3,998,266	-	-	3,998,266
General government	1,106,298	-	2,603,429	3,709,727
Public safety	4,763,968	-	293,632	5,057,600
Public works	509,989	-	-	509,989
Health and welfare	19,372,924	-	7,070	19,379,994
Recreation and cultural	2,011,041	-	-	2,011,041
Community development	1,737,652	-	-	1,737,652
Debt service:				
Principal	-	815,000	-	815,000
Interest and fiscal charges	-	21,350	-	21,350
Total expenditures	33,500,138	836,350	2,904,131	37,240,619
Revenues under expenditures	(6,258,549)	(825,746)	(2,864,366)	(9,948,661)
Other financing sources (uses)				
Transfers in	10,152,461	825,600	1,498,484	12,476,545
Transfers out	(3,733,300)	-	(950,716)	(4,684,016)
Total other financing sources	6,419,161	825,600	547,768	7,792,529
Net change in fund balances	160,612	(146)	(2,316,598)	(2,156,132)
Fund balances, beginning of year	8,648,296	664	7,207,460	15,856,420
Fund balances, end of year	\$ 8,808,908	\$ 518	\$ 4,890,862	\$ 13,700,288

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2013

	Parks and Recreation (2080)	Parks and Recreation Grant (2085)	Parks Millage (2087)
Assets			
Cash and cash equivalents	\$ 225,957	\$ -	\$ 283,990
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	652,473
Due from other governments	-	123,225	-
Notes receivable	-	-	-
Total assets	\$ 225,957	\$ 123,225	\$ 936,463
Liabilities			
Accounts payable	\$ 1,222	\$ 64,716	\$ -
Accrued expenses	18,166	-	-
Due to other governments	-	-	-
Interfund payable	-	50,264	-
Advances from other governments	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	19,388	114,980	-
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	692,821
Fund balances			
Nonspendable	-	-	-
Restricted	-	-	243,642
Committed	206,569	8,245	-
Total fund balances	206,569	8,245	243,642
Total liabilities, deferred inflows of resources and fund balances	\$ 225,957	\$ 123,225	\$ 936,463

Historical Association Loan Fund (2110)	Berrien Community Foundation (2130)	Friend of the Court (2150)	Family Counseling Services (2155)	Drug Enforcement Public Safety (2175) & (2640)	Health Department (2210)
\$ 7,249	\$ 17,064	\$ -	\$ 147,061	\$ 1,238,882	\$ 517,391
-	-	-	-	-	-
-	-	-	-	-	74,600
-	-	-	-	2,285,069	-
-	-	352,234	-	130,376	395
150,000	-	-	-	-	-
<u>\$ 157,249</u>	<u>\$ 17,064</u>	<u>\$ 352,234</u>	<u>\$ 147,061</u>	<u>\$ 3,654,327</u>	<u>\$ 592,386</u>
\$ -	\$ -	\$ 4,558	\$ 1,880	\$ 2,596	\$ 2,913
-	-	74,797	-	16,502	62,935
-	-	-	-	-	-
-	-	47,994	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	127,349	1,880	19,098	65,848
-	-	-	-	2,426,288	-
150,000	-	-	-	-	-
7,249	-	-	145,181	1,208,941	-
-	17,064	224,885	-	-	526,538
<u>157,249</u>	<u>17,064</u>	<u>224,885</u>	<u>145,181</u>	<u>1,208,941</u>	<u>526,538</u>
<u>\$ 157,249</u>	<u>\$ 17,064</u>	<u>\$ 352,234</u>	<u>\$ 147,061</u>	<u>\$ 3,654,327</u>	<u>\$ 592,386</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2013

	Drug Court Treatment (2211)	Health Department Grants (2215)	Berrien County Landfill Use (2270)
Assets			
Cash and cash equivalents	\$ 120,960	\$ 341,104	\$ 108,003
Investments	-	-	1,246,244
Receivables:			
Accounts	-	108,401	-
Taxes - current	-	-	-
Due from other governments	-	298,567	-
Notes receivable	-	-	-
Total assets	\$ 120,960	\$ 748,072	\$ 1,354,247
Liabilities			
Accounts payable	\$ 201	\$ 3,532	\$ 200
Accrued expenses	-	72,703	-
Due to other governments	-	284,891	-
Interfund payable	-	-	-
Advances from other governments	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	117,999	-
Total liabilities	201	479,125	200
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	120,759	268,947	1,354,047
Total fund balances	120,759	268,947	1,354,047
Total liabilities, deferred inflows of resources and fund balances	\$ 120,960	\$ 748,072	\$ 1,354,247

EDC Grants and Programs (2445)	Register of Deeds Automation (2560)	Register of Deeds Tax Foreclosure Search Fund (2561)	Homestead Audit Administration (2590)	Law Enforcement Funds (various #s)	Public Safety Cigarette Tax (2665)
\$ -	\$ 161,539	\$ 15,430	\$ 38	\$ 1,027,756	\$ 100,901
-	-	-	267,589	310,001	-
-	-	-	-	117,938	-
-	-	-	-	-	-
166,789	-	-	-	261,950	-
-	-	-	-	-	-
<u>\$ 166,789</u>	<u>\$ 161,539</u>	<u>\$ 15,430</u>	<u>\$ 267,627</u>	<u>\$ 1,717,645</u>	<u>\$ 100,901</u>
\$ -	\$ 17,243	\$ 1,777	\$ -	\$ 19,526	\$ -
-	1,368	230	2,008	116,459	1,284
-	-	-	-	-	-
166,789	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	398	-
<u>166,789</u>	<u>18,611</u>	<u>2,007</u>	<u>2,008</u>	<u>136,383</u>	<u>1,284</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	142,928	-	-	-	99,617
-	-	13,423	265,619	1,581,262	-
-	142,928	13,423	265,619	1,581,262	99,617
<u>\$ 166,789</u>	<u>\$ 161,539</u>	<u>\$ 15,430</u>	<u>\$ 267,627</u>	<u>\$ 1,717,645</u>	<u>\$ 100,901</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2013

	Animal Control Grant and Program (2675)	County Law Library (2690)	Senior Citizen (2700)
Assets			
Cash and cash equivalents	\$ 31,496	\$ 64,094	\$ 154,578
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	1,958,665
Due from other governments	-	-	-
Notes receivable	-	-	-
Total assets	\$ 31,496	\$ 64,094	\$ 2,113,243
Liabilities			
Accounts payable	\$ 50	\$ 2,718	\$ -
Accrued expenses	-	-	-
Due to other governments	-	-	-
Interfund payable	-	-	-
Advances from other governments	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	50	2,718	-
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	2,079,710
Fund balances			
Nonspendable	-	-	-
Restricted	31,446	-	33,533
Committed	-	61,376	-
Total fund balances	31,446	61,376	33,533
Total liabilities, deferred inflows of resources and fund balances	\$ 31,496	\$ 64,094	\$ 2,113,243

Library Board (2710)	Small Bus Program (2810)	Berrien Bus Grant and Program (2815)	Four Winds Casino Revenue Sharing (2851)	Three Oaks Land Purchase (2860)	Campaign Finance Administration (2870)
\$ -	\$ 413,503	\$ -	\$ 508,810	\$ 84,872	\$ 2,989
-	191,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	51,715	86,853	-	-	-
-	-	-	-	200,963	-
<u>\$ -</u>	<u>\$ 656,218</u>	<u>\$ 86,853</u>	<u>\$ 508,810</u>	<u>\$ 285,835</u>	<u>\$ 2,989</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	33,395	-	-	-
-	-	-	-	-	-
-	-	-	-	250,000	-
-	-	53,458	-	18,874	-
-	-	86,853	-	268,874	-
-	-	-	-	-	-
-	-	-	-	-	-
-	656,218	-	-	-	-
-	-	-	508,810	16,961	2,989
-	656,218	-	508,810	16,961	2,989
<u>\$ -</u>	<u>\$ 656,218</u>	<u>\$ 86,853</u>	<u>\$ 508,810</u>	<u>\$ 285,835</u>	<u>\$ 2,989</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2013

	Social Services (2900)	Child Care Probate (2920)	Child Care Social Services (2921)
Assets			
Cash and cash equivalents	\$ 138,264	\$ 222,274	\$ 109,102
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Taxes - current	-	-	-
Due from other governments	1,236	616,274	192,233
Notes receivable	-	-	-
Total assets	\$ 139,500	\$ 838,548	\$ 301,335
Liabilities			
Accounts payable	\$ 4,367	\$ 214,920	\$ 69,940
Accrued expenses	-	122,964	-
Due to other governments	-	-	-
Interfund payable	-	-	-
Advances from other governments	89,000	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	93,367	337,884	69,940
Deferred inflows of resources			
Taxes levied for a subsequent period	-	-	-
Fund balances			
Nonspendable	-	-	-
Restricted	46,133	500,664	231,395
Committed	-	-	-
Total fund balances	46,133	500,664	231,395
Total liabilities, deferred inflows of resources and fund balances	\$ 139,500	\$ 838,548	\$ 301,335



Generous Juror Program (2925)	Soldiers and Sailors Relief (2930)	Veteran's Trust (2940)	Board of Public Works (2960)	Total
\$ 5,839	\$ 2,281	\$ 10,621	\$ 118,418	\$ 6,180,466
-	-	-	-	2,014,834
-	-	-	-	300,939
-	-	-	-	4,896,207
-	-	-	-	2,281,847
-	-	-	-	350,963
<u>\$ 5,839</u>	<u>\$ 2,281</u>	<u>\$ 10,621</u>	<u>\$ 118,418</u>	<u>\$ 16,025,256</u>
\$ -	\$ -	\$ 2,270	\$ -	\$ 414,629
-	-	-	422	489,838
-	-	-	-	284,891
-	-	-	-	298,442
-	-	-	-	89,000
-	-	-	-	250,000
-	-	-	-	190,729
-	-	2,270	422	2,017,529
-	-	-	-	5,198,819
-	-	-	-	150,000
5,839	2,281	8,351	-	3,363,418
-	-	-	117,996	5,295,490
<u>5,839</u>	<u>2,281</u>	<u>8,351</u>	<u>117,996</u>	<u>8,808,908</u>
<u>\$ 5,839</u>	<u>\$ 2,281</u>	<u>\$ 10,621</u>	<u>\$ 118,418</u>	<u>\$ 16,025,256</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Parks and Recreation (2080)	Parks and Recreation Grant (2085)	Parks Millage (2087)
Revenues			
Taxes	\$ -	\$ -	\$ 698,767
Licenses and permits	-	-	-
Intergovernmental revenue	10,000	500,000	-
Charges for services	442,075	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	117,797	200,000	-
Total revenues	569,872	700,000	698,767
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	963,159	964,790	-
Community development	-	-	-
Total expenditures	963,159	964,790	-
Revenue over (under) expenditures	(393,287)	(264,790)	698,767
Other financing sources (uses)			
Transfers in	455,125	193,532	-
Transfers out	(68,532)	-	(455,125)
Total other financing sources (uses)	386,593	193,532	(455,125)
Net change in fund balances	(6,694)	(71,258)	243,642
Fund balances, beginning of year	213,263	79,503	-
Fund balances, end of year	\$ 206,569	\$ 8,245	\$ 243,642

Historical Association Loan Fund (2110)	Berrien Community Foundation (2130)	Friend of the Court (2150)	Family Counseling Services (2155)	Drug Enforcement Public Safety (2175) & (2640)	Health Department (2210)
\$ -	\$ -	\$ -	\$ -	\$ 2,438,408	\$ -
-	-	-	17,610	-	264,634
-	-	1,910,678	-	601,898	372,957
-	-	250,829	-	9,040	75,721
-	-	-	-	-	-
-	-	-	-	-	-
-	24,486	2,925	-	30,166	2,020,830
-	24,486	2,164,432	17,610	3,079,512	2,734,142
-	-	2,938,791	18,697	982,440	-
-	-	-	-	-	-
-	23,792	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,340,428
386	3,500	-	-	-	-
-	-	-	-	-	-
386	27,292	2,938,791	18,697	982,440	3,340,428
(386)	(2,806)	(774,359)	(1,087)	2,097,072	(606,286)
5,000	-	581,007	-	352,608	976,034
-	-	-	-	(2,386,741)	(333,026)
5,000	-	581,007	-	(2,034,133)	643,008
4,614	(2,806)	(193,352)	(1,087)	62,939	36,722
152,635	19,870	418,237	146,268	1,146,002	489,816
\$ 157,249	\$ 17,064	\$ 224,885	\$ 145,181	\$ 1,208,941	\$ 526,538

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COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Drug Court Treatment (2211)	Health Department Grants (2215)	Berrien County Landfill Use (2270)
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	3,141,699	-
Charges for services	18,535	181,447	594,448
Fines and forfeitures	-	-	-
Interest revenue	-	-	1,080
Other revenue	-	957,336	-
Total revenues	<u>18,535</u>	<u>4,280,482</u>	<u>595,528</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	496,916
Health and welfare	72,268	4,973,947	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>72,268</u>	<u>4,973,947</u>	<u>496,916</u>
Revenue over (under) expenditures	<u>(53,733)</u>	<u>(693,465)</u>	<u>98,612</u>
Other financing sources (uses)			
Transfers in	133,000	663,255	-
Transfers out	-	-	(15,000)
Total other financing sources (uses)	<u>133,000</u>	<u>663,255</u>	<u>(15,000)</u>
Net change in fund balances	79,267	(30,210)	83,612
Fund balances, beginning of year	<u>41,492</u>	<u>299,157</u>	<u>1,270,435</u>
Fund balances, end of year	<u>\$ 120,759</u>	<u>\$ 268,947</u>	<u>\$ 1,354,047</u>



EDC Grants and Programs (2445)	Register of Deeds Automation (2560)	Register of Deeds Tax Foreclosure Search Fund (2561)	Homestead Audit Administration (2590)	Law Enforcement Funds (various #s)	Public Safety Cigarette Tax (2665)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
457,552	-	-	-	879,108	138,374
-	157,755	252,000	60,140	2,239,915	-
-	-	-	-	9,647	-
-	-	-	820	151	-
-	-	-	-	238,313	-
<u>457,552</u>	<u>157,755</u>	<u>252,000</u>	<u>60,960</u>	<u>3,367,134</u>	<u>138,374</u>
-	-	-	-	-	-
-	200,405	47,599	63,208	795,086	-
-	-	-	-	4,610,864	115,052
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
457,971	-	-	-	-	-
<u>457,971</u>	<u>200,405</u>	<u>47,599</u>	<u>63,208</u>	<u>5,405,950</u>	<u>115,052</u>
<u>(419)</u>	<u>(42,650)</u>	<u>204,401</u>	<u>(2,248)</u>	<u>(2,038,816)</u>	<u>23,322</u>
399	-	-	-	2,084,409	1,836
-	-	(220,634)	-	(10,425)	(30,000)
<u>399</u>	<u>-</u>	<u>(220,634)</u>	<u>-</u>	<u>2,073,984</u>	<u>(28,164)</u>
(20)	(42,650)	(16,233)	(2,248)	35,168	(4,842)
20	185,578	29,656	267,867	1,546,094	104,459
<u>\$ -</u>	<u>\$ 142,928</u>	<u>\$ 13,423</u>	<u>\$ 265,619</u>	<u>\$ 1,581,262</u>	<u>\$ 99,617</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Animal Control Grant and Program (2675)	County Law Library (2690)	Senior Citizen (2700)
Revenues			
Taxes	\$ -	\$ -	\$ 2,096,491
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	545	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	12,373	6,500	-
Total revenues	12,918	6,500	2,096,491
Expenditures			
Judicial	-	58,338	-
General government	-	-	-
Public safety	14,260	-	-
Public works	-	-	-
Health and welfare	-	-	2,066,636
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	14,260	58,338	2,066,636
Revenue over (under) expenditures	(1,342)	(51,838)	29,855
Other financing sources (uses)			
Transfers in	-	55,170	-
Transfers out	-	-	-
Total other financing sources (uses)	-	55,170	-
Net change in fund balances	(1,342)	3,332	29,855
Fund balances, beginning of year	32,788	58,044	3,678
Fund balances, end of year	\$ 31,446	\$ 61,376	\$ 33,533



Library Board (2710)	Small Bus Program (2810)	Berrien Bus Grant and Program (2815)	Four Winds Casino Revenue Sharing (2851)	Three Oaks Land Purchase (2860)	Campaign Finance Administration (2870)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	630,140	148,901	-	-	-
-	528,287	-	-	-	2,200
-	-	-	-	-	-
-	38	-	-	8,142	-
79,206	9,922	-	279,973	-	-
<u>79,206</u>	<u>1,168,387</u>	<u>148,901</u>	<u>279,973</u>	<u>8,142</u>	<u>2,200</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
79,206	-	-	-	-	-
-	1,130,780	148,901	-	-	-
<u>79,206</u>	<u>1,130,780</u>	<u>148,901</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	37,607	-	279,973	8,142	2,200
-	-	-	-	-	-
-	-	-	(213,817)	-	-
-	-	-	(213,817)	-	-
-	37,607	-	66,156	8,142	2,200
-	618,611	-	442,654	8,819	789
<u>\$ -</u>	<u>\$ 656,218</u>	<u>\$ -</u>	<u>\$ 508,810</u>	<u>\$ 16,961</u>	<u>\$ 2,989</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Social Services (2900)	Child Care Probate (2920)	Child Care Social Services (2921)
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	3,223,333	617,491
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	-	150,970	52,442
Total revenues	<u>-</u>	<u>3,374,303</u>	<u>669,933</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	26,414	7,550,883	1,281,673
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>26,414</u>	<u>7,550,883</u>	<u>1,281,673</u>
Revenue over (under) expenditures	<u>(26,414)</u>	<u>(4,176,580)</u>	<u>(611,740)</u>
Other financing sources (uses)			
Transfers in	28,000	4,231,086	392,000
Transfers out	-	-	-
Total other financing sources (uses)	<u>28,000</u>	<u>4,231,086</u>	<u>392,000</u>
Net change in fund balances	<u>1,586</u>	<u>54,506</u>	<u>(219,740)</u>
Fund balances, beginning of year	<u>44,547</u>	<u>446,158</u>	<u>451,135</u>
Fund balances, end of year	<u>\$ 46,133</u>	<u>\$ 500,664</u>	<u>\$ 231,395</u>



Generous Juror Program (2925)	Soldiers and Sailors Relief (2930)	Veteran's Trust (2940)	Board of Public Works (2960)	Total
\$ -	\$ -	\$ -	\$ -	\$ 5,233,666
-	-	-	-	282,244
-	-	57,450	-	12,689,581
-	-	-	14,800	4,827,737
-	-	-	-	9,647
-	-	-	-	10,231
5,244	-	-	-	4,188,483
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
5,244	-	57,450	14,800	27,241,589
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	3,998,266
-	-	-	-	1,106,298
-	-	-	-	4,763,968
-	-	-	13,073	509,989
1,800	2,142	56,733	-	19,372,924
-	-	-	-	2,011,041
-	-	-	-	1,737,652
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,800	2,142	56,733	13,073	33,500,138
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3,444	(2,142)	717	1,727	(6,258,549)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	10,152,461
-	-	-	-	(3,733,300)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	6,419,161
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3,444	(2,142)	717	1,727	160,612
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
2,395	4,423	7,634	116,269	8,648,296
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 5,839	\$ 2,281	\$ 8,351	\$ 117,996	\$ 8,808,908

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Parks and Recreation (2080)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	10,000	10,000	-
Charges for services	427,213	442,075	14,862
Fines and forfeitures	-	-	-
Interest revenue	-	-	-
Other revenue	188,743	117,797	(70,946)
Total revenues	625,956	569,872	(56,084)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	965,557	963,159	(2,398)
Community development	-	-	-
Total expenditures	965,557	963,159	(2,398)
Revenues over (under) expenditures	(339,601)	(393,287)	(53,686)
Other financing sources (uses)			
Transfers in	326,149	455,125	128,976
Transfers out	(91,071)	(68,532)	22,539
Total other financing sources (uses)	235,078	386,593	151,515
Net change in fund balances	(104,523)	(6,694)	97,829
Fund balances, beginning of year	213,263	213,263	-
Fund balances, end of year	\$ 108,740	\$ 206,569	\$ 97,829

Parks and Recreation Grant (2085)			Parks Millage (2087)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 690,000	\$ 698,767	\$ 8,767
-	-	-	-	-	-
500,000	500,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
200,000	200,000	-	-	-	-
<u>700,000</u>	<u>700,000</u>	<u>-</u>	<u>690,000</u>	<u>698,767</u>	<u>8,767</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
975,536	964,790	(10,746)	234,875	-	(234,875)
-	-	-	-	-	-
<u>975,536</u>	<u>964,790</u>	<u>(10,746)</u>	<u>234,875</u>	<u>-</u>	<u>(234,875)</u>
<u>(275,536)</u>	<u>(264,790)</u>	<u>10,746</u>	<u>455,125</u>	<u>698,767</u>	<u>243,642</u>
196,033	193,532	(2,501)	-	-	-
-	-	-	(455,125)	(455,125)	-
<u>196,033</u>	<u>193,532</u>	<u>(2,501)</u>	<u>(455,125)</u>	<u>(455,125)</u>	<u>-</u>
(79,503)	(71,258)	8,245	-	243,642	243,642
<u>79,503</u>	<u>79,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 8,245</u>	<u>\$ 8,245</u>	<u>\$ -</u>	<u>\$ 243,642</u>	<u>\$ 243,642</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Historical Association Loan Fund (2110)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	5,000	386	(4,614)
Community development	-	-	-
Total expenditures	<u>5,000</u>	<u>386</u>	<u>(4,614)</u>
Revenues over (under) expenditures	<u>(5,000)</u>	<u>(386)</u>	<u>4,614</u>
Other financing sources (uses)			
Transfers in	5,000	5,000	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balances	-	4,614	4,614
Fund balances, beginning of year	<u>152,635</u>	<u>152,635</u>	<u>-</u>
Fund balances, end of year	<u>\$ 152,635</u>	<u>\$ 157,249</u>	<u>\$ 4,614</u>



Berrien Community Foundation (2130)			Friend of the Court (2150)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	2,070,184	1,910,678	(159,506)
-	-	-	230,000	250,829	20,829
-	-	-	-	-	-
-	-	-	-	-	-
60,354	24,486	(35,868)	2,500	2,925	425
<u>60,354</u>	<u>24,486</u>	<u>(35,868)</u>	<u>2,302,684</u>	<u>2,164,432</u>	<u>(138,252)</u>
-	-	-	3,133,691	2,938,791	(194,900)
-	-	-	-	-	-
41,579	23,792	(17,787)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,775	3,500	(15,275)	-	-	-
-	-	-	-	-	-
<u>60,354</u>	<u>27,292</u>	<u>(33,062)</u>	<u>3,133,691</u>	<u>2,938,791</u>	<u>(194,900)</u>
-	(2,806)	(2,806)	(831,007)	(774,359)	56,648
-	-	-	581,007	581,007	-
-	-	-	-	-	-
-	-	-	581,007	581,007	-
-	(2,806)	(2,806)	(250,000)	(193,352)	56,648
19,870	19,870	-	418,237	418,237	-
<u>\$ 19,870</u>	<u>\$ 17,064</u>	<u>\$ (2,806)</u>	<u>\$ 168,237</u>	<u>\$ 224,885</u>	<u>\$ 56,648</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Family Counseling Services (2155)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	20,000	17,610	(2,390)
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenues	<u>20,000</u>	<u>17,610</u>	<u>(2,390)</u>
Expenditures			
Judicial	45,000	18,697	(26,303)
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>45,000</u>	<u>18,697</u>	<u>(26,303)</u>
Revenues over (under) expenditures	<u>(25,000)</u>	<u>(1,087)</u>	<u>23,913</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(25,000)</u>	<u>(1,087)</u>	<u>23,913</u>
Fund balances, beginning of year	<u>146,268</u>	<u>146,268</u>	<u>-</u>
Fund balances, end of year	<u>\$ 121,268</u>	<u>\$ 145,181</u>	<u>\$ 23,913</u>

Drug Enforcement Public Safety (2175) & (2640)			Health Department (2210)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ 2,442,132	\$ 2,438,408	\$ (3,724)	\$ -	\$ -	\$ -
-	-	-	271,023	264,634	(6,389)
887,761	601,898	(285,863)	363,647	372,957	9,310
7,000	9,040	2,040	86,703	75,721	(10,982)
-	-	-	-	-	-
-	-	-	-	-	-
144,216	30,166	(114,050)	659,536	2,020,830	1,361,294
<u>3,481,109</u>	<u>3,079,512</u>	<u>(401,597)</u>	<u>1,380,909</u>	<u>2,734,142</u>	<u>1,353,233</u>
1,319,647	982,440	(337,207)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,621,513	3,340,428	(281,085)
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,319,647</u>	<u>982,440</u>	<u>(337,207)</u>	<u>3,621,513</u>	<u>3,340,428</u>	<u>(281,085)</u>
<u>2,161,462</u>	<u>2,097,072</u>	<u>(64,390)</u>	<u>(2,240,604)</u>	<u>(606,286)</u>	<u>1,634,318</u>
366,274	352,608	(13,666)	1,027,925	976,034	(51,891)
<u>(2,570,632)</u>	<u>(2,386,741)</u>	<u>183,891</u>	<u>(1,187,480)</u>	<u>(333,026)</u>	<u>854,454</u>
<u>(2,204,358)</u>	<u>(2,034,133)</u>	<u>170,225</u>	<u>(159,555)</u>	<u>643,008</u>	<u>802,563</u>
(42,896)	62,939	105,835	(2,400,159)	36,722	2,436,881
<u>1,146,002</u>	<u>1,146,002</u>	<u>-</u>	<u>489,816</u>	<u>489,816</u>	<u>-</u>
<u>\$ 1,103,106</u>	<u>\$ 1,208,941</u>	<u>\$ 105,835</u>	<u>\$ (1,910,343)</u>	<u>\$ 526,538</u>	<u>\$ 2,436,881</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Drug Court Treatment (2211)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	65,214	18,535	(46,679)
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	7,760	-	(7,760)
Total revenues	<u>72,974</u>	<u>18,535</u>	<u>(54,439)</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	205,974	72,268	(133,706)
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>205,974</u>	<u>72,268</u>	<u>(133,706)</u>
Revenues over (under) expenditures	<u>(133,000)</u>	<u>(53,733)</u>	<u>79,267</u>
Other financing sources (uses)			
Transfers in	133,000	133,000	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>133,000</u>	<u>133,000</u>	<u>-</u>
Net change in fund balances	-	79,267	79,267
Fund balances, beginning of year	<u>41,492</u>	<u>41,492</u>	<u>-</u>
Fund balances, end of year	<u>\$ 41,492</u>	<u>\$ 120,759</u>	<u>\$ 79,267</u>

Health Department Grants (2215)			Berrien County Landfill Use (2270)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,180,621	3,141,699	(38,922)	-	-	-
271,040	181,447	(89,593)	589,000	594,448	5,448
-	-	-	-	-	-
-	-	-	600	1,080	480
1,348,869	957,336	(391,533)	15,155	-	(15,155)
<u>4,800,530</u>	<u>4,280,482</u>	<u>(520,048)</u>	<u>604,755</u>	<u>595,528</u>	<u>(9,227)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	696,705	496,916	(199,789)
5,580,530	4,973,947	(606,583)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,580,530</u>	<u>4,973,947</u>	<u>(606,583)</u>	<u>696,705</u>	<u>496,916</u>	<u>(199,789)</u>
<u>(780,000)</u>	<u>(693,465)</u>	<u>86,535</u>	<u>(91,950)</u>	<u>98,612</u>	<u>190,562</u>
753,487	663,255	(90,232)	-	-	-
-	-	-	(15,000)	(15,000)	-
<u>753,487</u>	<u>663,255</u>	<u>(90,232)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
(26,513)	(30,210)	(3,697)	(106,950)	83,612	190,562
299,157	299,157	-	1,270,435	1,270,435	-
<u>\$ 272,644</u>	<u>\$ 268,947</u>	<u>\$ (3,697)</u>	<u>\$ 1,163,485</u>	<u>\$ 1,354,047</u>	<u>\$ 190,562</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	EDC Grants and Programs (2445)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	528,571	457,552	(71,019)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	400	-	(400)
Total revenues	528,971	457,552	(71,419)
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	528,971	457,971	(71,000)
Total expenditures	528,971	457,971	(71,000)
Revenues over (under) expenditures	-	(419)	(419)
Other financing sources (uses)			
Transfers in	-	399	399
Transfers out	-	-	-
Total other financing sources (uses)	-	399	399
Net change in fund balances	-	(20)	(20)
Fund balances, beginning of year	20	20	-
Fund balances, end of year	\$ 20	\$ -	\$ (20)



Register of Deeds Automation (2560)			Register of Deeds Tax Foreclosure Search Fund (2561)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
150,000	157,755	7,755	262,500	252,000	(10,500)
-	-	-	-	-	-
-	-	-	-	-	-
108,312	-	(108,312)	5,738	-	(5,738)
<u>258,312</u>	<u>157,755</u>	<u>(100,557)</u>	<u>268,238</u>	<u>252,000</u>	<u>(16,238)</u>
-	-	-	-	-	-
258,312	200,405	(57,907)	47,603	47,599	(4)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>258,312</u>	<u>200,405</u>	<u>(57,907)</u>	<u>47,603</u>	<u>47,599</u>	<u>(4)</u>
-	(42,650)	(42,650)	220,635	204,401	(16,234)
-	-	-	-	-	-
-	-	-	(220,635)	(220,634)	1
-	-	-	(220,635)	(220,634)	1
-	(42,650)	(42,650)	-	(16,233)	(16,233)
185,578	185,578	-	29,656	29,656	-
<u>\$ 185,578</u>	<u>\$ 142,928</u>	<u>\$ (42,650)</u>	<u>\$ 29,656</u>	<u>\$ 13,423</u>	<u>\$ (16,233)</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Homestead Audit Administration (2590)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	95,000	60,140	(34,860)
Fines and forfeitures	-	-	-
Interest	400	820	420
Other revenue	-	-	-
Total revenues	<u>95,400</u>	<u>60,960</u>	<u>(34,440)</u>
Expenditures			
Judicial	-	-	-
General government	95,400	63,208	(32,192)
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>95,400</u>	<u>63,208</u>	<u>(32,192)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(2,248)</u>	<u>(2,248)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(10,000)	-	10,000
Total other financing sources (uses)	<u>(10,000)</u>	<u>-</u>	<u>10,000</u>
Net change in fund balances	<u>(10,000)</u>	<u>(2,248)</u>	<u>7,752</u>
Fund balances, beginning of year	<u>267,867</u>	<u>267,867</u>	<u>-</u>
Fund balances, end of year	<u>\$ 257,867</u>	<u>\$ 265,619</u>	<u>\$ 7,752</u>

Law Enforcement Funds (various #s)			Public Safety Cigarette Tax (2665)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
937,791	879,108	(58,683)	191,459	138,374	(53,085)
2,307,507	2,239,915	(67,592)	-	-	-
9,600	9,647	47	-	-	-
-	151	151	-	-	-
318,020	238,313	(79,707)	30,000	-	(30,000)
<u>3,572,918</u>	<u>3,367,134</u>	<u>(205,784)</u>	<u>221,459</u>	<u>138,374</u>	<u>(83,085)</u>
-	-	-	-	-	-
821,594	795,086	(26,508)	-	-	-
4,942,181	4,610,864	(331,317)	287,215	115,052	(172,163)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,763,775</u>	<u>5,405,950</u>	<u>(357,825)</u>	<u>287,215</u>	<u>115,052</u>	<u>(172,163)</u>
<u>(2,190,857)</u>	<u>(2,038,816)</u>	<u>152,041</u>	<u>(65,756)</u>	<u>23,322</u>	<u>89,078</u>
2,101,309	2,084,409	(16,900)	43,551	1,836	(41,715)
<u>(26,437)</u>	<u>(10,425)</u>	<u>16,012</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<u>2,074,872</u>	<u>2,073,984</u>	<u>(888)</u>	<u>13,551</u>	<u>(28,164)</u>	<u>(41,715)</u>
<u>(115,985)</u>	<u>35,168</u>	<u>151,153</u>	<u>(52,205)</u>	<u>(4,842)</u>	<u>47,363</u>
<u>1,546,094</u>	<u>1,546,094</u>	<u>-</u>	<u>104,459</u>	<u>104,459</u>	<u>-</u>
<u>\$ 1,430,109</u>	<u>\$ 1,581,262</u>	<u>\$ 151,153</u>	<u>\$ 52,254</u>	<u>\$ 99,617</u>	<u>\$ 47,363</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Animal Control Grant and Program (2675)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	8,000	545	(7,455)
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	17,500	12,373	(5,127)
Total revenues	<u>25,500</u>	<u>12,918</u>	<u>(12,582)</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	26,700	14,260	(12,440)
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>26,700</u>	<u>14,260</u>	<u>(12,440)</u>
Revenues over (under) expenditures	<u>(1,200)</u>	<u>(1,342)</u>	<u>(142)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,200)</u>	<u>(1,342)</u>	<u>(142)</u>
Fund balances, beginning of year	<u>32,788</u>	<u>32,788</u>	<u>-</u>
Fund balances, end of year	<u>\$ 31,588</u>	<u>\$ 31,446</u>	<u>\$ (142)</u>



County Law Library (2690)			Senior Citizen (2700)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 2,107,104	\$ 2,096,491	\$ (10,613)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	6,500	6,500	-	-	-
-	6,500	6,500	2,107,104	2,096,491	(10,613)
83,510	58,338	(25,172)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,107,104	2,066,636	(40,468)
-	-	-	-	-	-
-	-	-	-	-	-
83,510	58,338	(25,172)	2,107,104	2,066,636	(40,468)
(83,510)	(51,838)	31,672	-	29,855	29,855
61,670	55,170	(6,500)	-	-	-
-	-	-	-	-	-
61,670	55,170	(6,500)	-	-	-
(21,840)	3,332	25,172	-	29,855	29,855
58,044	58,044	-	3,678	3,678	-
\$ 36,204	\$ 61,376	\$ 25,172	\$ 3,678	\$ 33,533	\$ 29,855

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Library Board (2710)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	79,207	79,206	(1)
Total revenues	<u>79,207</u>	<u>79,206</u>	<u>(1)</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	79,207	79,206	(1)
Community development	-	-	-
Total expenditures	<u>79,207</u>	<u>79,206</u>	<u>(1)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Small Bus Program (2810)			Berrien Bus Grant and Program (2815)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
627,000	630,140	3,140	335,000	148,901	(186,099)
631,000	528,287	(102,713)	-	-	-
-	-	-	-	-	-
2,000	38	(1,962)	-	-	-
4,000	9,922	5,922	-	-	-
<u>1,264,000</u>	<u>1,168,387</u>	<u>(95,613)</u>	<u>335,000</u>	<u>148,901</u>	<u>(186,099)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,284,792</u>	<u>1,130,780</u>	<u>(154,012)</u>	<u>335,000</u>	<u>148,901</u>	<u>(186,099)</u>
<u>1,284,792</u>	<u>1,130,780</u>	<u>(154,012)</u>	<u>335,000</u>	<u>148,901</u>	<u>(186,099)</u>
<u>(20,792)</u>	<u>37,607</u>	<u>58,399</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>(5,461)</u>	<u>-</u>	<u>5,461</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(5,461)</u>	<u>-</u>	<u>5,461</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(26,253)</u>	<u>37,607</u>	<u>63,860</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>618,611</u>	<u>618,611</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 592,358</u>	<u>\$ 656,218</u>	<u>\$ 63,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Four Winds Casino Revenue Sharing (2851)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	213,817	279,973	66,156
Total revenues	<u>213,817</u>	<u>279,973</u>	<u>66,156</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>213,817</u>	<u>279,973</u>	<u>66,156</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(213,817)	(213,817)	-
Total other financing sources (uses)	<u>(213,817)</u>	<u>(213,817)</u>	<u>-</u>
Net change in fund balances	-	66,156	66,156
Fund balances, beginning of year	<u>442,654</u>	<u>442,654</u>	<u>-</u>
Fund balances, end of year	<u>\$ 442,654</u>	<u>\$ 508,810</u>	<u>\$ 66,156</u>



Three Oaks Land Purchase (2860)			Campaign Finance Administration (2870)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	100	2,200	2,100
-	-	-	-	-	-
4,588	8,142	3,554	-	-	-
-	-	-	-	-	-
<u>4,588</u>	<u>8,142</u>	<u>3,554</u>	<u>100</u>	<u>2,200</u>	<u>2,100</u>
-	-	-	-	-	-
-	-	-	100	-	(100)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	100	-	(100)
<u>4,588</u>	<u>8,142</u>	<u>3,554</u>	<u>-</u>	<u>2,200</u>	<u>2,200</u>
37,848	-	(37,848)	-	-	-
-	-	-	-	-	-
<u>37,848</u>	<u>-</u>	<u>(37,848)</u>	<u>-</u>	<u>-</u>	<u>-</u>
42,436	8,142	(34,294)	-	2,200	2,200
8,819	8,819	-	789	789	-
<u>\$ 51,255</u>	<u>\$ 16,961</u>	<u>\$ (34,294)</u>	<u>\$ 789</u>	<u>\$ 2,989</u>	<u>\$ 2,200</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Social Services (2900)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	58,536	-	(58,536)
Total revenues	<u>58,536</u>	<u>-</u>	<u>(58,536)</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	86,536	26,414	(60,122)
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>86,536</u>	<u>26,414</u>	<u>(60,122)</u>
Revenues over (under) expenditures	<u>(28,000)</u>	<u>(26,414)</u>	<u>1,586</u>
Other financing sources (uses)			
Transfers in	28,000	28,000	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>28,000</u>	<u>28,000</u>	<u>-</u>
Net change in fund balances	-	1,586	1,586
Fund balances, beginning of year	<u>44,547</u>	<u>44,547</u>	<u>-</u>
Fund balances, end of year	<u>\$ 44,547</u>	<u>\$ 46,133</u>	<u>\$ 1,586</u>

Child Care Probate (2920)			Child Care Social Services (2921)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,346,754	3,223,333	(123,421)	642,934	617,491	(25,443)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
169,250	150,970	(18,280)	195,007	52,442	(142,565)
<u>3,516,004</u>	<u>3,374,303</u>	<u>(141,701)</u>	<u>837,941</u>	<u>669,933</u>	<u>(168,008)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,854,558	7,550,883	(303,675)	1,345,639	1,281,673	(63,966)
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,854,558</u>	<u>7,550,883</u>	<u>(303,675)</u>	<u>1,345,639</u>	<u>1,281,673</u>	<u>(63,966)</u>
<u>(4,338,554)</u>	<u>(4,176,580)</u>	<u>161,974</u>	<u>(507,698)</u>	<u>(611,740)</u>	<u>(104,042)</u>
4,236,751	4,231,086	(5,665)	392,000	392,000	-
-	-	-	-	-	-
<u>4,236,751</u>	<u>4,231,086</u>	<u>(5,665)</u>	<u>392,000</u>	<u>392,000</u>	<u>-</u>
(101,803)	54,506	156,309	(115,698)	(219,740)	(104,042)
446,158	446,158	-	451,135	451,135	-
<u>\$ 344,355</u>	<u>\$ 500,664</u>	<u>\$ 156,309</u>	<u>\$ 335,437</u>	<u>\$ 231,395</u>	<u>\$ (104,042)</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Generous Juror Program (2925)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	3,000	5,244	2,244
Total revenues	<u>3,000</u>	<u>5,244</u>	<u>2,244</u>
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	3,000	1,800	(1,200)
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	<u>3,000</u>	<u>1,800</u>	<u>(1,200)</u>
Revenues over (under) expenditures	<u>-</u>	<u>3,444</u>	<u>3,444</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	3,444	3,444
Fund balances, beginning of year	<u>2,395</u>	<u>2,395</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,395</u>	<u>\$ 5,839</u>	<u>\$ 3,444</u>



Soldiers and Sailors Relief (2930)			Veteran's Trust (2940)		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	62,423	57,450	(4,973)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,144	-	(2,144)	-	-	-
<u>2,144</u>	<u>-</u>	<u>(2,144)</u>	<u>62,423</u>	<u>57,450</u>	<u>(4,973)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,144	2,142	(2)	62,423	56,733	(5,690)
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,144</u>	<u>2,142</u>	<u>(2)</u>	<u>62,423</u>	<u>56,733</u>	<u>(5,690)</u>
-	(2,142)	(2,142)	-	717	717
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(2,142)	(2,142)	-	717	717
4,423	4,423	-	7,634	7,634	-
<u>\$ 4,423</u>	<u>\$ 2,281</u>	<u>\$ (2,142)</u>	<u>\$ 7,634</u>	<u>\$ 8,351</u>	<u>\$ 717</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2013

	Board of Public Works (2960)		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenue	-	-	-
Charges for services	533	14,800	14,267
Fines and forfeitures	-	-	-
Interest	-	-	-
Other revenue	-	-	-
Total revenues	533	14,800	14,267
Expenditures			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Public works	13,076	13,073	(3)
Health and welfare	-	-	-
Recreation and cultural	-	-	-
Community development	-	-	-
Total expenditures	13,076	13,073	(3)
Revenues over (under) expenditures	(12,543)	1,727	14,270
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(12,543)	1,727	14,270
Fund balances, beginning of year	116,269	116,269	-
Fund balances, end of year	\$ 103,726	\$ 117,996	\$ 14,270



Total Nonmajor Special Revenue Funds		
Amended Budget	Actual	Over (Under) Budget
\$ 5,239,236	\$ 5,233,666	\$ (5,570)
291,023	282,244	(8,779)
13,684,145	12,689,581	(994,564)
5,130,810	4,827,737	(303,073)
9,600	9,647	47
7,588	10,231	2,643
3,832,064	4,188,483	356,419
<u>28,194,466</u>	<u>27,241,589</u>	<u>(952,877)</u>
4,581,848	3,998,266	(583,582)
1,223,009	1,106,298	(116,711)
5,297,675	4,763,968	(533,707)
709,781	509,989	(199,792)
20,869,421	19,372,924	(1,496,497)
2,278,950	2,011,041	(267,909)
2,148,763	1,737,652	(411,111)
<u>37,109,447</u>	<u>33,500,138</u>	<u>(3,609,309)</u>
<u>(8,914,981)</u>	<u>(6,258,549)</u>	<u>2,656,432</u>
10,290,004	10,152,461	(137,543)
<u>(4,825,658)</u>	<u>(3,733,300)</u>	<u>1,092,358</u>
<u>5,464,346</u>	<u>6,419,161</u>	<u>954,815</u>
(3,450,635)	160,612	3,611,247
<u>8,648,296</u>	<u>8,648,296</u>	<u>-</u>
<u>\$ 5,197,661</u>	<u>\$ 8,808,908</u>	<u>\$ 3,611,247</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Debt Service Funds

December 31, 2013

	Bridge Bond (3010)	Building Authority (4500)	Total
Assets			
Cash and cash equivalents	\$ 260	\$ 258	\$ 518
Fund balances			
Restricted	\$ 260	\$ 258	\$ 518

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended December 31, 2013

	Bridge Bond (3010)	Building Authority (4500)	Total
Revenues			
Charges for services	\$ -	\$ 10,604	\$ 10,604
Expenditures			
Debt service:			
Principal	-	815,000	815,000
Interest and fiscal charges	-	21,350	21,350
Total expenditures	-	836,350	836,350
Revenues under expenditures	-	(825,746)	(825,746)
Other financing sources			
Transfers in	-	825,600	825,600
Net change in fund balances	-	(146)	(146)
Fund balances, beginning of year	260	404	664
Fund balances, end of year	<u>\$ 260</u>	<u>\$ 258</u>	<u>\$ 518</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Balance Sheet

Nonmajor Capital Projects Funds

December 31, 2013

	Capital Improvement (2450) & (4010)	Vehicle / Equipment Replacement (4020)	Capital Reserve (4030)
Assets			
Cash and cash equivalents	\$ 3,510,351	\$ 336,301	\$ 651,101
Investments	-	-	-
Total assets	<u>\$ 3,510,351</u>	<u>\$ 336,301</u>	<u>\$ 651,101</u>
Liabilities			
Accounts payable	\$ 67,001	\$ -	\$ -
Fund balances			
Restricted	-	-	651,101
Committed	3,443,350	336,301	-
Total fund balances	<u>3,443,350</u>	<u>336,301</u>	<u>651,101</u>
Total liabilities and fund balances	<u>\$ 3,510,351</u>	<u>\$ 336,301</u>	<u>\$ 651,101</u>



Animal Shelter (4130)	Building Authority (4500)	Total
\$ 9,730	\$ 3,266	\$ 4,510,749
447,114	-	447,114
<u>\$ 456,844</u>	<u>\$ 3,266</u>	<u>\$ 4,957,863</u>
\$ -	\$ -	\$ 67,001
456,844	3,266	1,111,211
-	-	3,779,651
<u>456,844</u>	<u>3,266</u>	<u>4,890,862</u>
<u>\$ 456,844</u>	<u>\$ 3,266</u>	<u>\$ 4,957,863</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended December 31, 2013

	Capital Improvement (2450) & (4010)	Vehicle / Equipment Replacement (4020)	Capital Reserve (4030)
Revenues			
Interest revenue	\$ -	\$ -	\$ -
Other revenue	-	-	-
Total revenues	-	-	-
Expenditures			
Current expenditures:			
General government	2,584,454	18,975	-
Public safety	129,595	164,037	-
Health and welfare	7,070	-	-
Total expenditures	2,721,119	183,012	-
Revenues over (under) expenditures	(2,721,119)	(183,012)	-
Other financing sources (uses)			
Transfers in	1,298,484	200,000	-
Transfers out	(125,116)	-	(825,600)
Total other financing sources (uses)	1,173,368	200,000	(825,600)
Net change in fund balances	(1,547,751)	16,988	(825,600)
Fund balances, beginning of year	4,991,101	319,313	1,476,701
Fund balances, end of year	<u>\$ 3,443,350</u>	<u>\$ 336,301</u>	<u>\$ 651,101</u>



Animal Shelter (4130)	Building Authority (4500)	Total
\$ 1,292	\$ -	\$ 1,292
38,473	-	38,473
<u>39,765</u>	<u>-</u>	<u>39,765</u>
-	-	2,603,429
-	-	293,632
-	-	7,070
<u>-</u>	<u>-</u>	<u>2,904,131</u>
<u>39,765</u>	<u>-</u>	<u>(2,864,366)</u>
-	-	1,498,484
-	-	(950,716)
<u>-</u>	<u>-</u>	<u>547,768</u>
39,765	-	(2,316,598)
<u>417,079</u>	<u>3,266</u>	<u>7,207,460</u>
<u>\$ 456,844</u>	<u>\$ 3,266</u>	<u>\$ 4,890,862</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Nonmajor Enterprise Funds

December 31, 2013

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Assets			
Current assets:			
Cash and equivalents	\$ 1,169,643	\$ 18,413	\$ 320,283
Investments	-	170,051	-
Taxes receivable, delinquent	-	290,008	-
Leases receivable, current	-	-	-
Due from other governments	-	30,888	-
Inventories	-	-	34,626
Total current assets	1,169,643	509,360	354,909
Noncurrent assets:			
Leases receivable, net of current portion	-	-	-
Capital assets being depreciated, net	-	-	129,776
Total noncurrent assets	-	-	129,776
Total assets	1,169,643	509,360	484,685
Liabilities			
Current liabilities:			
Accounts payable	101,089	2,045	300
Accrued expenses	3,044	682	-
Due to other governments	-	337,740	-
Current portion of long-term debt	-	-	-
Total current liabilities	104,133	340,467	300
Long-term liabilities -			
Due in more than one year	-	-	-
Total liabilities	104,133	340,467	300
Net position			
Net investment in capital assets	-	-	129,776
Unrestricted	1,065,510	168,893	354,609
Total net position	\$ 1,065,510	\$ 168,893	\$ 484,385

Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Total
\$ 1,154	\$ -	\$ 1,284	\$ 1,531	\$ -	\$ 1,512,308
6,358	-	7,527	-	-	183,936
-	-	-	-	-	290,008
35,000	100,000	25,000	65,000	105,000	330,000
-	-	-	-	-	30,888
-	-	-	-	-	34,626
<u>42,512</u>	<u>100,000</u>	<u>33,811</u>	<u>66,531</u>	<u>105,000</u>	<u>2,381,766</u>
43,310	601,515	168,026	1,316,986	2,898,010	5,027,847
-	-	-	-	-	129,776
<u>43,310</u>	<u>601,515</u>	<u>168,026</u>	<u>1,316,986</u>	<u>2,898,010</u>	<u>5,157,623</u>
85,822	701,515	201,837	1,383,517	3,003,010	7,539,389
-	-	-	-	-	103,434
822	6,515	1,837	8,593	36,596	58,089
-	-	-	-	-	337,740
35,000	100,000	25,000	65,000	105,000	330,000
<u>35,822</u>	<u>106,515</u>	<u>26,837</u>	<u>73,593</u>	<u>141,596</u>	<u>829,263</u>
50,000	595,000	175,000	1,309,924	2,861,414	4,991,338
85,822	701,515	201,837	1,383,517	3,003,010	5,820,601
-	-	-	-	-	129,776
-	-	-	-	-	1,589,012
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,718,788</u>

COUNTY OF BERRIEN, MICHIGAN

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

Nonmajor Enterprise Funds

For the Year Ended December 31, 2013

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Operating revenues			
Charges for services	\$ 1,191,801	\$ 39,900	\$ 73,951
Operating expense			
Operation and maintenance	1,045,136	37,645	15,446
Depreciation	-	-	3,914
Total operating expense	<u>1,045,136</u>	<u>37,645</u>	<u>19,360</u>
Operating income	<u>146,665</u>	<u>2,255</u>	<u>54,591</u>
Nonoperating revenues (expenses)			
Interest revenue	-	592	-
Loss on sale of capital assets	-	-	(44,180)
Interest and fiscal charges	-	-	-
Total nonoperating revenues(expenses)	<u>-</u>	<u>592</u>	<u>(44,180)</u>
Income before transfers	146,665	2,847	10,411
Transfers out	<u>(27,236)</u>	<u>(10,000)</u>	<u>-</u>
Change in net position	119,429	(7,153)	10,411
Net position, beginning of year	<u>946,081</u>	<u>176,046</u>	<u>473,974</u>
Net position, end of year	<u><u>\$ 1,065,510</u></u>	<u><u>\$ 168,893</u></u>	<u><u>\$ 484,385</u></u>



Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Total
\$ 41,057	\$ 141,182	\$ 36,740	\$ 100,728	\$ 231,832	\$ 1,857,191
-	-	-	-	195,237	1,293,464
-	-	-	-	-	3,914
-	-	-	-	195,237	1,297,378
41,057	141,182	36,740	100,728	36,595	559,813
-	-	-	-	-	592
-	-	-	-	-	(44,180)
(41,057)	(141,182)	(36,740)	(100,728)	(36,595)	(356,302)
(41,057)	(141,182)	(36,740)	(100,728)	(36,595)	(399,890)
-	-	-	-	-	159,923
-	-	-	-	-	(37,236)
-	-	-	-	-	122,687
-	-	-	-	-	1,596,101
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,718,788

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended December 31, 2013

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Cash flows from operating activities			
Cash received from customers	\$ 1,191,801	\$ 39,900	\$ 73,951
Cash payments to suppliers for goods and services	(734,958)	(314,058)	(14,817)
Cash payments to employees for services	(87,262)	(2,358)	-
Net cash provided by (used in) operating activities	<u>369,581</u>	<u>(276,516)</u>	<u>59,134</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	-	-	(64,500)
Cash flows from noncapital financing activities			
Principal payments	-	-	-
Interest payments	-	-	-
Transfers out	(27,236)	(10,000)	-
Net cash used in noncapital financing activities	<u>(27,236)</u>	<u>(10,000)</u>	<u>-</u>
Cash flows from investing activities			
Purchase of investments	-	(170,051)	-
Interest received	-	592	-
Amounts collected on leases receivable	-	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>(169,459)</u>	<u>-</u>
Net change in cash and cash equivalents	342,345	(455,975)	(5,366)
Cash and cash equivalents, beginning of year	<u>827,298</u>	<u>474,388</u>	<u>325,649</u>
Cash and cash equivalents, end of year	<u>\$ 1,169,643</u>	<u>\$ 18,413</u>	<u>\$ 320,283</u>



Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Total
\$ 41,057 (338) -	\$ 141,182 (908) -	\$ 36,740 (221) -	\$ 100,728 (271) -	\$ 231,832 (183,362) -	\$ 1,857,191 (1,248,933) (89,620)
40,719	140,274	36,519	100,457	48,470	518,638
-	-	-	-	-	(64,500)
(35,000) (41,057) -	(100,000) (141,182) -	(25,000) (36,740) -	(65,000) (100,728) -	(105,000) (36,118) -	(330,000) (355,825) (37,236)
(76,057)	(241,182)	(61,740)	(165,728)	(141,118)	(723,061)
(6,358) -	- -	(7,527) -	- -	- -	(183,936) 592
35,409	100,908	25,278	65,271	92,648	319,514
29,051	100,908	17,751	65,271	92,648	136,170
(6,287)	-	(7,470)	-	-	(132,753)
7,441	-	8,754	1,531	-	1,645,061
\$ 1,154	\$ -	\$ 1,284	\$ 1,531	\$ -	\$ 1,512,308

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended December 31, 2013

	Delinquent Tax Foreclosure (5180)	Delinquent Personal Property Tax (5190)	Drain Working Capital (6390)
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income	\$ 146,665	\$ 2,255	\$ 54,591
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	-	-	3,914
Changes in assets and liabilities:			
Taxes receivable - delinquent	-	84,374	-
Due from other governments	-	319	-
Due from other funds	511,910	-	115
Inventories	-	-	2,894
Accounts payable	101,046	2,045	(2,380)
Accrued expenses	182	57	-
Due to other funds	(390,222)	(14,664)	-
Due to other governments	-	(350,902)	-
Net cash provided by (used in) operating activities	\$ 369,581	\$ (276,516)	\$ 59,134



Buchanan Township Sewer System No. 23 / Water System No. 21 (5753)	Coloma Township Sewer System No. 24 (5755)	Village of Berrien Springs / Oronoko Township Water / Sewer System No. 26 (5756)	New Buffalo City Water System No. 28 (5759)	Village of Berrien Springs Water / Sewer System No. 29 (5761)	Total
\$ 41,057	\$ 141,182	\$ 36,740	\$ 100,728	\$ 36,595	\$ 559,813
-	-	-	-	-	3,914
-	-	-	-	-	84,374
-	-	-	-	-	319
-	-	-	-	-	512,025
-	-	-	-	-	2,894
-	-	-	-	-	100,711
(338)	(908)	(221)	(271)	11,875	10,376
-	-	-	-	-	(404,886)
-	-	-	-	-	(350,902)
<u>\$ 40,719</u>	<u>\$ 140,274</u>	<u>\$ 36,519</u>	<u>\$ 100,457</u>	<u>\$ 48,470</u>	<u>\$ 518,638</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

December 31, 2013

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Assets					
Current assets:					
Cash and cash equivalents	\$ 87,631	\$ -	\$ 1,391,309	\$ 81,627	\$ 1,560,567
Investments	2,385,265	1,600,000	7,264,826	-	11,250,091
Prepaid items	-	-	793,593	-	793,593
Total current assets	2,472,896	1,600,000	9,449,728	81,627	13,604,251
Noncurrent assets -					
Restricted cash	1,087,781	-	-	-	1,087,781
Total assets	3,560,677	1,600,000	9,449,728	81,627	14,692,032
Liabilities					
Current liabilities:					
Accounts payable	-	2,567	-	-	2,567
Accrued expenses	862,102	260,517	763,900	-	1,886,519
Due to other governments	-	-	1,872,585	-	1,872,585
Interfund payable	-	296,309	-	-	296,309
Total liabilities	862,102	559,393	2,636,485	-	4,057,980
Net position					
Restricted for self-insurance claims	1,087,781	-	-	-	1,087,781
Unrestricted	1,610,794	1,040,607	6,813,243	81,627	9,546,271
Total net position	\$ 2,698,575	\$ 1,040,607	\$ 6,813,243	\$ 81,627	\$ 10,634,052

COUNTY OF BERRIEN, MICHIGAN

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

Internal Service Funds

For the Year Ended December 31, 2013

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Operating revenues					
Charges for services	\$ 58,954	\$ 19,535	\$ 11,013,106	\$ 47,691	\$ 11,139,286
Operating expenses					
Operation and maintenance	-	-	15,955	1,600	17,555
Benefits and claims	(515,192)	236,124	9,705,813	35,940	9,462,685
Total operating expenses	(515,192)	236,124	9,721,768	37,540	9,480,240
Operating income (loss)	574,146	(216,589)	1,291,338	10,151	1,659,046
Nonoperating revenues					
Interest income	-	317	1,441	-	1,758
Change in net position	574,146	(216,272)	1,292,779	10,151	1,660,804
Net position, beginning of year	2,124,429	1,256,879	5,520,464	71,476	8,973,248
Net position, end of year	\$ 2,698,575	\$ 1,040,607	\$ 6,813,243	\$ 81,627	\$ 10,634,052

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COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2013

	Property / Liability Insurance (6774)	Workers' Compensation Insurance (6771)	Healthcare Insurance (6772)	Unemployment Insurance (6773)	Total
Cash flows from operating activities					
Cash received from interfund services provided	\$ 58,954	\$ 315,844	\$ 11,013,106	\$ 47,691	\$ 11,435,595
Cash payments to suppliers for services	(126,648)	(160,329)	(10,326,366)	(37,540)	(10,650,883)
Net cash provided by (used in) operating activities	(67,694)	155,515	686,740	10,151	784,712
Cash flows from investing activities					
Purchase of investments	(2,385,265)	(1,600,000)	(7,264,826)	-	(11,250,091)
Interest received	-	317	1,441	-	1,758
Total cash flows used in investing activities	(2,385,265)	(1,599,683)	(7,263,385)	-	(11,248,333)
Net change in cash and cash equivalents	(2,452,959)	(1,444,168)	(6,576,645)	10,151	(10,463,621)
Cash and cash equivalents, beginning of year	3,628,371	1,444,168	7,967,954	71,476	13,111,969
Cash and cash equivalents, end of year	\$ 1,175,412	\$ -	\$ 1,391,309	\$ 81,627	\$ 2,648,348
Statement of net position classification of cash and investments					
Cash and cash equivalents	\$ 87,631	\$ -	\$ 1,391,309	\$ 81,627	\$ 1,560,567
Restricted cash	1,087,781	-	-	-	1,087,781
Total	\$ 1,175,412	\$ -	\$ 1,391,309	\$ 81,627	\$ 2,648,348
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 574,146	\$ (216,589)	\$ 1,291,338	\$ 10,151	\$ 1,659,046
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -					
Prepaid items	-	-	(793,593)	-	(793,593)
Accounts payable	-	2,567	-	-	2,567
Accrued expenses	(641,840)	73,228	(1,683,590)	-	(2,252,202)
Due to other governments	-	-	1,872,585	-	1,872,585
Interfund	-	296,309	-	-	296,309
Net cash provided by (used in) operating activities	\$ (67,694)	\$ 155,515	\$ 686,740	\$ 10,151	\$ 784,712

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Fiduciary Assets and Liabilities

All Agency Funds
December 31, 2013

	Trust and Agency (7010)	Court Orders Payable (7020)	Library Trust (7210)	District Court Trust (7600)
Assets				
Cash and cash equivalents	\$ 3,147,877	\$ 117,373	\$ 232,597	\$ 530,529
Investments	-	-	480,046	-
Total assets	<u>\$ 3,147,877</u>	<u>\$ 117,373</u>	<u>\$ 712,643</u>	<u>\$ 530,529</u>
Liabilities				
Undistributed receipts	<u>\$ 3,147,877</u>	<u>\$ 117,373</u>	<u>\$ 712,643</u>	<u>\$ 530,529</u>



Jail Inmate Trust (7640)	Total
\$ 10,386	\$ 4,038,762
-	480,046
<u>\$ 10,386</u>	<u>\$ 4,518,808</u>
<u>\$ 10,386</u>	<u>\$ 4,518,808</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2013

	Beginning Balance	Additions	Deductions	Ending Balance
Trust and Agency Fund				
Assets				
Cash and cash equivalents	\$ 177,960	\$ 118,290,577	\$ 115,320,660	\$ 3,147,877
Accounts receivable	1,251,117	79,377	1,330,494	-
Total assets	\$ 1,429,077	\$ 118,369,954	\$ 116,651,154	\$ 3,147,877
Liabilities				
Undistributed receipts	\$ 1,429,077	\$ 118,369,954	\$ 116,651,154	\$ 3,147,877
Court Orders Payable Fund				
Assets				
Cash and cash equivalents	\$ 64,676	\$ 652,674	\$ 599,977	\$ 117,373
Liabilities				
Undistributed receipts	\$ 64,676	\$ 652,674	\$ 599,977	\$ 117,373
Library Trust Fund				
Assets				
Cash and cash equivalents	\$ 227,370	\$ 3,000,814	\$ 2,995,587	\$ 232,597
Investments	460,042	1,437,360	1,417,356	480,046
Total assets	\$ 687,412	\$ 4,438,174	\$ 4,412,943	\$ 712,643
Liabilities				
Undistributed receipts	\$ 687,412	\$ 4,438,174	\$ 4,412,943	\$ 712,643
District Court Trust Fund				
Assets				
Cash and cash equivalents	\$ 601,793	\$ 530,530	\$ 601,794	\$ 530,529
Liabilities				
Undistributed receipts	\$ 601,793	\$ 530,530	\$ 601,794	\$ 530,529

continued...

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2013

	Beginning Balance	Additions	Deductions	Ending Balance
Jail Inmate Trust Fund				
Assets				
Cash and cash equivalents	\$ 13,885	\$ 10,386	\$ 13,885	\$ 10,386
Liabilities				
Undistributed receipts	\$ 13,885	\$ 10,386	\$ 13,885	\$ 10,386
Total - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 1,085,684	\$ 122,484,981	\$ 119,531,903	\$ 4,038,762
Investments	460,042	1,437,360	1,417,356	480,046
Accounts receivable	1,251,117	79,377	1,330,494	-
Total assets	\$ 2,796,843	\$ 124,001,718	\$ 122,279,753	\$ 4,518,808
Liabilities				
Undistributed receipts	\$ 2,796,843	\$ 124,001,718	\$ 122,279,753	\$ 4,518,808

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet Drain Commission Component Unit December 31, 2013

	Capital Projects Funds		
	Drain (8010)	Drain Revolving (8020)	Hollywood Road Detention Bonds (8053)
Assets			
Cash and cash equivalents	\$ 3,485,097	\$ 443,418	\$ 18,156
Investments	-	-	114,853
Special assessments receivable	3,676,503	-	180,000
Due from other funds	-	221,529	-
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	-	-	-
Total assets	<u>\$ 7,161,600</u>	<u>\$ 664,947</u>	<u>\$ 313,009</u>
Liabilities			
Accounts payable	\$ 308	\$ -	\$ -
Accrued expenses	-	-	-
Due to other funds	221,529	-	-
Advances from primary government	-	650,000	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	<u>221,837</u>	<u>650,000</u>	<u>-</u>
Deferred inflows of resources			
Unavailable revenue - special assessments	<u>3,676,503</u>	<u>-</u>	<u>180,000</u>
Fund balances			
Restricted	-	-	133,009
Committed	<u>3,263,260</u>	<u>14,947</u>	<u>-</u>
Total fund balances	<u>3,263,260</u>	<u>14,947</u>	<u>133,009</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,161,600</u>	<u>\$ 664,947</u>	<u>\$ 313,009</u>
Net position			
Net investment in capital assets			
Restricted			
Unrestricted			
Total net position			

Starr & Wellington Drain (8054)	Close Drain (8055)	Schwark Drain Drainage District (8056)	Hollywood Road Consolidated Drain (8057)	Barnes & Hamilton Drain Drainage District (8058)	Lakeshore Drain Drainage District (8059)
\$ 47,153	\$ 178,824	\$ 474,180	\$ 93,156	\$ 405,786	\$ 904,626
-	-	-	-	-	-
133,000	905,000	1,575,000	2,395,000	1,365,000	3,475,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 180,153</u>	<u>\$ 1,083,824</u>	<u>\$ 2,049,180</u>	<u>\$ 2,488,156</u>	<u>\$ 1,770,786</u>	<u>\$ 4,379,626</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>133,000</u>	<u>905,000</u>	<u>1,575,000</u>	<u>2,395,000</u>	<u>1,365,000</u>	<u>3,475,000</u>
47,153	178,824	474,180	93,156	405,786	904,626
-	-	-	-	-	-
<u>47,153</u>	<u>178,824</u>	<u>474,180</u>	<u>93,156</u>	<u>405,786</u>	<u>904,626</u>
<u>\$ 180,153</u>	<u>\$ 1,083,824</u>	<u>\$ 2,049,180</u>	<u>\$ 2,488,156</u>	<u>\$ 1,770,786</u>	<u>\$ 4,379,626</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Drain Commission Component Unit

December 31, 2013

	Smith & Strong Drain Drainage District (8060)	Lakeside Drain Drainage District (8061)	Estates Drain Drainage District (8062)
Assets			
Cash and cash equivalents	\$ 44,395	\$ 175,140	\$ 170,284
Investments	-	-	-
Special assessments receivable	770,000	580,000	750,000
Due from other funds	-	-	-
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	-	-	-
Total assets	\$ 814,395	\$ 755,140	\$ 920,284
Liabilities			
Accounts payable	\$ -	\$ -	\$ 21,027
Accrued expenses	-	-	-
Due to other funds	-	-	-
Advances from primary government	-	-	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	-	-	21,027
Deferred inflows of resources			
Unavailable revenue - special assessments	770,000	580,000	750,000
Fund balances			
Restricted	-	-	-
Committed	44,395	175,140	149,257
Total fund balances	44,395	175,140	149,257
Total liabilities, deferred inflows of resources and fund balances	\$ 814,395	\$ 755,140	\$ 920,284
Net position			
Net investment in capital assets			
Restricted			
Unrestricted			
Total net position			

Oak Hill Springs Drain Drainage District (8063)	Blue Jay Drain Drainage District (8064)	Hibbard Lake Drain Drainage District (8065)	Total Capital Projects Funds	Adjustments	Statement of Net Position
\$ 164,140	\$ 3,527,530	\$ 1,278,192	\$ 11,410,077	\$ -	\$ 11,410,077
-	-	-	114,853	-	114,853
530,000	3,590,000	1,305,000	21,229,503	-	21,229,503
-	-	-	221,529	(221,529)	-
-	-	-	-	668,722	668,722
-	-	-	-	14,672,899	14,672,899
<u>\$ 694,140</u>	<u>\$ 7,117,530</u>	<u>\$ 2,583,192</u>	<u>\$ 32,975,962</u>	<u>15,120,092</u>	<u>48,096,054</u>
\$ -	\$ 136,472	\$ 126,480	\$ 284,287	-	284,287
-	-	-	-	108,691	108,691
-	-	-	221,529	(221,529)	-
-	-	-	650,000	-	650,000
-	-	-	-	2,367,000	2,367,000
-	-	-	-	18,730,836	18,730,836
-	136,472	126,480	1,155,816	20,984,998	22,140,814
530,000	3,590,000	1,305,000	21,229,503	(21,229,503)	-
-	-	-	2,236,734	(2,236,734)	-
164,140	3,391,058	1,151,712	8,353,909	(8,353,909)	-
164,140	3,391,058	1,151,712	10,590,643	(10,590,643)	-
<u>\$ 694,140</u>	<u>\$ 7,117,530</u>	<u>\$ 2,583,192</u>	<u>\$ 32,975,962</u>		
				2,995,989	2,995,989
				2,236,734	2,236,734
				20,722,517	20,722,517
				<u>\$ 25,955,240</u>	<u>\$ 25,955,240</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities and Governmental Funds Revenues,

Expenditures and Changes in Fund Balances

Drain Commission Component Unit

For the Year Ended December 31, 2013

	Capital Projects Funds		
	Drain (8010)	Drain Revolving (8020)	Hollywood Road Detention Bonds (8053)
Expenditures / expenses			
Public works	\$ 1,893,629	\$ -	\$ 275
Debt service:			
Principal	1,012,018	-	20,000
Interest	70,197	-	8,860
Total expenditures / expenses	2,975,844	-	29,135
Program revenues			
Operating grants and contributions	3,915,819	-	-
Special assessments / capital grants and contributions	-	-	-
Total program revenues	3,915,819	-	-
Net (expense) revenue	939,975	-	(29,135)
General revenues			
Interest revenue	-	-	31
Other financing sources (uses)			
Issuance of long-term debt	2,025,750	-	-
Bond discount	-	-	-
Transfers in	-	-	22,470
Transfers out	(1,174,489)	-	-
Total other financing sources (uses)	851,261	-	22,470
Change in fund balance / change in net position	1,791,236	-	(6,634)
Fund balances / net position, beginning of year	1,472,024	14,947	139,643
Fund balances / net position, end of year	\$ 3,263,260	\$ 14,947	\$ 133,009

Starr & Wellington Drain (8054)	Close Drain (8055)	Schwark Drain Drainage District (8056)	Hollywood Road Consolidated Drain (8057)	Barnes & Hamilton Drain Drainage District (8058)	Lakeshore Drain Drainage District (8059)
\$ -	\$ 11,045	\$ 454	\$ -	\$ 1,594	\$ 14,686
12,000	130,000	65,000	105,000	175,000	145,000
8,614	34,450	62,521	97,575	44,960	111,389
<u>20,614</u>	<u>175,495</u>	<u>127,975</u>	<u>202,575</u>	<u>221,554</u>	<u>271,075</u>
7,804	9,620	-	14,941	2,125	251,028
-	-	-	-	-	-
<u>7,804</u>	<u>9,620</u>	<u>-</u>	<u>14,941</u>	<u>2,125</u>	<u>251,028</u>
<u>(12,810)</u>	<u>(165,875)</u>	<u>(127,975)</u>	<u>(187,634)</u>	<u>(219,429)</u>	<u>(20,047)</u>
<u>3</u>	<u>190</u>	<u>484</u>	<u>115</u>	<u>418</u>	<u>777</u>
-	-	-	-	-	-
-	-	-	-	-	-
19,990	163,639	117,505	200,670	202,075	245,025
-	-	-	-	-	-
<u>19,990</u>	<u>163,639</u>	<u>117,505</u>	<u>200,670</u>	<u>202,075</u>	<u>245,025</u>
7,183	(2,046)	(9,986)	13,151	(16,936)	225,755
<u>39,970</u>	<u>180,870</u>	<u>484,166</u>	<u>80,005</u>	<u>422,722</u>	<u>678,871</u>
<u>\$ 47,153</u>	<u>\$ 178,824</u>	<u>\$ 474,180</u>	<u>\$ 93,156</u>	<u>\$ 405,786</u>	<u>\$ 904,626</u>

continued...

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities and Governmental Funds Revenues,

Expenditures and Changes in Fund Balances

Drain Commission Component Unit

For the Year Ended December 31, 2013

	Smith & Strong Drain Drainage District (8060)	Lakeside Drain Drainage District (8061)	Estates Drain Drainage District (8062)
Expenditures / expenses			
Public works	\$ 12,648	\$ 8,387	\$ 116,436
Debt service:			
Principal	30,000	25,000	30,000
Interest	24,368	19,540	35,040
Total expenditures / expenses	<u>67,016</u>	<u>52,927</u>	<u>181,476</u>
Program revenues			
Operating grants and contributions	3,374	-	-
Special assessments / capital grants and contributions	-	-	-
Total program revenues	<u>3,374</u>	<u>-</u>	<u>-</u>
Net (expense) revenue	<u>(63,642)</u>	<u>(52,927)</u>	<u>(181,476)</u>
General revenues			
Interest revenue	-	-	-
Other financing sources (uses)			
Issuance of long-term debt	-	-	-
Bond discount	-	-	-
Transfers in	50,035	44,655	65,040
Transfers out	-	-	-
Total other financing sources (uses)	<u>50,035</u>	<u>44,655</u>	<u>65,040</u>
Change in fund balance / change in net position	(13,607)	(8,272)	(116,436)
Fund balances / net position, beginning of year	<u>58,002</u>	<u>183,412</u>	<u>265,693</u>
Fund balances / net position, end of year	<u>\$ 44,395</u>	<u>\$ 175,140</u>	<u>\$ 149,257</u>

Oak Hill Springs Drain Drainage District (8063)	Blue Jay Drain Drainage District (8064)	Hibbard Lake Drain Drainage District (8065)	Total Capital Funds	Adjustments	Statement of Activities
\$ 19,290	\$ 193,042	\$ 147,129	\$ 2,418,615	\$ (811,533)	\$ 1,607,082
30,000	-	-	1,779,018	(1,779,018)	-
17,440	-	-	534,954	-	534,954
<u>66,730</u>	<u>193,042</u>	<u>147,129</u>	<u>4,732,587</u>	<u>(2,590,551)</u>	<u>2,142,036</u>
62,961	-	-	4,267,672	-	4,267,672
-	-	-	-	5,141,733	5,141,733
<u>62,961</u>	<u>-</u>	<u>-</u>	<u>4,267,672</u>	<u>5,141,733</u>	<u>9,409,405</u>
<u>(3,769)</u>	<u>(193,042)</u>	<u>(147,129)</u>	<u>(464,915)</u>	<u>7,732,284</u>	<u>7,267,369</u>
-	3,554	1,406	6,978	-	6,978
-	3,590,000	1,305,000	6,920,750	(6,920,750)	-
-	(9,454)	(7,565)	(17,019)	17,019	-
43,385	-	-	1,174,489	(1,174,489)	-
-	-	-	(1,174,489)	1,174,489	-
<u>43,385</u>	<u>3,580,546</u>	<u>1,297,435</u>	<u>6,903,731</u>	<u>(6,903,731)</u>	<u>-</u>
39,616	3,391,058	1,151,712	6,445,794	828,553	7,274,347
<u>124,524</u>	<u>-</u>	<u>-</u>	<u>4,144,849</u>	<u>14,536,044</u>	<u>18,680,893</u>
<u>\$ 164,140</u>	<u>\$ 3,391,058</u>	<u>\$ 1,151,712</u>	<u>\$ 10,590,643</u>	<u>\$ 15,364,597</u>	<u>\$ 25,955,240</u>

concluded.

COUNTY OF BERRIEN, MICHIGAN

Statement of Net Position

Economic Development Corporation Component Unit

December 31, 2013

	Governmental Activities	Business-type Activities	
	Supplemental Services Special Revenue Fund (2440)	Enterprise Funds	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ -	\$ 217,107	\$ 217,107
Investments	330,844	693,934	1,024,778
Total current assets	<u>330,844</u>	<u>911,041</u>	<u>1,241,885</u>
Noncurrent assets:			
Notes receivable	-	345,005	345,005
Advance to other component unit	-	1,150,000	1,150,000
Total noncurrent assets	<u>-</u>	<u>1,495,005</u>	<u>1,495,005</u>
Total assets	<u>330,844</u>	<u>2,406,046</u>	<u>2,736,890</u>
Liabilities			
Current liabilities:			
Accounts payable	1,523	-	1,523
Accrued expenses	868	-	868
Total current liabilities	<u>2,391</u>	<u>-</u>	<u>2,391</u>
Long-term liabilities -			
Advances from primary government	-	1,150,000	1,150,000
Total liabilities	<u>2,391</u>	<u>1,150,000</u>	<u>1,152,391</u>
Net position			
Unrestricted	<u>\$ 328,453</u>	<u>\$ 1,256,046</u>	<u>\$ 1,584,499</u>

COUNTY OF BERRIEN, MICHIGAN

Statement of Activities

Economic Development Corporation Component Unit

For the Year Ended December 31, 2013

	Governmental Activities	Business-type Activities	
	Supplemental Services Special Revenue Fund (2440)	Enterprise Funds	Total
Expenses			
Economic development	\$ 33,304	\$ 210	\$ 33,514
Program revenues			
Charges for services	152,185	17,864	170,049
Interest revenue	136	140	276
Total program revenues	<u>152,321</u>	<u>18,004</u>	<u>170,325</u>
Change in net position	119,017	17,794	136,811
Net position, beginning of year	<u>209,436</u>	<u>1,238,252</u>	<u>1,447,688</u>
Net position, end of year	<u>\$ 328,453</u>	<u>\$ 1,256,046</u>	<u>\$ 1,584,499</u>

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Net Position

Economic Development Corporation Component Unit

Enterprise Funds

December 31, 2013

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 178,036	\$ -	\$ 39,071	\$ 217,107
Investments	693,934	-	-	693,934
Total current assets	<u>871,970</u>	<u>-</u>	<u>39,071</u>	<u>911,041</u>
Noncurrent assets:				
Notes receivable	345,005	-	-	345,005
Advance to other component unit	-	1,150,000	-	1,150,000
Total noncurrent assets	<u>345,005</u>	<u>1,150,000</u>	<u>-</u>	<u>1,495,005</u>
Total assets	<u>1,216,975</u>	<u>1,150,000</u>	<u>39,071</u>	<u>2,406,046</u>
Liabilities				
Advances from primary government	-	1,150,000	-	1,150,000
Net position, unrestricted	<u>\$ 1,216,975</u>	<u>\$ -</u>	<u>\$ 39,071</u>	<u>\$ 1,256,046</u>

COUNTY OF BERRIEN, MICHIGAN

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

Economic Development Corporation Component Unit

Enterprise Funds

For the Year Ended December 31, 2013

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Operating revenues				
Charges for services	\$ 17,864	\$ -	\$ -	\$ 17,864
Expenses				
Economic development	210	-	-	210
Operating income	17,654	-	-	17,654
Nonoperating revenues				
Interest revenue	140	-	-	140
Change in net position	17,794	-	-	17,794
Net position, beginning of year	1,199,181	-	39,071	1,238,252
Net position, end of year	\$ 1,216,975	\$ -	\$ 39,071	\$ 1,256,046

COUNTY OF BERRIEN, MICHIGAN

Combining Statement of Cash Flows

Economic Development Corporation Component Unit

Enterprise Funds

For the Year Ended December 31, 2013

	Small Cities Block Grant (5441)	Brownfield Redevelopment Authority Loan Fund (2447)	Revolving Loan Fund (5442)	Total
Cash flows from operating activities				
Cash received on long-term leases receivable	\$ 403,524	\$ -	\$ -	\$ 403,524
Cash payments to suppliers for services	(210)	-	-	(210)
Cash payments on leases receivable	(192,830)	-	-	(192,830)
Net cash provided by operating activities	210,484	-	-	210,484
Cash flows from capital and related financing activities				
Cash flows from investing activities				
Purchase of investments	(693,934)	-	-	(693,934)
Interest received	140	-	-	140
Total cash flows used in investing activities	(693,794)	-	-	(693,794)
Net change in cash and cash equivalents	(483,310)	-	-	(483,310)
Cash and cash equivalents, beginning of year	661,346	-	39,071	700,417
Cash and cash equivalents, end of year	\$ 178,036	\$ -	\$ 39,071	\$ 217,107
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 17,654	\$ -	\$ -	\$ 17,654
Adjustments to reconcile operating income to net cash provided by operating activities:				
Notes receivable	192,830	-	-	192,830
Net cash provided by operating activities	\$ 210,484	\$ -	\$ -	\$ 210,484