

County of Jackson,
Michigan



For the Year Ended
December 31, 2016

Comprehensive
Annual Financial
Report

Prepared by:

Administrator/Controller
Michael R. Overton

Finance Director
James E. Latham

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COUNTY OF JACKSON, MICHIGAN

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INTRODUCTORY SECTION

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Jackson County

ADMINISTRATOR/CONTROLLER

Michael R. Overton, Administrator/Controller

June 30, 2017

To the Board of Commissioners and the Citizens of Jackson County:

Transmitted herein is Jackson County's Comprehensive Annual Financial Report for the 2016 fiscal year. Jackson County's financial reporting requirements are mandated by the Michigan Act 2 of the Public Acts of 1968, as amended. This Act requires that Jackson County issue an annual financial report, and that this report be audited by certified public accountants.

This report consists of management's representation concerning the finances of Jackson County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Jackson County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, our framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Jackson County's financial statements have been audited by Rehmann Robson, a firm of licensed, certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Jackson County for the fiscal year ended December 31, 2016 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Jackson County's financial statements for the fiscal year ended December 31, 2016, are fairly presented in conformity with GAAP. This is the highest opinion that can be received. The independent auditor's report is presented as the first component of the financial section of this report.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Jackson County's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE JACKSON COUNTY GOVERNMENT

Jackson County occupies 707 square miles, has a current population approaching 160,000, and is located in the south-central portion of Michigan's Lower Peninsula. The County was incorporated on August 1, 1832.

Jackson County is governed by a nine-member Board of Commissioners. Each Commissioner is elected on a partisan basis for terms of two years from single-member districts. The board annually elects from its ranks a Chairperson and a Vice Chairperson by majority vote. The administration of the County, other than constitutionally mandated elected officials, is guided by the County Administrator/Controller who is appointed by a majority vote of the Board of Commissioners and serves at its pleasure. Primary functions of the Board is to determine the type and level of County services, approve the County Budget, maintain equalization of County property values, provide responsive legislative oversight for County services, and the appointment of various boards, commissions and County officials.

Judges of the 4th Judicial Circuit, Probate Court, and 12th District Court are elected at large for six-year terms. Operation of the court system is under the auspices of the Michigan Supreme Court and the respective presiding Judges, while the County government primarily provides financial support.

Administration of the county is divided by the Michigan Constitution among various constitutional or statutory County officials, including the County Treasurer, County Clerk / Register of Deeds, Prosecuting Attorney, Drain Commissioner and Sheriff, who are elected at-large for four-year terms. The County Treasurer is the custodian of all funds, administers the collection of delinquent property taxes, and performs other duties concerned with interrelated fiscal affairs of County departments and agencies. The duties of the County Clerk / Register of Deeds include keeping and maintaining records of births, marriages and discharges of military personnel, serving as Clerk of the Board of Commissioners as well as the Clerk of the Circuit Court, the recording of deeds, mortgages, surveys, plats, and notices of liens and bills of sales. The Prosecuting Attorney prosecutes violations of State criminal law within the County and may represent the County in appropriate Courts. The Drain Commissioner administers the location, construction and maintenance of drains in the County. The Sheriff's duties involve the charge and custody of the County Jail, the serving of processes and primary law enforcement response in areas of the County without local police functions.

In 2012 the Michigan Legislature amended Act 283 of 1909 allowing County Commissions to dissolve County Road Commissions and assume their responsibilities. In January of 2013 the Jackson County Board of Commissioners dissolved the Road Commission and assumed their responsibilities.

In addition, the Board of Commissioners appoints several County officials, including the Administrator/Controller, Health Officer, Medical Examiner, and Equalization Director. The Administrator/Controller's responsibilities include direction of central administrative functions of the County government and acting as a liaison on behalf of the Board of Commissioners between County offices, appointed officials and the general public. The Health Officer directs the operation of the County Health Department in accordance with Board of Commissioner's directions and as authorized by State Law. The Medical Examiner performs the statutory duties of Medical Examiner. The Equalization Director oversees the equalization process of the County as prescribed by law.

The Board of Commissioners also appoints various boards and commissions to oversee specific County services and to advise the Board on certain matters of interest. Appointments to boards overseeing specific County functions include the Department of Human Services Board, the Parks and Recreation Commission, the Airport Board, the Fair Board and the Economic Development Corporation Board among many others.

The business of the County is carried out on a daily basis by some 584 Full Time Equivalent employees located at several different locations throughout the County, providing a diverse array of services in the areas of human services, law enforcement, justice, administration, recreation, education, elections, and record keeping.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Jackson County operates.

Local Economy

Jackson County, is located at the intersection of Interstate 94 and U.S. 127 in Central Michigan's Lower Peninsula. This location is ideal for providing goods and services to the Midwest region of the Country. In addition to location, Jackson County is blessed with natural resources as it's the headwaters of five Michigan rivers, has numerous lakes, and has an abundance of fertile farmland. These and many other attributes make Jackson County an excellent place to live, work, and play!

Many employers recognize the significance of the live, work, play model and have located facilities in Jackson County. Consumers Energy, one of the largest public utilities in Michigan calls Jackson home to their corporate headquarters; the State's largest correctional institution also call Jackson home; and Henry Ford Allegiance Health System, Jackson's largest employer, also recognizes the value in Jackson. These major employers provide a secure foundation for the area's economy.

The Jackson County Airport's runway realignment project, which began in 2006, is currently in the final phase of construction. The total estimated construction budget is just over \$40 million. The project should be completed by yearend 2017; the project will enhance and expand the aviation business park located on airport property.

The 2016 taxable value for Jackson County, including reimbursement of personal property losses by the State, increased by 1.5%. Total assessed property values for the County are \$5.14 billion based on the 2016 Equalization Report. The total change in the Equalized Value (which is approximately 50% of actual property value) was an increase of \$158 million or 3.18% for 2016.

Long-Term Financial Planning

The total fund balance in the general fund is 20.69% of prior year's total general fund expenditures and transfers out and exceeds policy guidelines set by the Board of Commissioners for budgetary and planning purposes. In 2007, the Board established the guideline at 18%-24%, due to uncertain financial conditions with the State of Michigan. The unassigned fund balance will fall within policy guidelines by year-end 2017.

The County continues to adhere to its reduced FTE plan recognizing that property tax revenues are not keeping pace with inflation. Since 2004, the county has achieved a net reduction of 83 FTE's. This reduction has largely been achieved via attrition (retirements & terminations) and departmental reorganizations. The adopted 2018 budget does not call for additional decreases in staff.

The Board of Commissioners continues to adopt a five-year budget strategy to allow it to adjust for major uncertainties in the local, regional, and State economic markets. This financial plan is based on sound management and budget policies for the stewardship of public funds. Projecting revenues and expenses for a five-year period allows the County to accommodate inevitable changes as well as prepare for any expected reductions using a proactive process.

The Board has adopted a strategic plan that guides budget decisions in the allocation of reduced resources. Those priorities include, Economic Development, Safe Community, Healthy Community, Recreational and Cultural Opportunities, and Community and Social Supports. This plan is revisited at the beginning of each budget year so that departments can make appropriate budget modifications if needed.

Relevant Financial Policies

The greatest impact on the County budget in many years was the passage of Public Act 357 of 2004 that shifted the collection of the County property tax assessment from the winter to the summer. The Legislature passed this act to create a revenue stream that, for the next few years, would offset the elimination of state revenue sharing payments. This shift has necessitated the large increase in undesignated reserves for cash flow purposes since the largest single revenue source the county receives (property taxes) are now not fully collected until May following the December fiscal yearend. The change caused an additional challenge since budgeting is dependent on the legislature continuing to fund revenue sharing to Counties while the State's revenues decrease. In anticipation of this challenge, the Board of Commissioners increased the target for undesignated/unreserved fund balance as has been previously discussed.

The Headlee Amendment of 1978 was designed to limit the ability of local governments to levy new taxes and to limit the growth of property tax revenues in general. Its provisions require that when growth on existing property is greater than inflation, the local government must "roll back" its millage rate so that the total increase does not exceed inflation. In 1994 Proposal A was passed which limits the increase in property taxes on individual properties to the lesser of inflation or 5% unless the property is sold. These two provisions control growth but not declines in property values meaning that governments that experience losses during downturns will take decades to restore tax revenues during recoveries. The net effect of these two provisions will limit our revenue increase to 2%. It seems each year the County's cost increases significantly outpace revenue increases, it's only a matter of time before municipal governments have to reduce levels of service due to lack of funding or the State changes the method of funding local government.

Jackson County depleted its Revenue Sharing Reserve Fund in 2010 and as a result the State did reinstate Revenue Sharing payments beginning in 2010 at full funding levels. However, going forward the amounts are equivalent to what the County received in 2001. The County has entered into several Inter-local Agreements with units of governments that will enhance general operating revenues going forward.

Major Initiatives

As a distinct part of the County's strategic plan, we have been fostering intergovernmental cooperation in the provision of services. Examples include agreements with two component units for information technology services. Inter Local Agreements were consummated for Road Patrol services with eight townships, villages and other local governments. The Equalization office began township assessing in 2012 and expects to add additional townships in the future. In 2013 the County entered into an agreement to share JCDOT management personnel and equipment with the Calhoun County Road Department. This endeavor resulted in over \$325,000 of additional revenue in 2016. The County continues to explore other collaborative arrangements in the areas of IT, Assessing, Public Safety and Facilities management with the other local units of governments as opportunities present themselves.

Administration has undertaken an effort to make the County a high performance organization involving staff at all levels in decision making. A leadership team consisting of elected officials, department heads, managers, and union members meets to develop processes to improve how the County operates.

Budget preparation has moved from a document filled with numbers to a large on-line presentation complete with charts, historical data, and performance measurement. In addition, each department prepares information outlining their mission, activities, impact on the strategic plan, accomplishments, and key indicators. The same information that is available to Commissioners is also open to public viewing via the county web-page.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jackson County for its comprehensive annual financial report (CAFR) for the year ended December 31, 2015. This is the 22nd consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we will continue submitting it to the GFOA to determine its eligibility annually.

In addition to the Certificate of Achievement, the County also received the GFOA's Distinguished Budget Presentation Award for its budget for the fiscal years beginning January 1, 2011, 2012 and 2013. To qualify for the Distinguished Budget Presentation Award, the County's Budget document was judged as a policy document, a financial plan, an operations guide, and a communications device.

Jackson County's bond rating was upgraded by Standard & Poor to AA from A+ in early 2010, and we've been reviewed multiple times since and continue to be an A+ community. The County's Moody's rating remains at AA2. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the County of Jackson, and outside participating partners. I would like to express my appreciation to all members of the departments who assisted and contributed to the preparation of this report and in particular to Finance Department. Credit also must be given to the Chairman of the Board and the County Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the County of Jackson's finances.

Respectfully submitted,



Michael R. Overton

Administrator/Controller

COUNTY OF JACKSON, MICHIGAN

PRINCIPAL OFFICIALS

YEAR ENDED DECEMBER 31, 2016

BOARD OF COMMISSIONERS

James E. Shotwell, Jr., Chair

Sarah Lightner
Rodney Walz
Carl Rice, Jr.
Phillip S. Duckham, III

Dr. Allan Tompkins
Daniel J. Mahoney
John Polaczyk
David K. Elwell

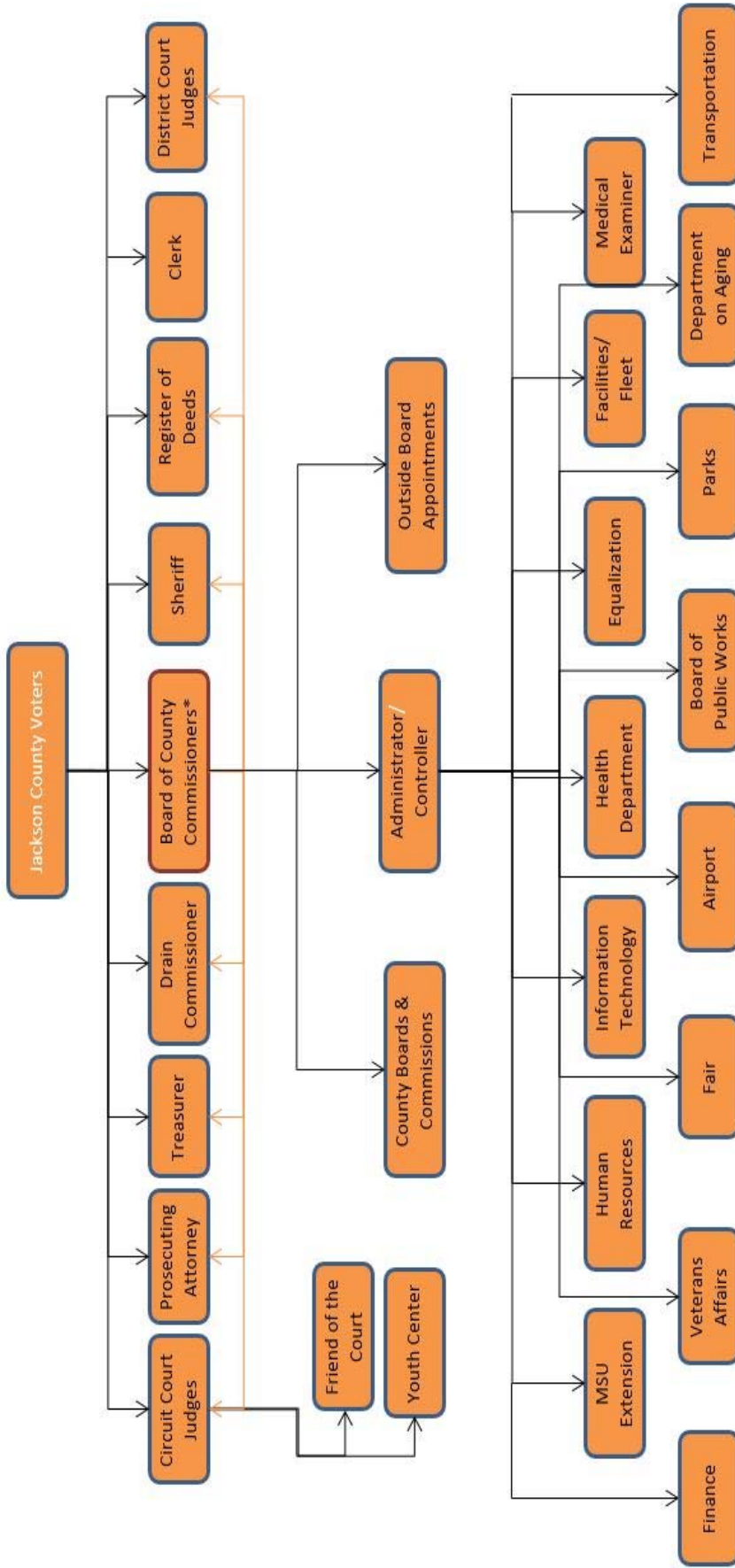
ADMINISTRATOR/CONTROLLER

Michael R. Overton

FINANCE DIRECTOR

James E. Latham, CPA

Jackson County, Michigan Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Jackson
Michigan**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

June 30, 2017

 Board of Commissioners
 County of Jackson, Michigan
 Jackson, 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 Jackson, Michigan* (the "County") as of and for the year ended December 31, 2016, 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 Medical Care Facility Enterprise Fund, which is a major fund and represents the below indicated percentage of the total assets and deferred outflows of resources, net position, and program revenues of the business-type activities. Also, we did not audit the financial statements of the Economic Development Corporation component unit, which represents the below indicated percentage of the total assets and deferred outflows of resources, net position, and program revenues of the aggregate discretely presented component units:

	Percent of Total Assets and Deferred Outflows	Percent of Total Net Position	Percent of Total Program Revenues
Medical Care Facility Enterprise Fund	62.0%	51.3%	85.8%
Economic Development Corporation	4.3%	16.4%	3.7%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Medical Care Facility and the Economic Development Corporation, 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. The financial statements of the Jackson County Medical Care Facility were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 Jackson, Michigan, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules of the employee retirement system and other postemployment benefit plan information 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, and the introductory section and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund 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.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017 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.

A handwritten signature in black ink that reads "Rehmann Lohann LLC". The signature is written in a cursive, flowing style.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

As management of the County of Jackson, 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, 2016. We encourage readers to consider the information presented here in conjunction with accompanying audited financial statements.

Financial Highlights

· Total net position	\$78,637,973
· Change in total net position	(12,983,447)
· Fund balances, governmental funds	31,850,939
· Change in fund balances, governmental funds	(1,193,852)
· Unassigned fund balance, general fund	7,328,672
· Change in fund balance, general fund	(2,234,546)
· Installment debt outstanding	45,982,015
· Change in installment debt	11,952,490

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being 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 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 revolving, medical care facility, tax foreclosure administration, resource recovery and personal property tax funds.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also legally separate Economic Development Corporation, Land Bank Authority, Drain Commission, Brownfield Redevelopment Authority, and Board of Public Works 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.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

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 numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, jail millage fund, road fund and building authority debt service fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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, medical care facility, foreclosure tax administration, resource recovery and personal property tax 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 in addition to land use planning and graphic information systems. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the delinquent tax revolving and medical care facility, which are considered to be major funds of the County. Individual fund data for each of the nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

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

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$78,637,973 at the close of the most recent fiscal year.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	\$ 49,056,607	\$ 50,155,521	\$ 36,701,346	\$ 38,848,529	\$ 85,757,953	\$ 89,004,050
Capital assets, net	110,379,368	101,973,077	14,820,222	14,346,636	125,199,590	116,319,713
Total assets	<u>159,435,975</u>	<u>152,128,598</u>	<u>51,521,568</u>	<u>53,195,165</u>	<u>210,957,543</u>	<u>205,323,763</u>
Deferred outflows of resources	<u>18,240,629</u>	<u>8,495,179</u>	<u>2,051,470</u>	<u>415,355</u>	<u>20,292,099</u>	<u>8,910,534</u>
Liabilities						
Long-term debt	37,547,717	25,309,831	11,093,182	11,628,109	48,640,899	36,937,940
Other liabilities	94,176,951	76,815,196	5,272,261	4,684,834	99,449,212	81,500,030
Total liabilities	<u>131,724,668</u>	<u>102,125,027</u>	<u>16,365,443</u>	<u>16,312,943</u>	<u>148,090,111</u>	<u>118,437,970</u>
Deferred inflows of resources	<u>4,288,280</u>	<u>3,972,460</u>	<u>233,278</u>	<u>202,447</u>	<u>4,521,558</u>	<u>4,174,907</u>
Net position						
Net investment in capital assets	75,849,154	80,763,955	4,428,475	3,412,622	80,277,629	84,176,577
Restricted	18,778,078	16,954,611	-	-	18,778,078	16,954,611
Unrestricted (deficit)	(52,963,576)	(43,192,276)	32,545,842	33,682,508	(20,417,734)	(9,509,768)
Total net position	<u>\$ 41,663,656</u>	<u>\$ 54,526,290</u>	<u>\$ 36,974,317</u>	<u>\$ 37,095,130</u>	<u>\$ 78,637,973</u>	<u>\$ 91,621,420</u>

A substantial portion of the County's net position, \$80,277,629 reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), 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 \$18,778,078 represents resources that are subject to external restrictions on how they may be used. The County reports an *unrestricted net position (deficit)* of \$20,417,734.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

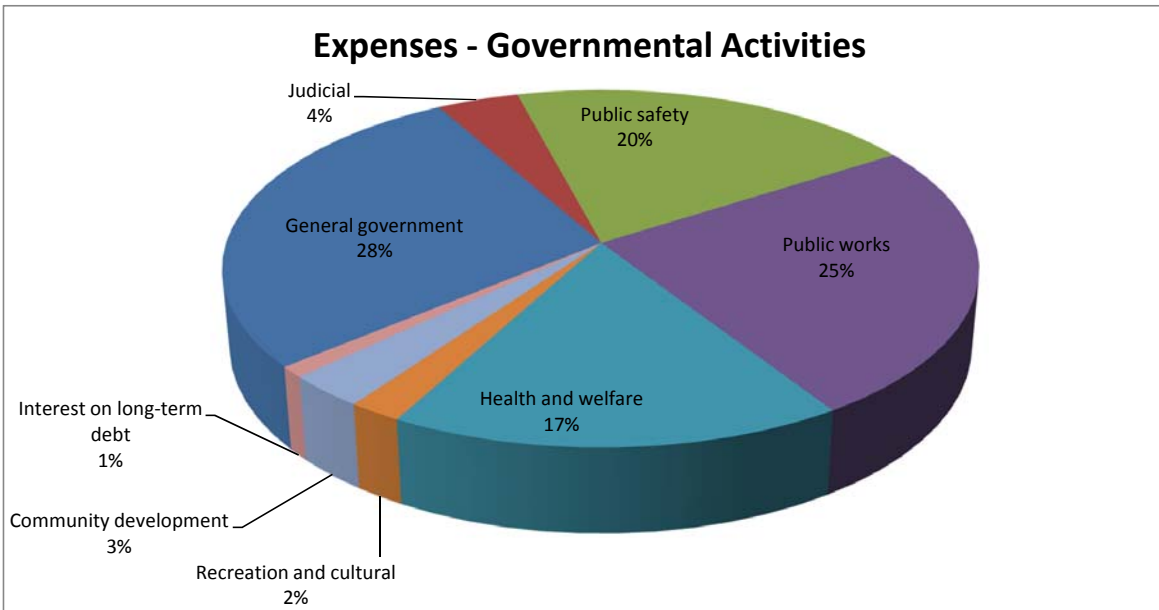
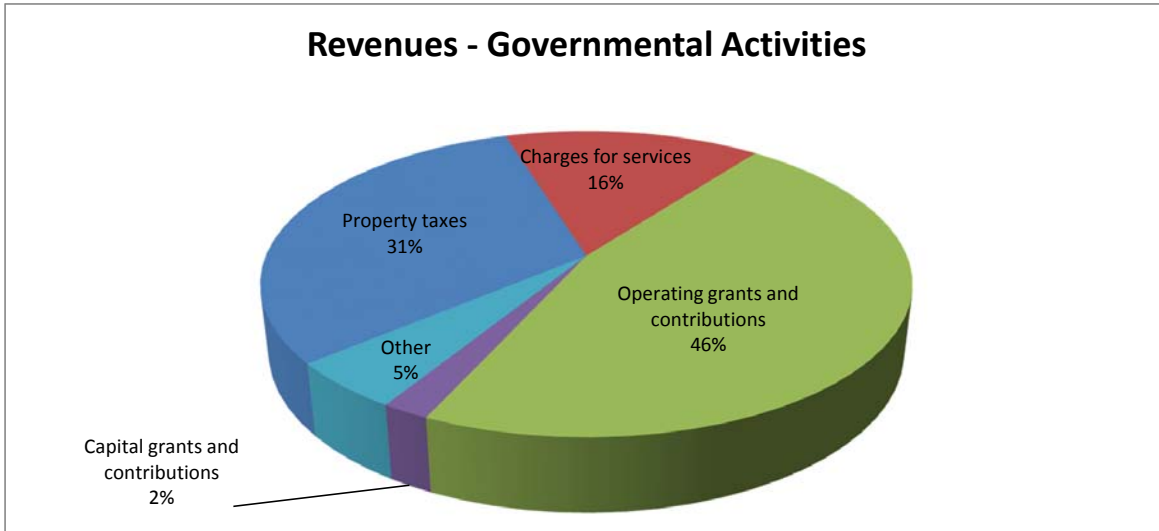
	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	\$ 12,464,814	\$ 14,265,623	\$ 19,962,409	\$ 20,899,090	\$ 32,427,223	\$ 35,164,713
Operating grants and contributions	37,337,694	37,314,600	5,649,772	4,295,869	42,987,466	41,610,469
Capital grants and contributions	2,013,993	1,143,175	-	-	2,013,993	1,143,175
General revenues:						
Property taxes	25,634,598	25,555,482	-	-	25,634,598	25,555,482
Unrestricted state shared revenues	4,030,817	4,549,491	-	-	4,030,817	4,549,491
Unrestricted investment earnings	78,115	811,414	-	-	78,115	811,414
Gain on sale of capital assets	27,869	11,649	-	-	27,869	11,649
Total revenues	81,587,900	83,651,434	25,612,181	25,194,959	107,200,081	108,846,393
Expenses						
Judicial	3,974,952	3,704,190	-	-	3,974,952	3,704,190
General government	27,468,022	24,853,910	-	-	27,468,022	24,853,910
Public safety	20,053,033	19,761,116	-	-	20,053,033	19,761,116
Public works	24,231,602	18,498,264	-	-	24,231,602	18,498,264
Health and welfare	16,541,687	13,801,527	-	-	16,541,687	13,801,527
Recreation and cultural	2,363,668	2,162,591	-	-	2,363,668	2,162,591
Community development	2,894,354	3,377,913	-	-	2,894,354	3,377,913
Interest on long-term debt	637,296	769,992	-	-	637,296	769,992
Delinquent tax revolving	-	-	1,020,128	2,191,806	1,020,128	2,191,806
Medical care facility	-	-	19,706,896	19,075,813	19,706,896	19,075,813
Foreclosure tax administration	-	-	919,789	876,550	919,789	876,550
Resource recovery	-	-	147,612	126,738	147,612	126,738
Personal property tax	-	-	2,392	1,565	2,392	1,565
Total expenses	98,164,614	86,929,503	21,796,817	22,272,472	119,961,431	109,201,975
Change in net position before transfers	(16,576,714)	(3,278,069)	3,815,364	2,922,487	(12,761,350)	(355,582)
Transfers	3,714,080	2,175,219	(3,936,177)	(2,225,180)	(222,097)	(49,961)
Change in net position	(12,862,634)	(1,102,850)	(120,813)	697,307	(12,983,447)	(405,543)
Net position						
Beginning of year	54,526,290	104,744,795	37,095,130	26,646,258	91,621,420	131,391,053
Restatement for implementation of GASB 68	-	(49,115,655)	-	9,751,565	-	(39,364,090)
End of year	\$ 41,663,656	\$ 54,526,290	\$ 36,974,317	\$ 37,095,130	\$ 78,637,973	\$ 91,621,420

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

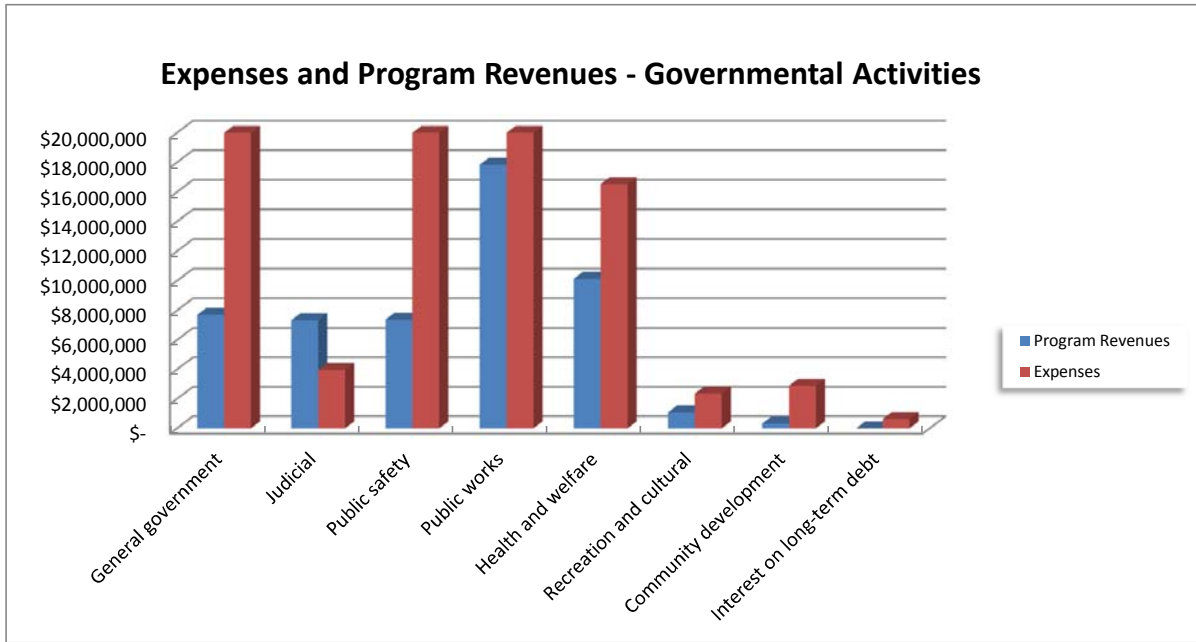
Governmental Activities. Governmental activities decreased net position by \$12,862,634. Key elements of this decrease are as follows:

- The increase to postemployment benefit liabilities reduced the County's net position by \$3.6 million. Increased activity in the Road special revenue fund reduced the net position by \$5.7 million.
- For revenues, other significant changes from prior year include decreases for charges for services of \$1.8 million, reduction to investment income due to low interest rates and adjustment to market value of investment assets of \$733,000 and reduction of liquor tax revenue of \$535,000. Health insurance costs and general wage increases amounted to \$667,000.



COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis



Business-type Activities. Business-type activities decreased the County’s net position by \$120,813. Key elements of this decrease are as follows:

- The County had a significant tax reduction due to three properties that were written off due to bankruptcy creating a decrease in the delinquent tax revolving fund in the current year.

Financial Analysis of the County’s Funds

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

Governmental Funds. The focus of the County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, *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 \$31,850,939, a decrease of \$1,193,852 in comparison with the prior year. A portion of this total, \$7,328,672, constitutes unassigned fund balance, which is available for spending for specific purposes and government discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

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 \$7,328,672, while total fund balance reached \$9,639,033. 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 15.1 percent of total general fund expenditures and transfers out, while total fund balance represents 19.8 percent of that same amount.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

The jail millage fund was created in 2003 to account for property tax receipts, offset operating costs of jail operations and service bonded debt incurred on jail construction and renovation projects. Millage receipts exceeded transfers out by \$76,228. The transfers out were comprised of \$900,000 for operations to the general fund and \$1,127,778 to the building authority debt service fund.

The road fund balance increased by \$5,669,835 as a result of unspent bond proceeds included in the fund in 2016 with planned use in 2017.

The building authority debt service fund accounts for the debt payments of projects constructed through the Jackson County Building Authority. In 2006 the Authority originally issued bonds for a local health care organization in the amount of \$5,995,000, the current balance is \$4,315,000 which is carried as a receivable and unavailable revenue on the County's books. The County invoices Lifeway's (a mental health agency) annually for principal and interest payments paid by the County of Jackson. Fund balance decreased by \$3,615 during the year.

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

Unrestricted net position of the delinquent tax revolving and medical care facility funds were \$13,586,813 and \$14,534,485, respectively. Net position for the delinquent tax revolving fund decreased \$2,436,581 and the medical care facility net position increased \$2,268,010. The County had a significant tax reduction due to three properties that were written off due to bankruptcy.

Internal service funds net position at the end of the year amounted to \$871,103, decreasing by \$542,445 from the prior year. This decrease was primarily due to decreased health care claims expense.

General Fund Budgetary Highlights

The general fund revenue increased by \$195,182 from the original to the final amended budget. This was primarily due to increase to police services contracts, transfers taxes, other clerk revenues and decreased by prisoner boarding and court costs revenue.

Overall, actual general fund revenue and other financing sources for the year ended were under the final budget by \$1,294,751. Actual expenditures and other financing uses for the year ended were under the final budget by \$226,334.

The general fund amended budget had appropriations to other funds transfers out of \$5,511,714. Actual appropriations were \$5,696,154, an increase of \$184,440.

Capital Asset and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of December 31, 2016 amounted to \$125,199,589 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction in progress, aviation easements, buildings and improvements, equipment and furniture, vehicles, infrastructure and depletable assets. Additional information for capital assets can be found in the notes to the financial statements.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 2,846,846	\$ 2,846,846	\$ -	\$ 5,040	\$ 2,846,846	\$ 2,851,886
Land improvements	16,116,380	16,116,380	-	-	16,116,380	16,116,380
Construction in progress	7,726,056	5,729,315	-	-	7,726,056	5,729,315
Avigation easements	375,547	375,547	-	-	375,547	375,547
Buildings and improvements	21,923,315	20,436,217	14,076,090	13,532,464	35,999,405	33,968,681
Equipment and furniture	6,526,632	2,911,398	645,075	690,060	7,171,707	3,601,458
Vehicles	368,951	359,393	99,057	119,072	468,008	478,465
Infrastructure	54,094,586	52,796,926	-	-	54,094,586	52,796,926
Depletable assets	401,055	401,055	-	-	401,055	401,055
Total capital assets, net	<u>\$ 110,379,368</u>	<u>\$ 101,973,077</u>	<u>\$ 14,820,222</u>	<u>\$ 14,346,636</u>	<u>\$ 125,199,590</u>	<u>\$ 116,319,713</u>

Long-Term Debt. At the end of the current fiscal year, the County had total installment debt outstanding of \$45,982,015 excluding compensated absences. This entire amount is backed by the full faith and credit of the County and payable from the primary governments net position. The long-term debt included in the footnotes includes conduit debt issued by the County of Jackson for the benefit of LifeWays, Inc. a local mental health agency. The LifeWays outstanding bond debt of \$5,985,000 is offset by a receivable recorded in the building authority debt service fund. Additional information for capital assets can be found at Note 6.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 34,350,000	\$ 21,035,000	\$ 9,730,000	\$ 10,225,000	\$ 44,080,000	\$ 31,260,000
Issuance discount	(16,948)	(18,643)	-	-	(16,948)	(18,643)
Issuance premium	197,162	147,286	890,432	954,034	1,087,594	1,101,320
Leases	-	45,479	-	-	-	45,479
LifeWays settlement	831,369	1,641,369	-	-	831,369	1,641,369
Compensated absences	2,186,134	2,459,340	472,750	449,075	2,658,884	2,908,415
Total	<u>\$ 37,547,717</u>	<u>\$ 25,309,831</u>	<u>\$ 11,093,182</u>	<u>\$ 11,628,109</u>	<u>\$ 48,640,899</u>	<u>\$ 36,937,940</u>

The County's total installment debt increased by \$11,952,490 (24.6 percent) during the current fiscal year. This is mainly attributable to additional debt issued during 2016.

The County maintains an "AA2" rating from Moody's for its general obligation debt. The rating reflects the County's recent history of strong financial reserves.

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 \$532,713,624 which is significantly higher than the County's outstanding general obligation debt.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the County's budget for the 2017 fiscal year:

- Unemployment in the County of Jackson at the end of 2016 stood at 4.3% which is up from 4.0% in 2015. This rate is still below the State's average rate of 5.0% and the national unemployment rate of 4.7%.
- 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.
- While there is some improvement, the economic downturn from previous years continues to hamper the County's finances. These developments of the last couple of years have resulted in a decline in taxable values. Michigan has two constitutional laws that limit property tax growth to the rate of inflation or 5%, whichever is less. For 2016 the applicable inflation rate was 1.26%. However, the 2017 budget assumes taxable values will increase by only .5%. Total general fund expenditures are expected to increase by 1.5%.
- Interest rates have declined over the past few years. The 2017 budget assumes only modest increases to interest rates.

COUNTY OF JACKSON, MICHIGAN

Management's Discussion and Analysis

- The State of Michigan has returned to fiscal stability and had a budget surplus for their most recent year end. The County has depleted its revenue sharing reserve fund. The 2017 budget assumes that the State will continue the revenue sharing/county incentive program at previous levels with slight increases. In addition, the 2017 assumes addition revenue from 911 telephone fees of \$1,800,000.
- The County completed labor negotiations resulting in modest wage increases for the three-year term of the agreements. The County's defined benefit plan is closed to new hires (with some exceptions). New hires enter into a defined contribution pension plan and a retirement health savings plan, both of which limit the County's long-term liabilities.
- The Board will continue to follow its guideline of maintaining a general fund balance of 18%-24% of general fund expenditures.

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 Jackson'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 Jackson Administrator/Controller, 120 West Michigan Avenue, Jackson, Michigan 49201.

BASIC FINANCIAL STATEMENTS

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COUNTY OF JACKSON, MICHIGAN

Statement of Net Position
December 31, 2016

	Primary Government			Total	Component Units
	Governmental Activities	Business-type Activities	Elimination		
Assets					
Cash and pooled investments	\$ 27,284,224	\$ 12,860,296	\$ -	\$ 40,144,520	\$ 2,310,446
Restricted cash	-	2,653,578	-	2,653,578	198,383
Receivables, net	17,394,908	11,288,525	-	28,683,433	16,660,028
Advance to component unit	327,500	398,550	-	726,050	-
Internal balances	1,198,235	(1,198,235)	-	-	-
Prepaid items and other assets	2,851,740	2,287,688	-	5,139,428	88,849
Net pension asset	-	8,410,944	(8,410,944)	-	-
Capital assets not being depreciated	27,064,829	-	-	27,064,829	-
Capital assets being depreciated, net	83,314,539	14,820,222	-	98,134,761	2,997,025
Total assets	159,435,975	51,521,568	(8,410,944)	202,546,599	22,254,731
Deferred outflows of resources					
Deferred pension amounts	18,240,629	1,822,785	-	20,063,414	-
Deferred charges on refunding	-	228,685	-	228,685	129,280
Total deferred outflows of resources	18,240,629	2,051,470	-	20,292,099	129,280
Liabilities					
Accounts payable and accrued liabilities	6,184,173	2,037,053	-	8,221,226	162,340
Unearned revenue	217,854	-	-	217,854	-
Advance from primary government	-	-	-	-	726,050
Long-term debt:					
Due within one year	4,254,521	1,027,715	-	5,282,236	1,955,000
Due in more than one year	33,293,196	10,065,467	-	43,358,663	13,659,848
Net pension liability	68,502,368	-	(8,410,944)	60,091,424	-
Net other postemployment benefit obligation	19,272,556	3,235,208	-	22,507,764	-
Total liabilities	131,724,668	16,365,443	(8,410,944)	139,679,167	16,503,238
Deferred inflows of resources					
Deferred pension amounts	183,282	233,278	-	416,560	-
Taxes levied for a subsequent period	4,104,998	-	-	4,104,998	-
Total deferred inflows of resources	4,288,280	233,278	-	4,521,558	-
Net position					
Net investment in capital assets	75,849,154	4,428,475	-	80,277,629	2,997,025
Restricted for:					
Judicial	13,197	-	-	13,197	-
Public safety	633,529	-	-	633,529	-
Public works	12,100,370	-	-	12,100,370	-
Health and welfare	5,272,527	-	-	5,272,527	-
Community development	140,604	-	-	140,604	-
State mandated and other purposes	445,962	-	-	445,962	-
Capital projects	-	-	-	-	1,157,726
Brownfield loans	-	-	-	-	574,532
Permanent funds:					
Expendable	808	-	-	808	-
Nonexpendable	171,081	-	-	171,081	-
Unrestricted (deficit)	(52,963,576)	32,545,842	-	(20,417,734)	1,151,490
Total net position	\$ 41,663,656	\$ 36,974,317	\$ -	\$ 78,637,973	\$ 5,880,773

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

COUNTY OF JACKSON, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Judicial	\$ 3,974,952	\$ 2,437,334	\$ 4,906,427	\$ -	\$ 3,368,809
General government	27,468,022	3,394,923	4,309,848	-	(19,763,251)
Public safety	20,053,033	1,912,387	5,468,918	-	(12,671,728)
Public works	24,231,602	2,543,748	13,281,162	2,013,993	(6,392,699)
Health and welfare	16,541,687	964,713	9,178,841	-	(6,398,133)
Recreation and cultural	2,363,668	923,807	163,294	-	(1,276,567)
Community development	2,894,354	287,902	29,204	-	(2,577,248)
Interest on long-term debt	637,296	-	-	-	(637,296)
Total governmental activities	98,164,614	12,464,814	37,337,694	2,013,993	(46,348,113)
Business-type activities:					
Delinquent tax revolving	1,020,128	1,237,734	1,279,490	-	1,497,096
Medical care facility	19,706,896	17,661,226	4,313,680	-	2,268,010
Foreclosure tax administration	919,789	1,053,410	-	-	133,621
Resource recovery	147,612	100	15,030	-	(132,482)
Personal property tax	2,392	9,939	41,572	-	49,119
Total business-type activities	21,796,817	19,962,409	5,649,772	-	3,815,364
Total primary government	\$ 119,961,431	\$ 32,427,223	\$ 42,987,466	\$ 2,013,993	\$ (42,532,749)
Component units					
Economic development	\$ 21,839	\$ -	\$ 39,355	\$ -	\$ 17,516
Land bank	48,389	75,525	-	-	27,136
County drains	284,838	-	-	128,871	(155,967)
Brownfield redevelopment	197,390	-	188,366	-	(9,024)
County board of public works	632,141	-	-	628,128	(4,013)
Total component units	\$ 1,184,597	\$ 75,525	\$ 227,721	\$ 756,999	\$ (124,352)

continued...

COUNTY OF JACKSON, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expenses) revenue	\$ (46,348,113)	\$ 3,815,364	\$ (42,532,749)	\$ (124,352)
General revenues:				
Property taxes	25,634,598	-	25,634,598	1,593
Unrestricted state shared revenue	4,030,817	-	4,030,817	-
Unrestricted investment earnings	78,115	-	78,115	9,090
Gain on sale of capital assets	27,869	-	27,869	-
Transfers - internal activities	3,714,080	(3,936,177)	(222,097)	-
Total general revenues and transfers	33,485,479	(3,936,177)	29,549,302	10,683
Change in net position	(12,862,634)	(120,813)	(12,983,447)	(113,669)
Net position, beginning of year	54,526,290	37,095,130	91,621,420	5,994,442
Net position, end of year	\$ 41,663,656	\$ 36,974,317	\$ 78,637,973	\$ 5,880,773

concluded.

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

COUNTY OF JACKSON, MICHIGAN

Balance Sheet

Governmental Funds
December 31, 2016

	General	Jail Millage	Road	Building Authority Debt Service
Assets				
Cash and pooled investments	\$ 6,785,138	\$ 142,213	\$ 10,176,618	\$ -
Receivables:				
Accounts	149,652	-	262,762	21,325
Taxes	-	1,955,830	-	-
Accrued interest	225,366	-	-	-
Due from other governments	567,080	-	2,871,998	5,985,000
Due from other funds	1,322,819	-	-	-
Interfund receivable	707,935	-	-	-
Advances to component units	327,500	-	-	-
Advances to other funds	500,000	-	-	-
Inventories	7,070	-	1,988,538	-
Prepaid items	199,922	-	-	-
Total assets	\$ 10,792,482	\$ 2,098,043	\$ 15,299,916	\$ 6,006,325
Liabilities				
Accounts payable	\$ 748,504	\$ -	\$ 2,321,468	\$ -
Accrued payroll	345,320	-	123,515	-
Accrued liabilities	8,122	-	-	-
Due to other governments	-	-	378,371	-
Due to other funds	-	-	-	-
Interfund payable	-	-	-	15,715
Advances from other governments	-	-	434,376	-
Advances from other funds	-	-	-	-
Unearned revenue	51,503	-	-	-
Total liabilities	1,153,449	-	3,257,730	15,715
Deferred inflows of resources				
Unavailable revenue - LifeWays	-	-	-	5,985,000
Taxes levied for a subsequent period	-	2,021,454	-	-
Total deferred inflows of resources	-	2,021,454	-	5,985,000
Fund balances				
Nonspendable	1,034,492	-	1,988,538	-
Restricted	-	76,589	10,053,648	5,610
Committed	-	-	-	-
Assigned	1,275,869	-	-	-
Unassigned	7,328,672	-	-	-
Total fund balances	9,639,033	76,589	12,042,186	5,610
Total liabilities, deferred inflows of resources and fund balances	\$ 10,792,482	\$ 2,098,043	\$ 15,299,916	\$ 6,006,325

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

Nonmajor Governmental Funds	Total
\$ 9,922,901	\$ 27,026,870
774,723	1,208,462
2,015,914	3,971,744
-	225,366
1,837,454	11,261,532
-	1,322,819
-	707,935
-	327,500
-	500,000
174,828	2,170,436
95,888	295,810
<u>\$ 14,821,708</u>	<u>\$ 49,018,474</u>
\$ 890,786	\$ 3,960,758
251,769	720,604
62,410	70,532
-	378,371
124,584	124,584
654,743	670,458
-	434,376
500,000	500,000
166,351	217,854
<u>2,650,643</u>	<u>7,077,537</u>
-	5,985,000
<u>2,083,544</u>	<u>4,104,998</u>
<u>2,083,544</u>	<u>10,089,998</u>
271,524	3,294,554
6,425,384	16,561,231
3,390,613	3,390,613
-	1,275,869
-	7,328,672
<u>10,087,521</u>	<u>31,850,939</u>
<u>\$ 14,821,708</u>	<u>\$ 49,018,474</u>

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COUNTY OF JACKSON, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
December 31, 2016

Fund balances - total governmental funds \$ 31,850,939

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

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

Capital assets not being depreciated	27,064,829
Capital assets being depreciated, net	83,314,539

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

Long-term receivable included in deferred inflows of resources - LifeWays	5,985,000
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.

Net position of governmental activities accounted for in internal service funds	871,103
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Certain liabilities, such as bonds payable, commitments, and employee benefits are not due and payable in the current period, and therefore are not reported in the funds.

Bonds and leases payable	(34,350,000)
Unamortized bond premium	(197,162)
Unamortized bond discount	16,948
Due to LifeWays - long-term agreement	(831,369)
Compensated absences	(2,186,134)
Accrued interest on long-term liabilities	(157,460)
Net other postemployment benefit obligation	(19,272,556)

Certain pension-related amounts, such as the net pension liability and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.

Net pension liability	(68,502,368)
Deferred outflows related to the net pension liability	18,240,629
Deferred inflows related to the net pension liability	(183,282)

Net position of governmental activities	<u>\$ 41,663,656</u>
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The accompanying notes are an integral part of these financial statements.

COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2016

	General	Jail Millage	Road	Building Authority Debt Service
Revenues				
Property taxes	\$ 21,861,653	\$ 2,103,994	\$ -	\$ -
Licenses, fees, taxes and permits	110,735	-	87,275	-
Intergovernmental	10,493,103	-	16,118,861	211,559
Charges for services	5,577,341	-	2,437,800	-
Fines and forfeitures	632,107	-	-	-
Investment earnings	63,411	12	18,673	261
Rental	190,627	-	57,644	-
Donations	-	-	-	-
Other	1,825,893	-	14,221	311,984
Total revenues	40,754,870	2,104,006	18,734,474	523,804
Expenditures				
Current:				
Judicial	-	-	-	-
General government	18,088,676	-	-	-
Public safety	14,973,279	-	-	-
Public works	-	-	23,653,781	-
Health and welfare	3,418,765	-	-	-
Recreation and cultural	-	-	-	-
Community development	-	-	-	-
Fair	-	-	-	-
Other functions	6,559,160	-	-	-
Debt service:				
Principal	-	-	45,479	1,370,000
Interest	-	-	76,412	285,197
Capital outlay	-	-	3,540,141	-
Total expenditures	43,039,880	-	27,315,813	1,655,197
Revenue over (under) expenditures	(2,285,010)	2,104,006	(8,581,339)	(1,131,393)
Other financing sources (uses)				
Issuance of long-term debt	-	-	14,190,000	-
Premium on bonds	-	-	61,174	-
Transfers in	5,671,618	-	-	1,127,778
Transfers out	(5,621,154)	(2,027,778)	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	50,464	(2,027,778)	14,251,174	1,127,778
Net change in fund balances	(2,234,546)	76,228	5,669,835	(3,615)
Fund balances, beginning of year	11,873,579	361	6,372,351	9,225
Fund balances, end of year	\$ 9,639,033	\$ 76,589	\$ 12,042,186	\$ 5,610

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

Nonmajor Governmental Funds	Total
\$ 1,668,951	\$ 25,634,598
437,418	635,428
9,697,128	36,520,651
3,174,106	11,189,247
19,314	651,421
12,321	94,678
294,686	542,957
33,061	33,061
5,499,055	7,651,153
<u>20,836,040</u>	<u>82,953,194</u>
3,902,705	3,902,705
64,956	18,153,632
3,032,446	18,005,725
-	23,653,781
12,035,547	15,454,312
1,633,829	1,633,829
791,815	791,815
1,418,233	1,418,233
24,674	6,583,834
505,000	1,920,479
219,695	581,304
7,616,279	11,156,420
<u>31,245,179</u>	<u>103,256,069</u>
<u>(10,409,139)</u>	<u>(20,302,875)</u>
1,000,000	15,190,000
-	61,174
8,508,040	15,307,436
(3,828,524)	(11,477,456)
27,869	27,869
<u>5,707,385</u>	<u>19,109,023</u>
(4,701,754)	(1,193,852)
<u>14,789,275</u>	<u>33,044,791</u>
<u>\$ 10,087,521</u>	<u>\$ 31,850,939</u>

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COUNTY OF JACKSON, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended December 31, 2016

Net change in fund balances - total governmental funds \$ (1,193,852)

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

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

Acquisition/construction of capital assets	17,136,036
Depreciation expense	(8,449,203)
Loss on disposal of capital assets	(280,542)

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

Change in unavailable State grant funding for state and local road and bridge programs	(895,571)
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Bond proceeds provide current financial resources to governmental funds,
but issuing debt increases long-term liabilities in the statement of net position.
Repayment of bond principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on long-term liabilities	2,730,479
Proceeds from issuance of long-term debt	(15,190,000)
Bond premium	(61,174)
Amortization of bond discount	(1,695)
Amortization of bond premium	11,298

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 payable on long-term debt	(65,595)
Change in the accrual for compensated absences	273,206
Change in net other postemployment benefit obligation	(3,616,873)
Net pension liability and related deferred amounts	(2,216,703)

Internal service funds are used by management to charge the costs of certain
activities, such as insurance and other centralized costs, to individual funds. The
net revenue (expense) of internal service funds is reported with governmental
activities.

Interest income from internal service funds	2,408
Net operating income of the internal service funds	(508,953)
Transfers accounted for in internal service funds	(35,900)

Change in net position of governmental activities \$ (12,862,634)

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

COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 22,208,250	\$ 21,958,250	\$ 21,861,653	\$ (96,597)
Licenses, fees, taxes, and permits	179,850	135,500	110,735	(24,765)
Intergovernmental	9,016,540	9,972,349	10,493,103	520,754
Charges for services	6,383,214	6,154,864	5,577,341	(577,523)
Fines and forfeitures	723,500	723,500	632,107	(91,393)
Investment earnings	750,000	700,000	63,411	(636,589)
Rental	197,807	197,807	190,627	(7,180)
Other	2,215,181	2,027,254	1,825,893	(201,361)
Total revenues	41,674,342	41,869,524	40,754,870	(1,114,654)
Expenditures				
Current:				
General government	17,880,625	18,070,437	18,088,676	18,240
Public safety	14,621,444	15,137,164	14,973,279	(163,885)
Health and welfare	3,244,307	3,422,111	3,418,765	(3,346)
Other functions	6,071,710	6,449,632	6,559,160	109,529
Total expenditures	41,818,086	43,079,343	43,039,880	(39,463)
Revenues under expenditures	(143,744)	(1,209,819)	(2,285,010)	(1,075,191)
Other financing sources (uses)				
Transfers in	4,934,621	5,851,715	5,671,618	(180,097)
Transfers out	(5,509,145)	(5,439,145)	(5,621,154)	(182,009)
Total other financing sources (uses)	(574,524)	412,570	50,464	(362,106)
Net change in fund balance	(718,268)	(797,249)	(2,234,546)	(1,437,297)
Fund balance, beginning of year	11,873,579	11,873,579	11,873,579	-
Fund balance, end of year	\$ 11,155,311	\$ 11,076,330	\$ 9,639,033	\$ (1,437,297)

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

COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Jail Millage Fund For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes	\$ 2,145,517	\$ 2,145,517	\$ 2,103,994	\$ (41,523)
Investment earnings	-	-	12	12
Total revenues	2,145,517	2,145,517	2,104,006	(41,511)
Other financing uses				
Transfers out	(2,145,517)	(2,145,517)	(2,027,778)	(117,739)
Net change in fund balance	-	-	76,228	76,228
Fund balance, beginning of year	361	361	361	-
Fund balance, end of year	\$ 361	\$ 361	\$ 76,589	\$ 76,228

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

COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Road Fund

For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Licenses, fees, taxes and permits	\$ 69,726	\$ 129,065	\$ 87,275	\$ (41,790)
Intergovernmental	16,408,686	16,047,068	16,118,861	71,793
Charges for services	2,110,740	2,276,270	2,437,800	161,530
Investment earnings	9,943	9,022	18,673	9,651
Rental	55,337	66,811	57,644	(9,167)
Other	2,956,969	21,570	14,221	(7,349)
Total revenues	21,611,401	18,549,806	18,734,474	184,668
Expenditures				
Current -				
Public works	15,691,400	18,979,299	23,653,781	4,674,482
Debt service:				
Principal	200,000	8,050	45,479	37,429
Interest	50,000	76,299	76,412	113
Capital outlay	2,835,000	3,187,557	3,540,141	352,584
Total expenditures	18,776,400	22,251,205	27,315,813	5,064,608
Revenues over (under) expenditures	2,835,001	(3,701,399)	(8,581,339)	(4,879,940)
Other financing sources				
Proceeds from issuance of long-term debt	-	14,190,000	14,190,000	-
Premium on bonds	-	61,174	61,174	-
Total other financing sources	-	14,251,174	14,251,174	-
Net change in fund balance	2,835,001	10,549,775	5,669,835	(4,879,940)
Fund balance, beginning of year	6,372,351	6,372,351	6,372,351	-
Fund balance, end of year	\$ 9,207,352	\$ 16,922,126	\$ 12,042,186	\$ (4,879,940)

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

COUNTY OF JACKSON, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Medical Care Facility	Nonmajor Funds	Total	Internal Service Funds
Assets					
Current assets:					
Cash and pooled investments	\$ 6,527,619	\$ 5,046,261	\$ 1,286,416	\$ 12,860,296	\$ 257,354
Receivables:					
Accounts, net	251,644	2,319,106	-	2,570,750	727,804
Taxes	7,617,687	-	-	7,617,687	-
Accrued interest	1,100,088	-	-	1,100,088	-
Due from other funds	124,584	-	943,379	1,067,963	-
Inventories	-	75,521	-	75,521	-
Prepaid items	-	38,331	-	38,331	385,494
Total current assets	<u>15,621,622</u>	<u>7,479,219</u>	<u>2,229,795</u>	<u>25,330,636</u>	<u>1,370,652</u>
Noncurrent assets:					
Restricted cash	-	1,870,387	783,191	2,653,578	-
Advances to component units	298,550	-	100,000	398,550	-
Land held for resale	-	-	2,173,836	2,173,836	-
Net pension asset	-	8,410,944	-	8,410,944	-
Capital assets being depreciated, net	9,204	14,811,018	-	14,820,222	-
Total noncurrent assets	<u>307,754</u>	<u>25,092,349</u>	<u>3,057,027</u>	<u>28,457,130</u>	<u>-</u>
Total assets	<u>15,929,376</u>	<u>32,571,568</u>	<u>5,286,822</u>	<u>53,787,766</u>	<u>1,370,652</u>
Deferred outflows of resources					
Deferred pension amounts	-	1,822,785	-	1,822,785	-
Deferred charges on refunding	-	228,685	-	228,685	-
Total deferred outflows of resources	<u>-</u>	<u>2,051,470</u>	<u>-</u>	<u>2,051,470</u>	<u>-</u>
Liabilities					
Current liabilities:					
Accounts payable	46,884	255,831	16,568	319,283	6,472
Estimated claims payable	-	-	-	-	455,600
Accrued payroll	5,350	175,538	710	181,598	-
Residents' trust payable	-	11,259	-	11,259	-
Other liabilities	-	679,913	-	679,913	-
Due to other funds	2,266,198	-	-	2,266,198	-
Interfund payable	-	-	-	-	37,477
Current portion of accrued compensated absences	-	449,113	-	449,113	-
Current portion of general obligation bonds payable	-	578,602	-	578,602	-
Current portion of estimated closure and postclosure monitoring costs	-	-	90,000	90,000	-
Total current liabilities	<u>2,318,432</u>	<u>2,150,256</u>	<u>107,278</u>	<u>4,575,966</u>	<u>499,549</u>
Noncurrent liabilities:					
Accrued compensated absences, net of current portion	14,927	8,710	-	23,637	-
General obligation bonds payable, net of current portion	-	10,041,830	-	10,041,830	-
Estimated closure and postclosure monitoring costs, net of current portion	-	-	755,000	755,000	-
Net other postemployment benefit obligation	-	3,235,208	-	3,235,208	-
Total noncurrent liabilities	<u>14,927</u>	<u>13,285,748</u>	<u>755,000</u>	<u>14,055,675</u>	<u>-</u>
Total liabilities	<u>2,333,359</u>	<u>15,436,004</u>	<u>862,278</u>	<u>18,631,641</u>	<u>499,549</u>
Deferred inflows of resources					
Deferred pension amounts	-	233,278	-	233,278	-
Net position					
Net investment in capital assets	9,204	4,419,271	-	4,428,475	-
Unrestricted	13,586,813	14,534,485	4,424,544	32,545,842	871,103
Total net position	<u>\$ 13,596,017</u>	<u>\$ 18,953,756</u>	<u>\$ 4,424,544</u>	<u>\$ 36,974,317</u>	<u>\$ 871,103</u>

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

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COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Medical Care Facility	Nonmajor Funds	Total	Internal Service Funds
Operating revenues					
Interest on taxes	\$ 1,245,714	\$ -	\$ 40,922	\$ 1,286,636	\$ -
Charges for services	1,237,734	17,661,226	1,063,449	19,962,409	11,196,232
Other revenue	1,123	4,292,849	14,941	4,308,913	-
Total operating revenues	2,484,571	21,954,075	1,119,312	25,557,958	11,196,232
Operating expenses					
Personnel services	425,884	12,852,796	52,929	13,331,609	-
Cost of services	361,418	5,776,605	7,463	6,145,486	10,834,094
Depreciation	3,871	696,694	-	700,565	-
Administration	107,955	-	1,009,401	1,117,356	871,091
Other	121,000	-	-	121,000	-
Total operating expenses	1,020,128	19,326,095	1,069,793	21,416,016	11,705,185
Operating income (loss)	1,464,443	2,627,980	49,519	4,141,942	(508,953)
Nonoperating revenue (expenses)					
Interest income	32,653	20,831	739	54,223	2,408
Interest expense	-	(380,801)	-	(380,801)	-
Total nonoperating revenue (expenses)	32,653	(359,970)	739	(326,578)	2,408
Net Income (loss) before transfers	1,497,096	2,268,010	50,258	3,815,364	(506,545)
Transfers in	83,823	-	-	83,823	-
Transfers out	(4,017,500)	-	(2,500)	(4,020,000)	(35,900)
Change in net position	(2,436,581)	2,268,010	47,758	(120,813)	(542,445)
Net position, beginning of year	16,032,598	16,685,746	4,376,786	37,095,130	1,413,548
Net position, end of year	\$ 13,596,017	\$ 18,953,756	\$ 4,424,544	\$ 36,974,317	\$ 871,103

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

COUNTY OF JACKSON, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		
	Delinquent Tax Revolving	Medical Care Facility	Nonmajor Funds
Cash flows from operating activities			
Cash received from customers, residents and users	\$ 3,167,316	\$ 17,899,586	\$ 1,714,890
Other operating receipts	1,123	1,990,213	-
Cash received from quality assurance supplement program	-	2,304,533	-
Cash paid to employees	(426,032)	(12,118,994)	(55,171)
Cash paid to suppliers	(354,180)	(5,707,544)	(126,276)
Payments for interfund services used	-	-	(1,950,388)
Receipts for interfund services provided	336,129	-	-
Net cash provided (used) by operating activities	<u>2,724,356</u>	<u>4,367,794</u>	<u>(416,945)</u>
Cash flows from capital and related financing activities			
Principal payments on long-term debt	-	(495,000)	-
Interest payments on long-term debt	-	(430,543)	-
Proceeds from sale of capital assets	-	5,040	-
Purchase of capital assets	-	(1,179,191)	-
Net cash used by capital and related financing activities	<u>-</u>	<u>(2,099,694)</u>	<u>-</u>
Cash flows from noncapital financing activities			
Transfers from other funds	83,823	-	-
Transfers to other funds	(4,017,500)	-	(2,500)
Net cash provided (used) by noncapital financing activities	<u>(3,933,677)</u>	<u>-</u>	<u>(2,500)</u>
Cash flows from investing activities			
Interest income received	<u>32,653</u>	<u>20,831</u>	<u>739</u>
Net change in cash and pooled investments	(1,176,668)	2,288,931	(418,706)
Cash and pooled investments, beginning of year	<u>7,704,287</u>	<u>4,627,717</u>	<u>2,488,313</u>
Cash and pooled investments, end of year	<u>\$ 6,527,619</u>	<u>\$ 6,916,648</u>	<u>\$ 2,069,607</u>
Statement of Net Position Classification			
Cash and pooled investments	\$ 6,527,619	\$ 5,046,261	\$ 1,286,416
Restricted cash	-	1,870,387	783,191
Total	<u>\$ 6,527,619</u>	<u>\$ 6,916,648</u>	<u>\$ 2,069,607</u>

Business-type Activities - Enterprise Funds	Governmental Activities
Total	Internal Service Funds
\$ 22,781,792	\$ 12,400,115
1,991,336	-
2,304,533	-
(12,600,197)	(12,478,679)
(6,188,000)	-
(1,950,388)	-
336,129	-
<u>6,675,205</u>	<u>(78,564)</u>
(495,000)	-
(430,543)	-
5,040	-
<u>(1,179,191)</u>	<u>-</u>
<u>(2,099,694)</u>	<u>-</u>
83,823	-
<u>(4,020,000)</u>	<u>(35,900)</u>
<u>(3,936,177)</u>	<u>(35,900)</u>
<u>54,223</u>	<u>2,408</u>
693,557	(112,056)
<u>14,820,317</u>	<u>369,410</u>
<u>\$ 15,513,874</u>	<u>\$ 257,354</u>
-	-
\$ 12,860,296	\$ 257,354
<u>2,653,578</u>	<u>-</u>
<u>\$ 15,513,874</u>	<u>\$ 257,354</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		
	Delinquent Tax Revolving	Medical Care Facility	Nonmajor Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 1,464,443	\$ 2,627,980	\$ 49,519
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	3,871	696,694	-
Change in:			
Accounts receivable	113,355	242,122	623,645
Taxes receivable	570,513	-	-
Due from other funds	17,324	-	(943,379)
Advances to component units	(298,550)	-	-
Prepaid items	-	17,515	-
Inventory	-	(2,165)	-
Land held for resale	-	-	(23,592)
Net pension asset	-	1,677,642	-
Deferred inflows of resources related to pension	-	30,831	-
Accounts payable	7,238	55,463	(33,288)
Estimated claims payable	-	-	-
Accrued payroll	1,140	60,881	150
Residents' trust payable	-	(3,614)	-
Other liabilities	-	(29,523)	-
Due to other funds	846,310	-	-
Interfund payable	-	-	-
Accrued compensated absences	(1,288)	24,963	-
Estimated closure and postclosure monitoring costs	-	-	(90,000)
Net other postemployment benefit obligation	-	621,455	-
Deferred outflows of resources related to pension	-	(1,652,450)	-
Net cash provided (used) by operating activities	<u>\$ 2,724,356</u>	<u>\$ 4,367,794</u>	<u>\$ (416,945)</u>

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

Business-type Activities - Enterprise Funds	Governmental Activities
Total	Internal Service Funds

\$ 4,141,942	\$ (508,953)
700,565	-
979,122	181,955
570,513	-
(926,055)	-
(298,550)	-
17,515	1,021,928
(2,165)	-
(23,592)	-
1,677,642	-
30,831	-
29,413	2,485
-	(69,230)
62,171	-
(3,614)	-
(29,523)	-
846,310	-
-	(706,749)
23,675	-
(90,000)	-
621,455	-
(1,652,450)	-
<u>\$ 6,675,205</u>	<u>\$ (78,564)</u>

concluded.

COUNTY OF JACKSON, MICHIGAN

Statement of Fiduciary Net Position Fiduciary Funds December 31, 2016

	Pension and Other Postemployment Benefit Trust Funds	Agency Funds
Assets		
Cash and pooled investments	\$ 2,597,514	\$ 2,292,030
Investments, at fair value:		
Domestic equities	43,888,399	-
Equity mutual funds	29,815,804	-
International equities	27,409,804	-
U.S. treasuries	6,138,797	-
U.S. agencies	6,230,879	-
Corporate domestic securities	28,009,117	-
Collateralized mortgage obligations	314,161	-
International securities	533,300	-
Money market funds	2,927,283	-
Receivables:		
Accounts	107,082	73,408
Interest	241,766	-
Total assets	<u>148,213,906</u>	<u>\$ 2,365,438</u>
Liabilities		
Accounts payable	99,794	\$ -
Undistributed receipts	-	2,159,285
Due to other governments	-	64,077
Bonds payable	-	114,362
Escrow payable	-	27,714
Total liabilities	<u>99,794</u>	<u>\$ 2,365,438</u>
Net position		
Restricted for pension and postemployment benefits	<u>\$ 148,114,112</u>	

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

COUNTY OF JACKSON, MICHIGAN

Statement of Changes in Fiduciary Net Position Pension and Other Postemployment Benefits Trust Funds For the Year Ended December 31, 2016

	Pension and Other Postemployment Benefit Trust Funds
Additions	
Contributions:	
Employees	\$ 1,651,784
Employer	11,430,591
Total contributions	<u>13,082,375</u>
Investment earnings:	
Interest and dividends	2,755,605
Net appreciation in fair value of investments	8,609,189
Less investment expenses	<u>(751,906)</u>
Net investment earnings	<u>10,612,888</u>
Total additions	<u>23,695,263</u>
Deductions	
Pension benefit payments	19,373,495
Administrative expenses	<u>187,183</u>
Total deductions	<u>19,560,678</u>
Change in net position	4,134,585
Net position, beginning of year	<u>143,979,527</u>
Net position, end of year	<u><u>\$ 148,114,112</u></u>

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

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Net Position Discretely Presented Component Units December 31, 2016

	Economic Development Corporation	Land Bank Authority	Drain Commission	Brownfield Redevelopment Authority
Assets				
Cash and pooled investments	\$ 509,648	\$ 184,900	\$ 1,296,926	\$ 95,485
Restricted cash and pooled investments	198,383	-	-	-
Receivables, net	261,041	17,621	75,000	637,967
Other assets	-	88,849	-	-
Capital assets being depreciated, net	-	-	2,997,025	-
Total assets	969,072	291,370	4,368,951	733,452
Deferred outflows of resources				
Deferred charges on refunding	-	-	-	-
Liabilities				
Accounts payable and accrued liabilities	3,224	5,728	4,200	41,420
Advance from primary government	-	100,000	210,000	117,500
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	3,224	105,728	214,200	158,920
Net position				
Investment in capital assets	-	-	2,997,025	-
Restricted for capital projects	-	-	1,157,726	-
Restricted for brownfield loans	-	-	-	574,532
Unrestricted	965,848	185,642	-	-
Total net position	\$ 965,848	\$ 185,642	\$ 4,154,751	\$ 574,532

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



Board of Public Works	Totals
\$ 223,487	\$ 2,310,446
-	198,383
15,668,399	16,660,028
-	88,849
-	2,997,025
<u>15,891,886</u>	<u>22,254,731</u>
<u>129,280</u>	<u>129,280</u>
107,768	162,340
298,550	726,050
1,955,000	1,955,000
13,659,848	13,659,848
<u>16,021,166</u>	<u>16,503,238</u>
-	2,997,025
-	1,157,726
-	574,532
-	1,151,490
<u>\$ -</u>	<u>\$ 5,880,773</u>

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Activities
 Discretely Presented Component Units
 For the Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Economic Development Corporation					
Governmental activities -					
Other	\$ 21,839	\$ -	\$ 39,355	\$ -	\$ 17,516
Land Bank Authority					
Governmental activities -					
Other	48,389	75,525	-	-	27,136
Drain Commission					
Governmental activities -					
Public works	284,838	-	-	128,871	(155,967)
Brownfield Redevelopment Authority					
Governmental activities -					
Public works	197,390	-	188,366	-	(9,024)
Board of Public Works					
Governmental activities:					
Public works	-	-	-	628,128	628,128
Interest on long-term debt	632,141	-	-	-	(632,141)
Total Board of Public Works	632,141	-	-	628,128	(4,013)
Total component units	\$ 1,184,597	\$ 75,525	\$ 227,721	\$ 756,999	\$ (124,352)

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COUNTY OF JACKSON, MICHIGAN

Combining Statement of Activities
 Discretely Presented Component Units
 For the Year Ended December 31, 2016

	Economic Development Corporation	Land Bank Authority	Drain Commission	Brownfield Redevelopment Authority	Board of Public Works	Totals
Change in net position						
Net revenue (expense)	\$ 17,516	\$ 27,136	\$ (155,967)	\$ (9,024)	\$ (4,013)	\$ (124,352)
General revenues						
Property taxes	-	1,593	-	-	-	1,593
Interest income	243	1,413	3,421	-	4,013	9,090
Total general revenues	243	3,006	3,421	-	4,013	10,683
Change in net position	17,759	30,142	(152,546)	(9,024)	-	(113,669)
Net position, beginning of year	948,089	155,500	4,307,297	583,556	-	5,994,442
Net position, end of year	\$ 965,848	\$ 185,642	\$ 4,154,751	\$ 574,532	\$ -	\$ 5,880,773

concluded.

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

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NOTES TO FINANCIAL STATEMENTS

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Jackson, Michigan (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 County 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

Jackson County Building Authority (the "Building Authority") - The Building Authority is governed by a three-member board appointed by the Jackson 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 capital projects and the debt service fund which is a major fund.

Discretely Presented Component Units

Jackson County Economic Development Corporation (the "EDC") - The Economic Development Corporation, which was established pursuant to the provisions of Public Act 338 of 1974, as amended, is governed by a nine person Board of Directors appointed by the County Board of Commissioners. The EDC may not issue debt without the County's approval and administers a significant amount of federal economic development grant money which is received by the County. The EDC is financially accountable to the County, as defined by GASB Statement No. 61, and is disclosed as a component unit, accordingly.

Jackson County Land Bank Authority (the "Authority") - The Authority is a public corporation, organized pursuant to Michigan Land Bank Fast Track Public Act 258 and an Intergovernmental Agreement entered into between the Michigan Land Bank Fast Track Authority and the Jackson County Treasurer. The Authority is governed by an 11 member board including the Jackson County Treasurer, who is, by law, its Chairperson, and 10 other members, appointed by the County Board of Commissioners, including four Commissioners. The Authority, a separate legal entity, was created to acquire, hold, manage and develop tax-foreclosed properties, as well as other vacant and abandoned properties. The County Board of Commissioners can impose its will on the Authority and significantly influence the operations of the Authority. Additionally, the Authority has the potential to be either a financial benefit or burden to the County. The Authority is financially accountable to the County, as defined by GASB Statement No. 61, and is disclosed as a component unit, accordingly.

Jackson County Drain Commission (the "Drain Commission") - Each of the drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The County Drain Commissioner, an elected position, has sole responsibility to administer the drainage district established pursuant to Chapters 3 and 4 of the Drain Code. The Drainage Board or Drain Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be given for the debt of the drainage district. The nature of the Drain Commission's significance of their relationship to the County is such that exclusion as a component unit would cause the County's financial statements to be misleading. The Drain Commission is financially accountable to the County, as defined by GASB Statement No 61, and is disclosed as a component unit, accordingly.

Jackson County Brownfield Redevelopment Authority (the "Authority") - Pursuant to the provisions of Public Act 381 of 1996, the County created a brownfield redevelopment authority in order to revitalize environmentally distressed areas within a brownfield redevelopment area. The five-member Board is appointed by the County Board of Commissioners. The Authority budget must be approved by the County Board of Commissioners.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Jackson County Board of Public Works (the "BPW") - Pursuant to Michigan Compiled Law 123.732, the County entered into a program of water supply and sanitary sewer facility construction. The Board of Public Works is under the general control of the County Board of Commissioners and under the immediate control of a Board of Public Works, which includes the County Drain Commissioner. The BPW is governed by a seven-member board with six appointed members and the Drain Commissioner, an elected position. The Board of Public Works is considered a component unit of the County. The Board manages water supply and sanitary sewer system construction projects that are bonded by the County. Bonds issued are authorized by an ordinance or a resolution approved by the Board of Public Works and adopted by the County Board of Commissioners. The BPW is financially accountable to the County, as defined by GASB Statement No 61, and is disclosed as a component unit, accordingly.

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

Funds with Another Year End

The friend of the court and health department funds (special revenue funds of the County) are reported on a September 30 year end in order to enhance the value of this document to certain readers and users.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the 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.

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.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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 *jail millage fund* accounts for property tax collections used for servicing debt of bonds that were issued to finance new jail facilities.

The *road fund* accounts for the construction and maintenance of the County roads. Funding for these activities is received from the State of Michigan Department of Transportation and federal contributions.

The *building authority debt service fund* is used to account for the payment of bonds related to construction projects managed by the Building Authority Board. Funding for these payments can come from rents, millages and interfund transfers.

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 *medical care facility fund* accounts for the long-term care of elderly residents of the County of Jackson in a medical care unit owned and operated by the County.

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.

Permanent funds. These funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs.

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

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

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

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

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

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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

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

Deposits and Investments

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

The County maintains pooled and individual fund demand deposit, certificates of deposit and short-term investment accounts for the primary government and discretely presented component units. Certain imprest demand deposit accounts are also maintained by the discretely presented component units.

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; and c) investments that do not have established market values are reported at estimated 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.

The State's Pension Investment Act, as amended, authorizes the pension trust fund to invest in common stocks, real estate and other investment instruments, subject to certain limitations.

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.

The medical care facility receivables are reported at the estimated net realizable amounts due from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Inventories, Prepaid Items and Other Assets

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

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

Other assets consist of land held for resale in the tax foreclosure administration fund and the Land Bank Authority.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 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 acquisition cost as of 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.

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
Buildings and improvements	Straight-line	20-50
Equipment and furniture	Straight-line	3-15
Vehicles	Straight-line	3-15
Infrastructure	Straight-line	8-50

For the Drain Commission component unit, the drain infrastructure is depreciated using the straight-line method over a useful life of 50 years.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred charges on refunding in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized on a straight-line basis over the shorter of the life of the refunded or refunding debt. The County also reports deferred outflows of resources for differences between expected and actual experience, changes in assumptions, and differences between projected and actual earnings in its pension plan.

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.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

Compensated Absences

Eligible employees are permitted to accumulate paid time off in varying amounts based on length of service and certain other established criteria. Employees are paid for three-quarters of paid time off days earned and credited at the employee's current rate of pay upon separation of employment. Paid time off is accrued when incurred in proprietary funds and reported as a fund liability. Paid time off that has matured, for example, as a result of employee resignation or retirement, is reported as expenditure and a fund liability of the governmental fund that will pay it.

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 government has two types of items that qualify for reporting in this category. In the governmental fund financial statements, the County reports unavailable revenues, which arises only under a modified accrual basis of accounting. In the government-wide financial statements, a deferred pension inflow is reported for differences between expected and actual experience, changes in assumptions, and differences between projected and actual earnings in the pension plan. 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 Balances

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the government's highest level of decision-making authority). A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes which are established by the Board of Commissioners as well. Unassigned fund balance is the residual classification for the general fund.

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

COUNTY OF JACKSON, 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, 2016, the County incurred expenditures in excess of the amounts appropriated as follows:

	Amended Budget	Actual	Variance
General fund			
General government -			
Public defender	\$ 1,168,500	\$ 1,333,017	\$ 164,517
Health and welfare -			
Medical examiner	397,507	404,986	7,479
Other:			
Pension expense	70,000	188,523	118,523
Appropriations - health and welfare -			
Substance abuse - liquor tax	304,122	318,407	14,285
Transfers out	5,439,145	5,621,154	182,009
Special revenue funds			
Road:			
Public works	18,979,299	23,653,781	4,674,482
Debt service:			
Principal	8,050	45,479	37,429
Interest	76,299	76,412	113
Capital outlay	3,187,557	3,540,141	352,584
Social services -			
Health and welfare	29,000	29,073	73
Community development block grant:			
Community development	226,000	245,142	19,142
Transfers out	-	7,475	7,475
Michigan justice training -			
Transfers out	21,400	38,500	17,100
Department on aging millage -			
Transfers out	1,048,805	1,146,000	97,195

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

4. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposit and investment balances of December 31, 2016:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and pooled investments	\$ 40,144,520	\$ 2,310,446	\$ 42,454,966
Restricted cash and pooled investments	2,653,578	198,383	2,851,961
Statement of Fiduciary Net Position			
Cash and pooled investments	4,889,544	-	4,889,544
Investments	145,267,544	-	145,267,544
Total	\$ 192,955,186	\$ 2,508,829	\$ 195,464,015
Deposits and investments			
Bank deposits :			
Checking/savings accounts			\$ 6,659,381
Certificates of deposit - due within one year			2,000,000
Certificates of deposit - due in more than one year			3,000,000
Investments in securities and mutual funds:			
Treasurer's investment pool			38,070,344
Pension investments			145,267,544
Cash on hand			101,171
Net effect of funds with different year ends			365,575
Total			\$ 195,464,015

Restricted cash of the primary government consists of \$783,191 restricted in the resource recovery fund for closure and postclosure landfill monitoring and \$1,870,387 in the medical care facility fund for capital acquisitions and improvements.

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 \$11,659,381. The combined bank balance of these deposits was \$12,725,450 of which \$8,614,220 was uninsured and uncollateralized. Since the bank deposits of the primary government and discretely presented component units are pooled, separate risk categorizations or identification of FDIC coverage is not possible.

In accordance with the County's investment policy and State law, all deposits are uncollateralized, held in the County's name, and evidenced by a safekeeping receipt. Also, due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to insure all bank deposits. As a result, the County evaluates each financial institution and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk - Investments. Following is a summary of the County's investments as of December 31, 2016:

U.S. government agencies	\$ 23,479,930
Municipal bonds	2,915,557
Money market and cash management funds	11,674,857
Total	\$ 38,070,344

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.

COUNTY OF JACKSON, 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 County's investment policy and State law require that commercial paper be rated in the top two ratings by at least two nationally recognized statistical rating organizations. Ratings are not required for money market funds.

As of December 31, 2016, all of the County's investments in securities of U.S. agencies and municipal bonds were rated AA+ by Standard & Poor's.

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, 2016, the County had greater than 5% of its total investment portfolio concentrated as follows:

Investment Type	Issuer	% of Portfolio
Federal Farm Credit Bank	Various	60.6%
Federal Home Loan Bank	Various	15.2%
Federal Home Loan Mortgage Corporation	Various	13.2%
Municipal bonds	Various	11.0%

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of investments. The County's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2016, the County's debt securities had the following maturities:

	Fair Value	1 - 5 years	6 - 10 years	Total
U.S. government agencies	\$ 23,479,930	\$ 12,479,930	\$ 11,000,000	\$ 23,479,930
Municipal bonds	2,915,557	2,915,557	-	2,915,557
Total	\$ 26,395,487	\$ 15,395,487	\$ 11,000,000	\$ 26,395,487

Fair Value. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. These levels are determined by the County's investment manager, and are determined at the fund level based on a review of the investment's class, structure, and what kind of securities are held in the funds. The investment manager will request the information from the fund manager, if necessary.

The County's recurring fair value measurements as of December 31, 2016 were related to its investments in U.S. government agency funds and municipal bonds. These investments are valued using significant other observable inputs of the underlying securities and bonds (Level 2 inputs).

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Employee Retirement System Investments

The System's investments are primarily held in a bank administered trust fund. Following is a summary of the System's investments as of December 31, 2016:

	Total
Investments at fair value, as determined by quoted market price:	
Domestic equities	\$ 43,888,399
Equity mutual funds	29,815,804
International equities	27,409,804
U.S. treasuries	6,138,797
U.S. agencies	6,230,879
Corporate domestic securities	28,009,117
Collateralized mortgage obligations	314,161
International securities	533,300
Money market funds	<u>2,927,283</u>
 Total investments	 <u>\$ 145,267,544</u>

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, 2016, the System's investments in securities of U.S. treasuries, U.S. agencies, corporate securities, collateralized mortgage obligations and international securities were rated by Standard & Poor's as follows:

Rating	Employees Retirement System
AAA	\$ 487,046
AA+	2,897,754
AA	656,476
AA-	573,187
A+	781,065
A	3,069,041
A-	2,100,859
BBB+	2,922,915
BBB	4,712,609
BBB-	2,799,345
BB	616,375
BB-	256,095
B	780,844
B+	599,019
B-	833,404
Not subject to credit risk	<u>17,140,220</u>
 Total	 <u>\$ 41,226,254</u>

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Foreign Currency Risk. Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment or deposit. The plan mitigates foreign currency risk by holding a diversified number of holdings across different geographic locations and industry sectors.

The System's exposure to foreign currency risk stated in U.S. dollars as of December 31, 2016 was as follows:

Investment Type	Fair Value
International equities	\$ 27,409,804
International securities	533,300

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

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer. At December 31, 2016, the System had greater than 5% of its total investment portfolio concentrated as follows:

Investment Type	Issuer	% of Portfolio
Equity mutual funds	State Street S&P Midcap Index	11.2%
Money market funds	Comerica	9.3%

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

	Fair value	Investment Maturities (fair value by years)			
		< 1 year	1 - 5 years	6 - 10 years	More Than 10
U.S. treasuries	\$ 6,138,797	\$ 401,604	\$ 1,088,034	\$ 4,085,053	\$ 564,106
U.S. agencies	6,230,879	-	2,555,757	790,555	2,884,567
Corporate domestic securities	28,009,117	931,948	16,781,836	5,906,130	4,389,203
Collateralized mortgage obligations	314,161	-	-	-	314,161
International securities	533,300	-	265,709	267,591	-
Total	\$ 41,226,254	\$ 1,333,552	\$ 20,691,336	\$ 11,049,329	\$ 8,152,037

Securities lending. A contract approved by the System's Board of Directors, permits the System to lend its securities to broker-dealers and other entities (borrowers) for collateral that will be returned for the same securities in the future. The System's custodial bank manages the securities lending program and receives securities or irrevocable bank letters of credit as collateral. The collateral securities cannot be pledged or sold by the System unless the borrower defaults. Collateral securities and letters of credit are initially pledged at 102 percent of the market value of the securities lent, and may not fall below 100 percent during the term of the loan. There are no restrictions on the amount of securities that can be loaned.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Securities on loan at year-end are classified according to the category for the collateral received on the securities lent. At year end, the System has no credit risk exposure to borrowers because the amounts the System owes the borrowers exceed the amounts the borrowers owe the System. The contract with the System's custodian requires it to indemnify the System if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the System for income distributions by the securities' issuers while the securities are on loan.

Fair Value Measurements. The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The System had the following recurring fair value measurements as of December 31, 2016:

	Level 1	Level 2	Level 3	Total
Investments at fair value				
Domestic equities	\$ 43,888,399	\$ -	\$ -	\$ 43,888,399
Equity mutual funds	29,815,804	-	-	29,815,804
International equities	27,409,804	-	-	27,409,804
U.S. treasuries	-	6,138,797	-	6,138,797
U.S. agencies	-	6,230,879	-	6,230,879
Corporate domestic securities	-	28,009,117	-	28,009,117
Collateralized mortgage obligations	-	314,161	-	314,161
International securities	-	533,300	-	533,300
Money market funds	2,927,283	-	-	2,927,283
Total investments at fair value	\$ 104,041,290	\$ 41,226,254	\$ -	\$ 145,267,544

5. RECEIVABLES

Receivables are comprised of the following at December 31, 2016:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 1,936,266	\$ 2,880,203	\$ 342,416
Less: allowance for uncollectibles	-	(309,453)	-
Property taxes	3,971,744	7,617,687	-
Interest	225,366	1,100,088	-
Due from other governments	11,261,532	-	15,668,249
Loans receivable	-	-	17,621
Special assessments receivable, net	-	-	75,000
Long-term receivables	-	-	556,742
	\$ 17,394,908	\$ 11,288,525	\$ 16,660,028

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

6. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2016 was as follows:

Primary government

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 2,846,846	\$ -	\$ -	\$ 2,846,846
Land improvements	16,116,380	-	-	16,116,380
Construction in progress	5,729,315	4,594,417	2,597,676	7,726,056
Avigation easements	375,547	-	-	375,547
	<u>25,068,088</u>	<u>4,594,417</u>	<u>2,597,676</u>	<u>27,064,829</u>
Capital assets being depreciated:				
Buildings and improvements	53,667,177	3,952,937	999,658	56,620,456
Equipment and furniture	29,299,848	4,954,849	1,276,696	32,978,001
Vehicles	2,839,943	320,664	239,486	2,921,121
Infrastructure	95,597,502	5,910,845	3,044,021	98,464,326
Depleteable assets	548,074	-	-	548,074
	<u>181,952,544</u>	<u>15,139,295</u>	<u>5,559,861</u>	<u>191,531,978</u>
Less accumulated depreciation for:				
Buildings improvements	33,230,960	2,190,594	724,413	34,697,141
Equipment and furniture	26,388,450	1,334,318	1,271,399	26,451,369
Vehicles	2,480,550	311,106	239,486	2,552,170
Infrastructure	42,800,576	4,613,185	3,044,021	44,369,740
Depleteable assets	147,019	-	-	147,019
	<u>105,047,555</u>	<u>8,449,203</u>	<u>5,279,319</u>	<u>108,217,439</u>
Total capital assets being depreciated, net	<u>76,904,989</u>	<u>6,690,092</u>	<u>280,542</u>	<u>83,314,539</u>
Governmental activities capital assets, net	<u>\$ 101,973,077</u>	<u>\$ 11,284,509</u>	<u>\$ 2,878,218</u>	<u>\$ 110,379,368</u>
Depreciation of governmental activities by function				
General government			\$ 609,228	
Public safety			645,011	
Public works			5,434,904	
Judicial			662,089	
Health and welfare			298,578	
Recreation and culture			799,393	
			<u>\$ 8,449,203</u>	

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

	Beginning Balance	Additions	Disposals	Ending Balance
Business-type activities				
Capital assets not being depreciated - Construction in progress	\$ 5,040	\$ -	\$ 5,040	\$ -
Capital assets being depreciated:				
Buildings and improvements	19,857,652	1,098,438	-	20,956,090
Equipment and furniture	1,841,627	80,753	-	1,922,380
Vehicles	281,685	-	-	281,685
	<u>21,980,964</u>	<u>1,179,191</u>	<u>-</u>	<u>23,160,155</u>
Less accumulated depreciation for:				
Buildings and improvements	6,325,188	554,812	-	6,880,000
Equipment and furniture	1,151,567	125,738	-	1,277,305
Vehicles	162,613	20,015	-	182,628
	<u>7,639,368</u>	<u>700,565</u>	<u>-</u>	<u>8,339,933</u>
Total capital assets being depreciated, net	<u>14,341,596</u>	<u>478,626</u>	<u>-</u>	<u>14,820,222</u>
Business-type activities capital assets, net	<u>\$ 14,346,636</u>	<u>\$ 478,626</u>	<u>\$ 5,040</u>	<u>\$ 14,820,222</u>

Depreciation of business-type activities by function

Medical Care Facility	\$ 696,694
Delinquent tax revolving fund	<u>3,871</u>
	<u>\$ 700,565</u>

Capital asset activity for the Drain Commission component unit for the year ended December 31, 2016, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Component Unit - Drain Commission				
Capital assets being depreciated - Infrastructure	\$ 12,242,656	\$ -	\$ -	\$ 12,242,656
Less accumulated depreciation for - Infrastructure	<u>9,089,574</u>	<u>156,057</u>	<u>-</u>	<u>9,245,631</u>
Drain Commission capital assets, net	<u>\$ 3,153,082</u>	<u>\$ (156,057)</u>	<u>\$ -</u>	<u>\$ 2,997,025</u>

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

7. ACCOUNTS PAYABLE

Accounts payable and accrued liabilities are comprised of the following at December 31, 2016:

	Governmental Activities	Business-type Activities
Accounts payable	\$ 3,967,230	\$ 319,283
Accrued and other liabilities	791,136	861,511
Residents' trust payable	-	11,259
Estimated claims payable	455,600	-
Due to other governments	378,371	-
Advances from other governments	434,376	-
Estimated closure and postclosure monitoring costs	-	845,000
Accrued interest on long-term debt	157,460	-
	<u>\$ 6,184,173</u>	<u>\$ 2,037,053</u>

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2016, was as follows:

	Due from other funds	Due to other funds
General fund	\$ 1,322,819	\$ -
Nonmajor governmental funds	-	124,584
Delinquent tax revolving fund	124,584	2,266,198
Nonmajor enterprise funds	943,379	-
	<u>\$ 2,390,782</u>	<u>\$ 2,390,782</u>

The County has interfund balances between many of its funds. The sum of all balances presented in the tables above agrees with the sum of interfund balances presented in the statements of net position/balance sheet for governmental funds and proprietary funds. These interfund balances resulted primarily from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The general fund has made a long-term advance of \$500,000 to the Friend of the Court fund, a nonmajor governmental fund.

The general fund has made long-term advances to the Drain Commission and Brownfield Redevelopment Authority component units in the amounts of \$210,000 and \$117,500, respectively. In addition, the delinquent tax revolving and the foreclosure tax administration enterprise funds have made long-term advances to the Board of Public Works and Land Bank Authority component units in the amounts of \$298,550 and \$100,000, respectively.

As of December 31, 2016, certain internal service funds and nonmajor governmental funds with negative balances in the County's pooled cash accounts report an interfund payable, which is equal to the interfund receivable of \$707,935 reported in the general fund.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

For the year ended December 31, 2016, interfund transfers consisted of the following:

Transfers Out	Transfers In				Total
	General Fund	Building Authority Debt Service Fund	Nonmajor Governmental Funds	Delinquent Tax Revolving Fund	
General fund	\$ -	\$ -	\$ 5,621,154	\$ -	\$ 5,621,154
Jail millage fund	900,000	1,127,778	-	-	2,027,778
Nonmajor governmental funds	3,074,648	-	670,053	83,823	3,828,524
Delinquent tax revolving fund	1,800,000	-	2,217,500	-	4,017,500
Nonmajor enterprise funds	2,500	-	-	-	2,500
Internal service funds	35,900	-	-	-	35,900
Timing differences	(141,430)	-	(667)	-	(142,097)
	<u>\$ 5,671,618</u>	<u>\$ 1,127,778</u>	<u>\$ 8,508,040</u>	<u>\$ 83,823</u>	<u>\$ 15,391,259</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. Timing differences are a result of certain funds having a fiscal year-end that is different from the County's year-end.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

9. LONG-TERM DEBT

Primary government

General obligation bonds. The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for 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
1999A Jackson County Building Authority	2019	\$50,000-\$75,000	5.30%-6.00%	\$ 225,000
2010 Refunding bonds - county jail	2022	\$735,000-\$1,145,000	2.85%	6,190,000
2014 LifeWays Refunding bonds	2026	\$325,000-\$475,000	2.00%-3.125%	4,315,000
Capital Improvement bond, Series 2015A - Energy	2035	\$85,000-\$160,000	2.00%-3.625%	2,350,000
Capital Improvement bond, Series 2015B - LifeWays	2035	\$55,000-\$105,000	3.00%-3.50%	1,445,000
Capital Improvement bond, Series 2015C - Airport runway	2026	\$365,000-\$545,000	2.00%-2.50%	4,635,000
2016 Brownfield Redevelopment Loan	2030	\$84,294-\$97,826	1.50%	1,000,000
2016 Michigan Transportation Fund Bonds	2031	\$805,000-\$1,105,000	2.00%-2.625%	14,190,000
Total general obligation bonds				<u>\$ 34,350,000</u>

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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

Year Ended December 31,	Principal	Interest	Total
2016	\$ 2,775,000	\$ 814,318	\$ 3,589,318
2017	2,845,000	746,489	3,591,489
2018	2,885,000	675,503	3,560,503
2019	3,002,826	601,187	3,604,013
2020	3,074,294	494,911	3,569,205
2021-2025	12,030,818	1,705,160	13,735,978
2026-2030	6,722,062	619,034	7,341,096
2031-2035	1,015,000	73,862	1,088,862
	<u>\$ 34,350,000</u>	<u>\$ 5,730,464</u>	<u>\$ 40,080,464</u>

Business-type Activities

Bonds	Due	Annual Installments	Interest Rate	Amount
2015 Refunding bonds	2030	\$495,000- \$855,000	3.150% - 5.125%	<u>\$ 9,730,000</u>

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

Year Ended December 31,	Principal	Interest	Total
2016	\$ 515,000	\$ 412,819	\$ 927,819
2017	535,000	391,819	926,819
2018	560,000	367,119	927,119
2019	585,000	338,494	923,494
2020	615,000	308,494	923,494
2021-2025	3,590,000	1,034,594	4,624,594
2026-2030	3,330,000	242,259	3,572,259
	<u>\$ 9,730,000</u>	<u>\$ 3,095,598</u>	<u>\$ 12,825,598</u>

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Board of Public Works Component Unit

Bonds	Due	Annual Installments	Interest Rate	Amount
2006 Wolf Lake Waste Water Refunding Bonds	2019	\$255,000- \$270,000	3.75% - 4.00%	\$ 765,000
2004 Lake Columbia Waste Water Disposal System Limited Tax GO Bonds	2024	\$375,000- \$550,000	3.00% - 4.00%	3,260,000
2012 Jackson County Water Supply Facility Refunding Bonds - Village of Parma	2021	\$140,000- \$150,000	1.2%-2.50%	700,000
State Drinking Water Revolving Loan Funds - Village of Parma	2022	\$55,000- \$70,000	2.50%	390,000
2002B Jackson County Water Supply Facility Grass Lake Area Section	2022	\$25,000- \$50,000	4.35% - 6.00%	230,000
2005 Jackson County Waste Water Disposal Facility Round/Farwell Lakes Area	2022	\$225,000	3.50% - 4.00%	1,350,000
2004 Jackson County Wastewater Disposal Facility Vineyard Section	2023	\$350,000- \$375,000	3.625% - 4.50%	2,120,000
State Drinking Water Revolving Loan Funds Village of Grass Lake	2023	\$110,000- \$140,000	2.50%	920,000
2005 Jackson County Waste Water Disposal Facility Southern Regional Interceptor	2025	\$225,000- \$425,000	4.125% - 4.500%	3,075,000
2008 Jackson County Waste Water Disposal	2030	\$115,000- \$175,000	2.50%	2,036,598
2008 Jackson County Waste Water Disposal Facility Rives Township Sewer	2047	\$15,000- \$40,000	4.125%	768,250
				<u>\$ 15,614,848</u>

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

Year Ended December 31,	Principal	Interest	Total
2017	\$ 1,955,000	\$ 571,365	\$ 2,526,365
2018	1,980,000	499,074	2,479,074
2019	1,990,000	422,449	2,412,449
2020	1,810,000	344,371	2,154,371
2021	1,825,000	273,193	2,098,193
2022-2026	4,870,000	525,808	5,395,808
2027-2031	791,598	130,601	922,199
2032-2036	143,250	65,851	209,101
2037-2041	125,000	38,671	163,671
2042-2046	105,000	14,543	119,543
2047	20,000	413	20,413
	<u>\$ 15,614,848</u>	<u>\$ 2,886,339</u>	<u>\$ 18,501,187</u>

COUNTY OF JACKSON, 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	\$ 21,035,000	\$ 15,190,000	\$ (1,875,000)	\$ 34,350,000	\$ 2,775,000
Leases	45,479	-	(45,479)	-	-
LifeWays settlement	1,641,369	-	(810,000)	831,369	810,000
Compensated absences	2,459,340	2,672,198	(2,945,404)	2,186,134	655,840
Issuance discount	(18,643)	-	1,695	(16,948)	(1,695)
Issuance premium	147,286	61,174	(11,298)	197,162	15,376
	<u>\$ 25,309,831</u>	<u>\$ 17,923,372</u>	<u>\$ (5,685,486)</u>	<u>\$ 37,547,717</u>	<u>\$ 4,254,521</u>
Business-type Activities					
Refunding bonds	\$ 10,225,000	\$ -	\$ (495,000)	\$ 9,730,000	\$ 515,000
Issuance premium	954,034	-	(63,602)	890,432	63,602
Compensated absences	449,075	33,711	(10,036)	472,750	449,113
	<u>\$ 11,628,109</u>	<u>\$ 33,711</u>	<u>\$ (568,638)</u>	<u>\$ 11,093,182</u>	<u>\$ 1,027,715</u>
Board of Public Works					
Component Unit					
Bonds	\$ 17,966,598	\$ -	\$ (2,351,750)	\$ 15,614,848	\$ 1,955,000

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

Prior Year Advance Refunding / Defeased Debt

Governmental activities

On May 1, 2005, the County issued \$14,000,000 in refunding bonds with interest ranging from 3.15% to 5.125% to advance refund \$12,900,000 of outstanding Series 2000 unlimited tax general obligation bonds. The balance of the defeased bonds outstanding was \$10,050,000 at December 31, 2016.

On November 1, 2010, the County issued \$10,100,000 in refunding bonds with an average interest rate of 2.85% to advance refund \$10,075,000 of outstanding Series 2002 long-term general obligation bonds. The balance of the defeased bonds outstanding was \$6,150,000 at December 31, 2016.

During 2014, the County issued \$5,010,000 of refunding bonds with interest ranging from 2.00% to 3.125% to advance refund \$4,920,000 of outstanding Series 2014 building authority refunding bonds. The balance of the defeased bonds outstanding was \$4,270,000 at December 31, 2016.

Medical Care Facility

During 2015, the Jackson County Building Authority defeased the 2005 Refunding Bonds, which are due and payable May 1, 2016 through May 1, 2030. This was accomplished by establishing an irrevocable trust with an escrow agent composed of cash and U.S. Government Securities sufficient to meet the applicable principal and interest obligations. The Jackson County Building authority issued general obligation 2015 Refunding Bonds in the amount of \$10,225,000 to provide resources to fund the escrow amounts and pay the costs of issuance of the refunding bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the Facility's financial statements. The balance of the defeased debt outstanding was \$9,730,000 at December 31, 2016.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Board of Public Works

During 2013, Napoleon Township refunded \$600,000 in BPW bonds partially through the issuance of \$437,000 in 2012 limited tax general obligation refunding bonds with interest ranging from 1.40% to 2.10%. The balance of the defeased outstanding wastewater disposal facility bonds was \$300,000 at December 31, 2016. The County is no longer responsible for the debt of Napoleon Township.

During 2006, the Board of Public Works issued \$2,335,000 of Wolf Lake refunding bonds with interest rates ranging from 3.75% to 4.00% to advance refund \$2,300,000 of outstanding Wolf Lake 2000 wastewater disposal system bonds. The balance of the defeased debt outstanding was \$900,000 at December 31, 2016.

On May 30, 2012, the County issued \$1,220,000 in refunding bonds with interest ranging from 3.00% to 5.5% to advance refund a portion of the 2002 Village of Parma limited tax general obligation bonds. The balance of the defeased bonds was \$700,000 at December 31, 2016.

On June 28, 2012, the County issued \$4,045,000 in refunding bonds with interest ranging from 3.00% to 4.00% to advance refund a portion of the 2004 Lake Columbia limited tax general obligation bonds. The balance of the defeased bonds was \$5,150,000 at December 31, 2016.

10. CONTINGENT LIABILITIES - LIFEWAYS

LifeWays, the mental health authority for Jackson and Hillsdale Counties, approached the County in the fall of 2012 requesting an increase in the County's appropriation. In the past, the County contributed \$70,779 per year based upon an agreement that LifeWays would generate sufficient local match through other means. Those assumptions were not realized and LifeWays requested the full local match of \$560,000 per year to cover the deficit it realized in 2012. The County agreed to this increase in 2012.

Based on an agreement between the Boards of both Jackson and Hillsdale Counties and the LifeWays Board, which has been approved by the State of Michigan, the County will make up its share owed to LifeWays in the amount of \$2,451,369 through annual payments, for a period of ten years. The County will make payments in excess of the normal appropriation by \$245,137 annually beginning in 2015 until the balance is paid in full. During the year ended December 31, 2016, the County repaid \$810,000 resulting in a remaining balance of \$831,369.

11. NET INVESTMENT IN CAPITAL ASSETS

As of December 31, 2016, the net investment in capital assets was comprised of the following:

	Governmental activities	Business-type activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 27,064,829	\$ -	\$ -
Capital assets being depreciated, net	83,314,539	14,820,222	2,997,025
Less related debt:			
Bonds and capital leases payable	(34,350,000)	(9,730,000)	-
Issuance discount	16,948	-	-
Issuance premium	(197,162)	(890,432)	-
Deferred charge on refunding	-	228,685	-
Total net investment in capital assets	\$ 75,849,154	\$ 4,428,475	\$ 2,997,025

12. 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 and crime coverages. The MMRMA provides risk management, underwriting, reinsurance and claim review and processing services for all member governments pursuant to its charter.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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 self-funded managed care 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.

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	\$100,000
Motor vehicle physical damage	\$15,000 per vehicle \$30,000 per occurrence
Property damage and crime	\$0

County of Jackson Self-Funded Managed Care Insurance. The County operates a self-funding health insurance program for their employees and retirees. An administrative agent has been hired to monitor claims and ensure that only those meeting the member’s policies are paid. “Stop-Loss” insurance has been obtained, through payment of monthly premiums, to cover the cost of individual claims in excess of \$100,000. This is done to minimize the member’s risk.

The participating members make monthly cash contributions to the managed care insurance internal service fund. The contribution amounts for 2016 were based upon the cost of obtaining traditional health insurance. These contributions are expensed by the members when made, and recognized as revenue by the insurance fund upon receipt.

There were no significant reductions in insurance coverage from the prior year, and no insurance settlements have exceeded coverage in the last three years.

Claims payable, including incurred but not reported amounts, which are estimated by management based on projected experience, are reported as liabilities in the internal service fund at December 31, 2016. The change in the claims liability for 2016 and 2015 is as follows:

	2016	2015
Unpaid claims, beginning of year	\$ 524,830	\$ 712,456
Incurred claims (including change in IBNR provisions)	5,541,587	11,679,202
Claims payments	(5,681,156)	(11,866,828)
Unpaid claims, end of year	<u>\$ 385,261</u>	<u>\$ 524,830</u>

Workers’ Compensation. The government maintains a self insurance program for workers’ compensation coverage which is accounted for in an internal service fund (i.e., the self-insured workers compensation 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 job classifications and are available to pay claims, claim reserves, excess coverage and administrative costs.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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 \$400,000 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. The change in the claims liability for 2016 and 2015 is as follows:

	2016	2015
Unpaid claims, beginning of year	\$ -	\$ 59,966
Incurred claims (including changes in IBNR provisions)	79,795	(53,968)
Claims payments	(9,456)	(5,998)
	<u>70,339</u>	<u>-</u>
Unpaid claims, end of year	<u>\$ 70,339</u>	<u>\$ -</u>

13. PROPERTY TAXES

Property taxes receivable in governmental funds represent amounts due from taxpayers on the July 1 and December 1 tax levies in the general fund and other governmental funds, respectively. Any amounts outstanding on the July 1 levy after 60 days into the subsequent fiscal year are made whole by the County delinquent tax fund through an effective early tax settlement.

This allows the County's general fund to recognize the full amount of the July 1 tax levy in the current year, regardless of the timing of actual collections. Any unpaid balances as of 60 days into the subsequent fiscal year are transferred to the delinquent tax revolving fund where collection is pursued. A similar process takes place between the delinquent tax fund, the other County funds accounting for property tax levies, and other local taxing authorities within the County's geographical region in March or April.

The assessed and taxable value of real and personal property for the July 1, 2016 levy was \$4,276,713,529. The general operating tax rate for this levy was 5.1187 mills with an additional 0.2500 mills, 0.4851 mills, 0.2500 mills for the department on aging, the county jail facility and the medical care facility, 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.

14. TAX ABATEMENTS

The County received reduced property tax revenues during 2016 as a result of industrial facilities tax exemptions (IFT's) and brownfield redevelopment agreements entered into by cities, villages, townships, and authorities within the County.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50% of the millage rate applicable to other real and personal property in the County. The abatements amounted to \$95,000 in reduced County tax revenues for 2016.

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. The abatements amounted to \$1,500 in reduced County tax revenues for 2016.

15. PENSION PLAN

General Information about the Pension Plan

Plan Description. The County administers the Jackson County Employees' Retirement System, (the "Plan"), a single-employer defined benefit plan provided by authority section 12a of Act No. 156 of the Public Acts of 1851, which was adopted and established by the County in accordance with Michigan Compiled Laws Section 46.12a. The plan is included as a pension trust fund in the County's financial statements. Employer and employee contributions and benefit provisions are authorized and may be amended by County Board resolution and benefits may vary pursuant to collective bargaining agreements. Substantially all employees are covered by the Plan. Upon retirement, the plan pays a benefit percentage (depending on group), calculated using the percentage of final average compensation times years of credited service. The Plan issues a publicly available financial report that can be obtained at the County of Jackson, 120 West Michigan Avenue, Jackson, Michigan 49201.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of applicable boards, with the assistance of a valuation service.

Investment Policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Commissioners. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the Board deems appropriate. The Plan's asset allocation policy is shown on the following pages.

Rate of Return. For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -0.05%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Concentrations. At December 31, 2015, the Plan held certain investments (other than those issued or explicitly guaranteed by the U.S. government, mutual funds, external investment pools, or other pooled investments) in certain organizations that represent 5% or more of the Plan's fiduciary net position. Refer to Note 4 for the details of these concentrations.

Benefits Provided. Plan members may retire at age 55, 57 or 60 with 8, 10 or 25 years of credited service depending on which group the employee is in. Members are vested after completing 8 - 10 years of credited service. Retirement options that provide for survivor benefits are available to members. The Plan also provides death and disability benefits. If a member leaves employment or dies before vesting, accumulated member contributions plus interest are refunded to the member or designated beneficiary.

Contributions. The contribution requirements of plan members and the County are established and may be amended by the County Board of Commissioners. Plan members are required to contribute 2.5% to 14.48% to the Plan, depending on their bargaining unit and hire date, with the County contributing additional amounts, as necessary, to provide assets sufficient to pay for member benefits.

Bargaining Unit / Employee Group	Benefits Multiplier	Contribution Percentage
AFSCME (AFL-CIO):		
Hired after January 1, 2007	2.00%-2.50%	2.50%-7.85%
All others	2.00%-2.50%	2.50%-7.85%
Assistant Prosecutors Association (APA):		
Hired after January 1, 2007	2.00%-2.50%	2.50%-7.85%
All others	2.00%-2.50%	2.50%-7.85%
Michigan Nurses Association (MNA):		
Hired after January 1, 2007	2.00%-2.50%	2.50%-7.85%
All others	2.00%-2.50%	2.50%-7.85%
Police Officers Labor Council (POLC):		
Hired after January 1, 2008	2.00%-2.50%	2.50%-7.85%
All others	2.00%-2.50%	2.50%-7.85%
Police Officers Association of Michigan (POAM)	2.50%	9.05%
Federal Order of Police (FOP)	2.25%	6.45%
Command Officers Association of Michigan (COAM):		
Road sergeants	2.50%	10.05%
Corrections supervisors	2.25%	6.50%
Jackson County Road Workers Association (JDOT):		
Hired after January 1, 2001	2.50%	12.00%-14.48%
All others	2.50%	12.00%-14.48%
All others	2.00%-2.50%	2.50%-7.85%

Employees Covered by Benefit Terms. At December 31, 2015, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	720
Inactive, DROP and non-retired plan members	115
Active plan members	569
Total	1,404

Net Pension Liability. The County's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Actuarial Assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions.

Inflation	2.50%-3.00%
Salary increases	4.00%-8.00% including inflation
Investment rate of return	7.50%, net of investment and administrative expenses

Mortality rates were based on the RP-2000 mortality table projected to 2020 using projection scale (adjusted by 120% for males).

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each asset class. These real ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each asset class that is included in the pension plan's target asset allocation as of December 31, 2015, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Tare of Return
Domestic equities	30.00%	6.20%	1.86%
S & P 400 Mid cap	18.00%	6.70%	1.21%
International equities	17.00%	6.00%	1.02%
Fixed income	9.00%	2.30%	0.20%
Intermediate government/credit bonds	9.00%	2.20%	0.20%
Convertible bonds	17.00%	2.00%	0.34%
Cash and cash equivalents	0.00%	0.50%	0.00%
	<u>100.00%</u>		4.83%
Inflation			2.50%
Risk adjustments			<u>0.17%</u>
Investment rate of return			<u>7.50%</u>

Discount Rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2014	\$ 195,476,236	\$ 149,161,764	\$ 46,314,472
Changes for the year:			
Service cost	2,877,944	-	2,877,944
Interest	14,274,789	-	14,274,789
Differences between expected and actual experience	4,610,815	-	4,610,815
Employer contributions	-	6,049,033	(6,049,033)
Employee contributions	-	1,997,726	(1,997,726)
Net investment income	-	266,133	(266,133)
Benefit payments, including refunds of employee contributions	(13,169,385)	(13,169,385)	-
Administrative expense	-	(326,296)	326,296
Net changes	8,594,163	(5,182,789)	13,776,952
Balances at December 31, 2015	\$ 204,070,399	\$ 143,978,975	\$ 60,091,424

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.50%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50%) or 1% higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Plan net pension liability - County	\$ 88,598,333	\$ 68,502,368	\$ 51,451,621
Plan net pension (asset) - Medical Care Facility	(5,840,835)	(8,410,944)	(10,541,057)
Net pension liability	\$ 82,757,498	\$ 60,091,424	\$ 40,910,564

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is provided in Note 17.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended December 31, 2016, the County recognized pension expense of \$8,523,119. At December 31, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 4,476,291	\$ 416,560	\$ 4,059,731
Net difference between projected and actual earnings on pension plan investments	9,336,728	-	9,336,728
Employer contributions to the plan subsequent to the measurement date	6,250,395	-	6,250,395
Total	\$ 20,063,414	\$ 416,560	\$ 19,646,854

COUNTY OF JACKSON, MICHIGAN

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\$6,250,395 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as pension-related deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2017	\$ 4,356,751	\$ 196,729
2018	4,281,093	105,697
2019	3,004,766	59,573
2020	2,170,409	46,073
2021	-	8,488
Total	\$ 13,813,019	\$ 416,560

Payable to the pension plan. At December 31, 2016, the County did not have any outstanding contributions payable to the pension plan for the year then ended.

Defined Contribution Plan

Effective January 1, 2008, the County established a defined contribution plan administered by the Municipal Employees' Retirement System ("MERS") for substantially all new full time employees with fully vested service after 5 years of service. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employer contributions are a minimum of 1% of eligible compensation and a potential matching of 5% of the employees' contribution. The employees are required to contribute a minimum of 1% of eligible compensation up to a maximum of 12%. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners. For the year ended December 31, 2016, the County and employees contributed \$404,059 and \$488,565 respectively, to this plan.

16. OTHER POSTEMPLOYMENT BENEFITS

County

Plan Description. The County of Jackson provides health insurance benefits for its retired employees and medical care facility employees retired prior to 1988, as established by County Board Resolution. Substantially all of the County's employees may become eligible for this benefit if they reach normal retirement age while working for the County. The medical care facility retirees are covered under a separate plan. The County's general fund and retiree health insurance fund covers the cost of other postemployment benefits (OPEB) for all other eligible employees. Health insurance benefits are accounted for in the self-funded managed care insurance fund.

The retiree health insurance fund is reported as an employee benefit trust fund in the accompanying financial statements. The fund does not issue a separate or stand alone report.

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.

Membership of the Plan consisted of the following at December 31, 2015, the date of the latest actuarial valuation:

Active plan members	559
Retired participants	545
Total	1,104

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

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

Annual required contribution	\$ 8,792,893
Interest on net OPEB obligation	469,670
Adjustment to annual required contribution	<u>(465,494)</u>
Annual OPEB cost	8,797,069
Contributions made	<u>(5,180,196)</u>
Change in net OPEB obligation	3,616,873
Net OPEB obligation, beginning of year	<u>15,655,683</u>
Net OPEB obligation, end of year	<u><u>\$ 19,272,556</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016 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 Obligation
2014	\$ 7,729,746	56%	\$ 10,204,301
2015	8,586,063	37%	15,655,683
2016	8,797,069	59%	19,272,556

The schedule of employer contributions, presented as required supplementary information (RSI) following the notes to the financial statements, presents trend information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is 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. Benefits are currently funded mostly on a pay-as-you-go basis, with prefunding contributions made periodically as amounts become available to contribute.

Funded status and funding progress. As of December 31, 2015, the date of the most recent actuarial valuation, the Plan was 0% percent funded. The actuarial accrued liability (AAL) for benefits was \$117,277,316, and the actuarial value of assets was none, resulting in an unfunded actuarial accrued liability (UAAL) of \$117,277,316. The covered payroll (annual payroll of the active employees covered by the Plan) was \$24,450,728 and the ratio of the UAAL to the covered payroll was 480 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the trust 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 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. 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.

In the December 31, 2015 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions includes: (a) a rate of return on investments of 3.0%; (b) projected salary increases of 4.0% attributable to inflation; (c) projected healthcare benefit increases of 4.0% to 8.0%. 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.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Medical Care Facility

Plan Description. The Facility will provide certain retiree health benefits as other postemployment benefits (OPEB) to the applicable eligible employees (based on hire date and years of service as described in the plan) upon retirement in accordance with their applicable union contract for union and past practice for non-union employees. The following are the Governmental Accounting Standards Board Statement No. 45 required disclosures and these disclosures have been implemented prospectively by the facility. Employees will be eligible for the health insurance benefits with the premiums being paid by the facility. The facility's policy is to finance these benefits on a pay as you basis. The plan does not issue a separate stand alone report.

Basis of Accounting. The plan member contributions are recognized in the period in which they are due. The Facility'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.

Membership of the Plan consisted of the following at December 31, 2015, the date of the latest actuarial valuation:

Active plan members	118
Retired participants	<u>278</u>
Total	<u><u>396</u></u>

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

Annual required contribution	\$ 964,579
Interest on net OPEB obligation	130,688
Adjustment to annual required contribution	<u>(72,604)</u>
Annual OPEB cost	1,022,663
Contributions made	<u>(401,208)</u>
Change in net OPEB obligation	621,455
Net OPEB obligation, beginning of year	<u>2,613,753</u>
Net OPEB obligation, end of year	<u><u>\$ 3,235,208</u></u>

The facility's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

Years Ended December 31,	Three-Year Trend Information		
	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 893,527	45%	\$ 2,380,587
2015	1,018,928	77%	2,613,753
2016	1,022,663	39%	3,235,208

The Facility'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. The only current contributions made are to pay the actual current premiums. That amount was less than the annual required contribution and is reflected in the schedule as above.

Funded status and funding progress. As of December 31, 2015, the date of the most recent actuarial valuation, the Plan was not funded. The actuarial accrued liability (AAL) for benefits was \$10,191,510, and the plan had no assets, which results in an unfunded actuarial accrued liability (UAAL) of \$10,191,510. The covered payroll (annual payroll of the active employees covered by the Plan) was \$9,083,584 and the ratio of the UAAL to the covered payroll was 112 percent.

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, 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 as required supplementary information 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 liabilities for benefits.

Actuarial Methods and Assumptions. 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.

In the December 31, 2015 actuarial valuation, the projected unit credit level dollar method was used. The actuarial assumptions includes: (a) a rate of return on investments of 5.0%; (b) projected salary increases of 4.0% attributable to inflation; (c) projected healthcare benefit increases of 8.0% downgraded to 4% over 8 years. 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.

17. FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POSTEMPLOYMENT BENEFIT FUNDS

	Plan Net Position		
	Pension Retirement	Retiree Health	Total
Assets			
Cash and pooled investments	\$ 2,596,962	\$ 552	\$ 2,597,514
Investments, at fair value:			
Domestic equities	43,888,399	-	43,888,399
Equity mutual funds	29,815,804	-	29,815,804
International equities	27,409,804	-	27,409,804
U.S. treasuries	6,138,797	-	6,138,797
U.S. agencies	6,230,879	-	6,230,879
Corporate domestic securities	28,009,117	-	28,009,117
Collateralized mortgage obligations	314,161	-	314,161
International securities	533,300	-	533,300
Money market funds	2,927,283	-	2,927,283
Accounts receivable	107,082	-	107,082
Accrued interest	241,766	-	241,766
Total assets	148,213,354	552	148,213,906
Liabilities			
Accounts payable	99,794	-	99,794
Net position			
Restricted for pension benefits and other postemployment benefits	\$ 148,113,560	\$ 552	\$ 148,114,112

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

	Changes in Plan Net Position		
	Pension Retirement	Retiree Health	Total
Additions			
Contributions:			
Employee contributions	\$ 1,651,784	\$ -	\$ 1,651,784
Employer contributions	6,250,395	5,180,196	11,430,591
Total contributions	<u>7,902,179</u>	<u>5,180,196</u>	<u>13,082,375</u>
Investment income:			
Net appreciation in fair value of investments	8,609,189	-	8,609,189
Interest and dividends	2,755,605	-	2,755,605
Total investment income	<u>11,364,794</u>	<u>-</u>	<u>11,364,794</u>
Less investment expense	<u>(751,906)</u>	<u>-</u>	<u>(751,906)</u>
Net investment income	<u>10,612,888</u>	<u>-</u>	<u>10,612,888</u>
Total additions	<u>18,515,067</u>	<u>5,180,196</u>	<u>23,695,263</u>
Deductions			
Benefits	14,193,299	5,180,196	19,373,495
Administrative expense	187,183	-	187,183
Total deductions	<u>14,380,482</u>	<u>5,180,196</u>	<u>19,560,678</u>
Change in net position	4,134,585	-	4,134,585
Net position, beginning of year	<u>143,978,975</u>	<u>552</u>	<u>143,979,527</u>
Net position, end of year	<u>\$ 148,113,560</u>	<u>\$ 552</u>	<u>\$ 148,114,112</u>

COUNTY OF JACKSON, MICHIGAN

Notes To Financial Statements

18. COMMITMENTS AND CONTINGENCIES

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

The government and its component units, individually or jointly, are a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government and component unit's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government. A summary of the more significant matters follow:

Jackson County Landfill. The Michigan Department of Natural Resources (MDNR) has ordered that a cleanup process be undertaken at the site of a former County landfill - McGill Road. The County developed an investigative work plan that was approved by the MDNR. There are no cost estimates available for this project. It is anticipated, however, that the State of Michigan and City of Jackson will share in the costs, as former operators at the cleanup site. It is impossible to predict, however, whether further environmental action will be required by the MDNR or whether the County's portion of related costs would be significant or minimal.

Grant Agreements. Under the terms of various state and federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. However, County management does not believe such disallowances, if any, will be material to the financial position of the County.

19. MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The \$845,000 reported within the resource recovery enterprise fund as estimated closure and postclosure monitoring costs at December 31, 2016 represents the estimated costs to perform remaining postclosure care and monitoring through 2021. Included are estimated costs for groundwater monitoring, leachate hauling and disposal, and final cover monitoring in accordance with laws of the State of Michigan Department of Environmental Quality. The County has closed all landfills and ash monofill cells in 1995 and 1996. Actual remaining cost may be higher or lower due to inflation, changes in technology, or changes in regulations.

The following is a summary of changes in this obligation for the year ended December 31, 2016:

Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
\$ 935,000	\$ -	\$ 90,000	\$ 845,000	\$ 90,000

COUNTY OF JACKSON, MICHIGAN

Notes to Financial Statements

20. FUND BALANCES - GOVERNMENTAL FUNDS

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	Jail Millage	Road	Building Authority Debt Service	Nonmajor Governmental	Total
Nonspendable						
Prepaid items and other assets	\$ 206,992	\$ -	\$ 1,988,538	\$ -	\$ 270,716	\$ 2,466,246
Endowments	-	-	-	-	808	808
Long-term advances, net	827,500	-	-	-	-	827,500
Total nonspendable	1,034,492	-	1,988,538	-	271,524	3,294,554
Restricted						
Jail millage	-	76,589	-	-	-	76,589
Maintenance of effort	-	-	-	-	1,589,359	1,589,359
Road	-	-	10,053,648	-	-	10,053,648
Building authority debt service	-	-	-	5,610	-	5,610
Sheriff drug enforcement	-	-	-	-	888	888
Social services	-	-	-	-	110,459	110,459
Veteran's trust	-	-	-	-	7,480	7,480
Joint narcotics	-	-	-	-	556,052	556,052
Register of deeds automation fund	-	-	-	-	440,352	440,352
Child care	-	-	-	-	1,593,665	1,593,665
Health department	-	-	-	-	1,165,829	1,165,829
Department on aging millage	-	-	-	-	496,405	496,405
Falling waters trail	-	-	-	-	140,604	140,604
Capital improvement airport	-	-	-	-	58,184	58,184
Capital improvement lifeways	-	-	-	-	18,996	18,996
Department on aging endowment	-	-	-	-	67,331	67,331
Preston endowment	-	-	-	-	101,399	101,399
Cemetery trust	-	-	-	-	2,351	2,351
Concealed pistol licenses	-	-	-	-	76,030	76,030
Total restricted	-	76,589	10,053,648	5,610	6,425,384	16,561,231
Committed						
Parks commission	-	-	-	-	53	53
Cascades preservation	-	-	-	-	1,020	1,020
Friend of the court	-	-	-	-	864,616	864,616
Omnibus forfeitures	-	-	-	-	981	981
Prosecuting attorney drug enforcement	-	-	-	-	107,530	107,530
County law library	-	-	-	-	6,128	6,128
Michigan justice training	-	-	-	-	233	233
Airport	-	-	-	-	69	69
Golf courses	-	-	-	-	223	223
Fair	-	-	-	-	108,360	108,360
Equipment/replacement	-	-	-	-	837,923	837,923
Sheriff department equipment	-	-	-	-	62,206	62,206
Public improvement and building	-	-	-	-	1,401,271	1,401,271
Total committed	-	-	-	-	3,390,613	3,390,613
Assigned						
Subsequent year's expenditures	1,275,869	-	-	-	-	1,275,869
Unassigned						
	7,328,672	-	-	-	-	7,328,672
Total fund balances, governmental funds	\$ 9,639,033	\$ 76,589	\$ 12,042,186	\$ 5,610	\$ 10,087,521	\$ 31,850,939

COUNTY OF JACKSON, MICHIGAN

Notes to Financial Statements

21. SUBSEQUENT EVENTS

In April 2017, the County issued \$30,000,000 of State of Michigan Capital Improvement Bonds, Series 2017, for the purpose of defraying the cost of constructing, restoring and improving primary and local roads, bridges and culverts in the County and making related improvements. In May 2017, the County issued \$7,500,000 of State of Michigan Capital Improvement Bonds, Series 2017B, for the purpose of acquiring and installing transmitter towers, radios, dispatch consoles and associated equipment for use by the Jackson County Sheriff's Department, including engineering and programming costs.



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REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF JACKSON, MICHIGAN

Required Supplementary Information

Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ended December 31,	
	2015	2016
Total pension liability		
Service cost	\$ 2,988,028	\$ 2,877,944
Interest on total pension liability	13,855,007	14,274,789
Benefit changes	(33,794)	-
Difference between expected and actual experience	1,646,055	4,610,816
Benefit payments and refunds	(12,436,958)	(13,169,386)
Net change in total pension liability	<u>6,018,338</u>	<u>8,594,163</u>
Total pension liability, beginning of year	<u>189,457,898</u>	<u>195,476,236</u>
Total pension liability, end of year	<u>195,476,236</u>	<u>204,070,399</u>
Plan fiduciary net position		
Employer contributions	5,855,877	6,049,033
Employee contributions	2,110,414	2,003,526
Net investment income	9,552,482	135,621
Benefit payments and refunds	(12,436,958)	(13,169,386)
Pension plan administrative expense	(157,982)	(201,583)
Net change in plan fiduciary net position	<u>4,923,833</u>	<u>(5,182,789)</u>
Plan fiduciary net position, beginning of year	<u>144,237,931</u>	<u>149,161,764</u>
Plan fiduciary net position, end of year	<u>149,161,764</u>	<u>143,978,975</u>
Net pension liability	<u>\$ 46,314,472</u>	<u>\$ 60,091,424</u>
Plan fiduciary net position as a percentage of total pension liability	76.31%	70.55%
Covered payroll	<u>\$ 25,361,437</u>	<u>\$ 26,353,056</u>
Net pension liability as a percentage of covered payroll	182.62%	228.02%

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

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

COUNTY OF JACKSON, MICHIGAN

Required Supplementary Information
 Employees' Retirement System

Schedule of the Net Pension Liability

Fiscal Year Ended	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Position Liability as Percentage of Covered
12/31/2015	\$195,476,236	\$ 149,161,764	\$46,314,472	76.31%	\$ 25,361,437	182.62%
12/31/2016	204,070,399	143,978,975	60,091,424	70.55%	26,353,056	228.02%

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

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

COUNTY OF JACKSON, MICHIGAN

Required Supplementary Information Employees' Retirement System

Schedule of Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2014	\$ 5,855,877	\$ 5,855,877	\$ -	\$ 25,361,437	23.09%
12/31/2015	6,049,033	6,049,033	-	26,353,056	22.95%
12/31/2016	6,250,395	6,250,395	-	25,475,387	24.54%

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

Notes to Schedule of Contributions

Valuation date December 31, 2015

Notes Actuarially determined contribution rates are calculated as of December 31 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	General county - level dollar Medical Care Facility: level percent of payroll Road fund: level percent of payroll
Remaining amortization period	General county - closed, 25 year period Medical Care Facility: open, 10 year period Road fund: closed, 25 year period
Asset valuation method	Market value with 4 year smoothing of gains and losses.
Inflation	2.5%-2.75%
Salary increases	4.0%-8.0% including inflation
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Mortality rates	RP-2000 Mortality Table projected to 2020 using projection scale AA (adjusted by 120% for males)

COUNTY OF JACKSON, MICHIGAN

Other Postemployment Benefits Plan

County

Schedule of Funding Progress - Other Postemployment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Underfunded ALL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll ((A-B)/C)
12/31/2010	\$ 2,480,920	\$ 67,732,142	\$ (65,251,222)	3.66%	\$ 19,916,698	-327.6%
12/31/2013	1,563,642	142,468,370	(140,904,728)	1.10%	19,247,146	-732.1%
12/31/2015	-	117,277,316	(117,277,316)	0.00%	24,450,728	-479.6%

Schedule of Employer Contributions		
Year Ended December 31	Annual Required Contributions	Percentage Contributed
2014	\$ 7,650,314	72.0%
2015	8,792,893	35.7%
2016	8,792,893	58.9%

COUNTY OF JACKSON, MICHIGAN

Other Postemployment Benefits Plan

Medical Care Facility

Schedule of Funding Progress - Other Postemployment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded ALL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percent of Covered
12/31/2008	\$ -	\$ 6,347,659	\$ (6,347,659)	0.00%	\$ 7,623,471	-83.3%
12/31/2013	-	8,772,447	(8,772,447)	0.00%	8,448,267	-103.8%
12/31/2015	-	10,191,510	(10,191,510)	0.00%	9,083,584	-112.2%

Schedule of Employer Contributions		
Year Ended December 31	Annual Required Contributions	Percentage Contributed
2014	\$ 874,676	45.5%
2015	964,579	81.5%
2016	964,579	41.6%

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

COUNTY OF JACKSON, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund - By Activity
For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues				
Property taxes				
Current real property taxes	\$ 21,774,250	\$ 21,524,250	\$ 21,531,211	\$ 6,961
Delinquent personal property taxes	156,000	156,000	130,311	(25,689)
Industrial/commercial facilities tax	190,000	190,000	104,054	(85,946)
Trailer tax	23,000	23,000	22,089	(911)
Payment in lieu of taxes	65,000	65,000	73,988	8,988
Total property taxes	22,208,250	21,958,250	21,861,653	(96,597)
Licenses, fees, taxes, and permits				
Dog licenses	102,000	102,000	71,240	(30,760)
Marriage licenses	5,500	5,500	5,550	50
Gun permits	72,350	28,000	33,945	5,945
Total licenses, fees, taxes, and permits	179,850	135,500	110,735	(24,765)
Intergovernmental				
Revenue sharing	3,474,000	3,474,000	3,382,698	(91,302)
Liquor tax	620,245	620,245	637,172	16,927
Liquor license	9,000	9,000	10,947	1,947
State court funding distribution	960,000	960,000	912,406	(47,594)
Child abuse and neglect	50,729	50,729	26,413	(24,316)
Crime victim's rights	130,000	130,000	121,000	(9,000)
Remonumentation	68,043	80,904	80,904	-
Judges supplement	594,650	594,650	583,630	(11,020)
Road patrol	179,000	179,000	179,118	118
Marine safety	42,000	42,000	34,600	(7,400)
Community corrections board	216,563	216,563	215,010	(1,553)
Senior citizens programs	383,011	385,829	386,972	1,143
Senior citizens - home delivered meals	118,000	301,304	311,583	10,279
Senior citizens - congregate meals	24,000	170,900	171,216	316
Medicaid waiver	180,130	235,030	241,429	6,399
Circuit court reimbursement	50,000	54,000	64,411	10,411
District court reimbursement	149,735	149,735	150,528	793
Parole violators - county jail	120,700	120,700	123,099	2,399
Diverted felons - county jail	181,000	181,000	170,250	(10,750)
Cooperative reimbursement -				
Prosecuting attorney	195,000	208,000	220,447	12,447
LAWNET narcotics	41,000	41,000	35,973	(5,027)
Emergency management	27,290	27,290	37,479	10,189
Highway training and education - safe communities	-	-	6,859	6,859
Police service contracts	977,869	1,152,869	1,172,214	19,345
Non profit organizations - sheriff	115,500	137,500	137,093	(407)
Emergency dispatch	64,075	52,524	18,367	(34,157)
Local community stabilization tax	-	347,577	1,001,360	653,783
Other grants	45,000	50,000	59,925	9,925
Total intergovernmental	9,016,540	9,972,349	10,493,103	520,754

continued...

COUNTY OF JACKSON, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund - By Activity
For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues (continued)				
Charges for services				
12th district court costs	\$ 1,800,000	\$ 1,450,000	\$ 1,459,224	\$ 9,224
12th district court - other	1,472,537	1,472,537	1,325,679	(146,858)
Prosecuting attorney	186,500	186,500	19,292	(167,208)
Probate court	130,000	130,000	90,058	(39,942)
County Clerk - court costs	150,000	150,000	105,777	(44,223)
County Clerk - other	390,437	403,437	391,312	(12,125)
Printing	17,900	17,900	16,729	(1,171)
Map project	213,700	235,350	209,243	(26,107)
Geographic information systems	90,000	90,000	90,641	641
Transfer tax	325,000	435,000	451,437	16,437
Register of Deeds - recording charges	631,030	631,030	602,277	(28,753)
Treasurer	38,500	50,500	31,957	(18,543)
Sheriff's department	41,600	41,600	24,680	(16,920)
County jail	306,800	306,800	285,174	(21,626)
Community corrections fees	7,500	7,500	8,385	885
Animal shelter	153,340	153,340	90,485	(62,855)
Medical examiner	62,500	72,500	71,878	(622)
Information technology fees	130,370	100,370	87,503	(12,867)
LifeWays building	235,500	220,500	215,610	(4,890)
Total charges for services	6,383,214	6,154,864	5,577,341	(577,523)
Fines and forfeitures				
Fines	701,500	701,500	610,094	(91,406)
Bonds forfeited	22,000	22,000	22,013	13
Total fines and forfeitures	723,500	723,500	632,107	(91,393)
Investment earnings and rentals				
Investment earnings	750,000	700,000	63,411	(636,589)
Rentals - general	197,807	197,807	190,627	(7,180)
Total investment earnings and rentals	947,807	897,807	254,038	(643,769)
Other				
Administrative reimbursements	701,600	486,467	486,221	(246)
Reimbursements - insurance	-	11,400	12,472	1,072
Reimbursements - election	69,200	94,200	96,060	1,860
Reimbursements - prosecuting attorney	50,106	50,106	58,912	8,806
Donations - senior programs	3,950	7,100	7,610	510
Donations - senior home delivered meals	100,000	120,000	121,956	1,956
Donations - seniors congregate meals	52,000	51,000	50,264	(736)
Other - animal shelter	6,000	6,000	5,196	(804)
Other - clerk	19,000	19,000	11,352	(7,648)
Other - treasurer	20,000	20,000	14,361	(5,639)
Other - sheriff	3,000	3,000	202	(2,798)

continued...

COUNTY OF JACKSON, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund - By Activity
For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues (concluded)				
Other - senior programs	\$ 69,525	\$ 71,355	\$ 71,531	\$ 176
Other - senior home delivered meals	276,000	168,786	168,412	(374)
Other - senior congregate meals	145,000	52,408	53,175	767
Other - other	699,800	866,432	668,169	(198,263)
Total other revenues	<u>2,215,181</u>	<u>2,027,254</u>	<u>1,825,893</u>	<u>(201,361)</u>
Total revenues	<u>41,674,342</u>	<u>41,869,524</u>	<u>40,754,870</u>	<u>(1,114,654)</u>
Expenditures				
General government				
Board of Commissioners	182,025	183,245	145,661	(37,584)
Circuit court	2,528,090	2,394,940	2,391,412	(3,528)
Jury commission	246,508	249,563	246,919	(2,644)
12th district court	3,663,110	3,713,420	3,679,820	(33,600)
Adult probation - circuit court	15,316	15,916	14,973	(943)
Public elections	213,540	406,715	404,550	(2,165)
County administrator/controller	379,684	353,664	344,552	(9,112)
County clerk	1,010,156	1,090,091	1,089,412	(679)
Finance	303,135	280,685	269,971	(10,714)
Equalization	674,465	667,065	664,062	(3,003)
Geographic information systems	198,600	171,950	170,223	(1,727)
Human resources	567,960	622,765	620,743	(2,022)
Prosecuting Attorney	1,927,155	1,949,085	1,944,156	(4,929)
Prosecuting attorney - social services	300,430	268,660	267,532	(1,128)
Prosecuting attorney victim/witness program	237,227	252,767	250,694	(2,073)
Public defender	1,178,500	1,168,500	1,333,017	164,517
Register of deeds	370,880	241,805	239,938	(1,867)
Remonumentation	68,043	68,043	64,743	(3,300)
County treasurer	112,932	128,132	127,059	(1,073)
MSU co-operative extension	252,706	250,956	248,889	(2,067)
Information technology	1,167,754	1,290,034	1,288,094	(1,940)
Courthouse and grounds	609,756	531,833	527,679	(4,154)
Northlawn building	287,318	247,818	241,769	(6,049)
Tower building	784,596	799,271	797,130	(2,141)
Human services building	348,994	341,639	338,326	(3,313)
Drain commissioner	193,920	193,120	190,275	(2,845)
Airport maintenance	11,280	11,280	10,766	(514)
LifeWays maintenance	46,545	177,475	176,311	(1,164)
Total general government	<u>17,880,625</u>	<u>18,070,437</u>	<u>18,088,676</u>	<u>18,240</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund - By Activity
For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Expenditures (concluded)				
Public safety				
District court intense probation	\$ 163,440	\$ 143,400	\$ 142,074	\$ (1,326)
County Sheriff	4,933,965	4,918,455	4,916,842	(1,613)
Road patrol	203,620	211,015	209,421	(1,594)
LAWNET narcotics grant	263,622	233,147	232,735	(412)
Marine law enforcement	14,620	44,620	41,746	(2,874)
Truancy grant	111,220	249,120	246,216	(2,904)
911 communications center	1,598,460	1,772,525	1,769,152	(3,373)
County jail	6,636,530	6,844,010	6,698,399	(145,611)
Community corrections board	224,063	219,063	217,697	(1,366)
Animal shelter	339,700	375,945	374,190	(1,755)
Emergency measures	132,204	125,864	124,807	(1,057)
Total public safety	14,621,444	15,137,164	14,973,279	(163,885)
Health and welfare				
Medical examiner	321,572	397,507	404,986	7,479
Senior citizens program	1,244,330	1,234,279	1,229,401	(4,878)
Home delivery meals - seniors	1,141,568	1,252,733	1,250,455	(2,278)
Congregate meals - seniors	359,120	360,300	358,940	(1,360)
Veteran's burial claims	31,500	25,100	24,740	(360)
Veteran's affairs office	146,217	152,192	150,243	(1,949)
Total health and welfare	3,244,307	3,422,111	3,418,765	(3,346)
Other				
Other postemployment benefits expense	2,400,000	2,400,000	2,400,000	-
Pension expense	-	70,000	188,523	118,523
Unallocated retiree benefits	1,016,200	1,149,700	1,145,821	(3,879)
Accrued sick and vacation payoff	75,000	75,000	74,464	(536)
Professional services	176,250	335,770	334,176	(1,594)
Insurance and bonds	725,000	751,050	750,971	(79)
Miscellaneous	279,484	316,336	309,783	(6,553)
Appropriations:				
General government:				
Regional planning	55,340	43,340	43,267	(73)
Soil conservation	10,000	10,000	10,000	-
Jackson traffic safety program	95,000	65,000	61,934	(3,066)
Health and welfare:				
Retired senior citizen volunteer program	7,500	7,500	-	(7,500)
Region II Aging Commission	11,814	11,814	11,814	-
Substance abuse - liquor tax	310,122	304,122	318,407	14,285
Enterprise Group	100,000	100,000	100,000	-
LifeWays	810,000	810,000	810,000	-
Total other	6,071,710	6,449,632	6,559,160	109,529
Total expenditures	41,818,086	43,079,343	43,039,880	(39,463)

continued...

COUNTY OF JACKSON, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - General Fund - By Activity
 For the Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Over (Under) Budget
Revenues under expenditures	\$ (143,744)	\$ (1,209,819)	\$ (2,285,010)	\$ (1,075,191)
Other financing sources (uses)				
Transfers in	4,934,621	5,851,715	5,671,618	(180,097)
Transfers out	(5,509,145)	(5,439,145)	(5,621,154)	182,009
Total other financing sources (uses)	(574,524)	412,570	50,464	(362,106)
Net change in fund balance	(718,268)	(797,249)	(2,234,546)	(1,437,297)
Fund balance, beginning of year	11,873,579	11,873,579	11,873,579	-
Fund balance, end of year	\$ 11,155,311	\$ 11,076,330	\$ 9,639,033	\$ (1,437,297)

concluded.

COUNTY OF JACKSON, MICHIGAN

Detail Schedule of Revenues - General Operating Fund

Road Fund

For the Year Ended December 31, 2016

Revenues

Licenses and permits	\$ 87,275
Federal sources:	
Surface transportation program	1,748,187
Other	265,806
Total federal sources	<u>2,013,993</u>
State sources:	
Motor Vehicle Highway Funds - Act 51:	
Engineering	10,000
Primary roads	6,843,442
Local roads	3,307,075
Primary urban roads	1,030,773
Local urban roads	417,216
Critical bridge	180,000
Rural primary roads	143,867
Other	889,799
Total state sources	<u>12,822,172</u>
Local sources:	
Township contributions	1,257,543
Other contributions	25,153
Total local sources	<u>1,282,696</u>
Charges for services:	
State maintenance contract	2,163,921
Other services	256,274
Salvage sales	17,605
Total charges for services	<u>2,437,800</u>
Investment earnings and rent	<u>76,317</u>
Other revenues:	
Net proceeds on equipment disposal	14,221
Proceeds from issuance of long-term debt	14,190,000
Premium on bonds	61,174
Total other revenues	<u>14,265,395</u>
Total revenues	<u>\$ 32,985,648</u>

COUNTY OF JACKSON, MICHIGAN

Detail Schedule of Expenditures - General Operating Fund

Road Fund

For the Year Ended December 31, 2016

Expenditures

Preservation - structural improvements:

Primary roads and structures	\$ 3,839,951
Local roads and structures	2,070,894
Total preservation - structural improvements	<u>5,910,845</u>

Maintenance - winter and traffic control

Primary roads and structures	6,849,223
Local roads and structures	6,231,852
Total maintenance - winter and traffic control	<u>13,081,075</u>

Equipment:

Direct	3,180,465
Indirect	1,932,158
Operating	183,827
Less - equipment rental	(3,795,049)
Total equipment	<u>1,501,401</u>

Administrative	<u>966,303</u>
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Other - trunkline maintenance, non-maintenance and other	<u>2,194,157</u>
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Capital outlay - net	<u>3,540,141</u>
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Debt service:

Principal	45,479
Interest and fiscal charges	76,412
Total debt service	<u>121,891</u>

Total expenditures	<u>\$ 27,315,813</u>
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COUNTY OF JACKSON, MICHIGAN

Detail Schedule of Revenues, Expenditures and Changes in Fund Balances - General Operating Fund

Road Fund

For the Year Ended December 31, 2016

	Primary Roads	Local Roads	County Roads	Total
Revenues				
Licenses, fees, taxes and permits	\$ 87,275	\$ -	\$ -	\$ 87,275
Intergovernmental:				
Federal sources	2,013,993	-	-	2,013,993
State sources	9,094,624	3,727,548	-	12,822,172
Local sources	-	1,257,543	25,153	1,282,696
Salvage sales	-	-	14,221	14,221
Charges for services	800	25,426	2,411,574	2,437,800
Investment earnings and rental	2,054	-	74,263	76,317
Total revenues	11,198,746	5,010,517	2,525,211	18,734,474
Expenditures				
Preservation -				
Structural improvements	3,839,951	2,070,894	-	5,910,845
Maintenance:				
Road and structures	4,794,248	4,720,976	-	9,515,224
Winter	1,751,351	1,370,992	-	3,122,343
Traffic control	303,625	139,883	-	443,508
Equipment - net	552,955	630,854	317,592	1,501,401
Administrative	543,862	422,441	-	966,303
Trunkline maintenance	-	-	2,051,869	2,051,869
Trunkline non-maintenance	-	-	142,288	142,288
Capital outlay-net	-	-	3,540,141	3,540,141
Debt service:				
Principal	-	-	45,479	45,479
Interest and fiscal charges	-	-	76,412	76,412
Total expenditures	11,785,992	9,356,040	6,173,781	27,315,813
Revenue under expenditures	(587,246)	(4,345,523)	(3,648,570)	(8,581,339)
Other financing sources (uses)				
Transfers in (out)	(99,176)	4,345,523	(4,246,347)	-
Proceeds from issuance of long-term debt	-	-	14,190,000	14,190,000
Premium on bonds	-	-	61,174	61,174
Total other financing sources (uses)	(99,176)	4,345,523	10,004,827	14,251,174
Net change in fund balance	(686,422)	-	6,356,257	5,669,835
Fund balance, beginning of year	686,422	-	5,685,929	6,372,351
Fund balance, end of year	\$ -	\$ -	\$ 12,042,186	\$ 12,042,186

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2016

	Special Revenue Funds	Debt Service	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Assets					
Cash and pooled investments	\$ 7,324,607	\$ 77,180	\$ 2,349,225	\$ 171,889	\$ 9,922,901
Accounts receivable	137,206	-	637,517	-	774,723
Taxes receivable	2,015,914	-	-	-	2,015,914
Due from other governments	1,837,454	-	-	-	1,837,454
Inventories	174,828	-	-	-	174,828
Prepaid items	14,887	-	81,001	-	95,888
Total assets	\$ 11,504,896	\$ 77,180	\$ 3,067,743	\$ 171,889	\$ 14,821,708
Liabilities					
Accounts payable	\$ 774,667	\$ -	\$ 116,119	\$ -	\$ 890,786
Accrued payroll	251,769	-	-	-	251,769
Accrued liabilities	62,410	-	-	-	62,410
Due to other funds	124,584	-	-	-	124,584
Interfund payable	85,520	-	569,223	-	654,743
Advances from other funds	500,000	-	-	-	500,000
Unearned revenue	166,351	-	-	-	166,351
Total liabilities	1,965,301	-	685,342	-	2,650,643
Deferred inflows of resources					
Taxes levied for a subsequent period	2,083,544	-	-	-	2,083,544
Fund balances					
Nonspendable	189,715	-	81,001	808	271,524
Restricted	6,177,123	77,180	-	171,081	6,425,384
Committed	1,089,213	-	2,301,400	-	3,390,613
Total fund balances	7,456,051	77,180	2,382,401	171,889	10,087,521
Total liabilities, deferred inflows of resources and fund balances	\$ 11,504,896	\$ 77,180	\$ 3,067,743	\$ 171,889	\$ 14,821,708

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds	Debt Service	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Revenues					
Property taxes	\$ 1,668,951	\$ -	\$ -	\$ -	\$ 1,668,951
Licenses, fees, taxes and permits	437,418	-	-	-	437,418
Intergovernmental	9,648,167	-	48,961	-	9,697,128
Charges for services	3,082,020	92,086	-	-	3,174,106
Fines and forfeitures	19,314	-	-	-	19,314
Investment earnings	11,435	634	252	-	12,321
Rental	280,712	-	13,974	-	294,686
Donations	-	-	-	33,061	33,061
Other	3,263,137	-	2,235,658	260	5,499,055
Total revenues	18,411,154	92,720	2,298,845	33,321	20,836,040
Expenditures					
Current:					
Judicial	3,902,705	-	-	-	3,902,705
General government	64,956	-	-	-	64,956
Public safety	3,032,446	-	-	-	3,032,446
Health and welfare	12,035,547	-	-	-	12,035,547
Recreation and culture	1,633,829	-	-	-	1,633,829
Community development	791,815	-	-	-	791,815
Fair	1,418,233	-	-	-	1,418,233
Other functions	-	-	-	24,674	24,674
Debt service:					
Principal	-	505,000	-	-	505,000
Interest	-	219,695	-	-	219,695
Capital outlay	-	-	7,616,279	-	7,616,279
Total expenditures	22,879,531	724,695	7,616,279	24,674	31,245,179
Revenues over (under) expenditures	(4,468,377)	(631,975)	(5,317,434)	8,647	(10,409,139)
Other financing sources (uses)					
Proceeds from issuance of long-term debt	-	-	1,000,000	-	1,000,000
Transfers in	5,055,069	632,109	2,820,862	-	8,508,040
Transfers out	(1,525,043)	-	(2,303,481)	-	(3,828,524)
Proceeds from sale of capital assets	6,068	-	21,801	-	27,869
Total other financing sources	3,536,094	632,109	1,539,182	-	5,707,385
Net change in fund balances	(932,283)	134	(3,778,252)	8,647	(4,701,754)
Fund balances, beginning of year	8,388,334	77,046	6,160,653	163,242	14,789,275
Fund balances, end of year	\$ 7,456,051	\$ 77,180	\$ 2,382,401	\$ 171,889	\$ 10,087,521

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet Nonmajor Special Revenue Funds December 31, 2016

	Parks Commission	Cascades Preservation	Friend of the Court	Omnibus Forfeitures
Assets				
Cash and pooled investments	\$ 23,504	\$ -	\$ 752,386	\$ 981
Accounts receivable	-	60,000	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	-	702,288	-
Inventories	138,589	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 162,093	\$ 60,000	\$ 1,454,674	\$ 981
Liabilities				
Accounts payable	\$ 15,672	\$ 3,086	\$ 4,028	\$ -
Accrued payroll	7,779	-	86,030	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Interfund payable	-	55,894	-	-
Advance from other funds	-	-	500,000	-
Unearned revenue	-	-	-	-
Total liabilities	23,451	58,980	590,058	-
Deferred inflows of resources				
Taxes levied for a subsequent period	-	-	-	-
Fund balances				
Nonspendable	138,589	-	-	-
Restricted	-	-	-	-
Committed	53	1,020	864,616	981
Total fund balances	138,642	1,020	864,616	981
Total liabilities, deferred inflows of resources and fund balances	\$ 162,093	\$ 60,000	\$ 1,454,674	\$ 981



Prosecuting Attorney Drug Enforcement	Sheriff Drug Enforcement	County Law Library	Michigan Justice Training	Social Services	Veteran's Trust
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\$ 107,695	\$ 1,210	\$ 6,128	\$ -	\$ 124,959	\$ 7,480
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,523	-	-
-	-	-	-	-	-
-	-	-	13,197	-	-

<u>\$ 107,695</u>	<u>\$ 1,210</u>	<u>\$ 6,128</u>	<u>\$ 16,720</u>	<u>\$ 124,959</u>	<u>\$ 7,480</u>
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\$ 165	\$ 322	\$ -	\$ 1,800	\$ 14,500	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,490	-	-
-	-	-	-	-	-
-	-	-	-	-	-

<u>165</u>	<u>322</u>	<u>-</u>	<u>3,290</u>	<u>14,500</u>	<u>-</u>
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-	-	-	-	-	-
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-	-	-	13,197	-	-
-	888	-	-	110,459	7,480
<u>107,530</u>	<u>-</u>	<u>6,128</u>	<u>233</u>	<u>-</u>	<u>-</u>

<u>107,530</u>	<u>888</u>	<u>6,128</u>	<u>13,430</u>	<u>110,459</u>	<u>7,480</u>
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<u>\$ 107,695</u>	<u>\$ 1,210</u>	<u>\$ 6,128</u>	<u>\$ 16,720</u>	<u>\$ 124,959</u>	<u>\$ 7,480</u>
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COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2016

	Airport	Joint Narcotics	Community Development Block Grant	Register of Deeds Automation Fund
Assets				
Cash and pooled investments	\$ -	\$ 563,169	\$ 157,349	\$ 447,042
Accounts receivable	44,509	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	-	3,688	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 44,509	\$ 563,169	\$ 161,037	\$ 447,042
Liabilities				
Accounts payable	\$ 10,864	\$ 7,117	\$ 69,528	\$ 6,690
Accrued payroll	3,870	-	-	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Interfund payable	28,136	-	-	-
Advance from other funds	-	-	-	-
Unearned revenue	1,570	-	91,509	-
Total liabilities	44,440	7,117	161,037	6,690
Deferred inflows of resources				
Taxes levied for a subsequent period	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	556,052	-	440,352
Committed	69	-	-	-
Total fund balances	69	556,052	-	440,352
Total liabilities, deferred inflows of resources and fund balances	\$ 44,509	\$ 563,169	\$ 161,037	\$ 447,042

Child Care	Golf Courses	Fair	Health Department	Department on Aging Millage	Falling Waters Trail
\$ 1,111,956	\$ 1,619	\$ 282,875	\$ 840,347	\$ 530,220	\$ 144,714
3,305	-	-	29,392	-	-
-	-	-	-	1,007,957	-
562,482	-	-	565,473	-	-
-	36,239	-	-	-	-
-	-	-	1,690	-	-
<u>\$ 1,677,743</u>	<u>\$ 37,858</u>	<u>\$ 282,875</u>	<u>\$ 1,436,902</u>	<u>\$ 1,538,177</u>	<u>\$ 144,714</u>
\$ 37,348	\$ 216	\$ 12,635	\$ 64,817	\$ -	\$ 4,110
30,980	1,180	1,260	120,670	-	-
-	-	-	62,410	-	-
-	-	124,584	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,750	-	36,036	21,486	-	-
<u>84,078</u>	<u>1,396</u>	<u>174,515</u>	<u>269,383</u>	<u>-</u>	<u>4,110</u>
-	-	-	-	1,041,772	-
-	36,239	-	1,690	-	-
1,593,665	-	-	1,165,829	496,405	140,604
-	223	108,360	-	-	-
<u>1,593,665</u>	<u>36,462</u>	<u>108,360</u>	<u>1,167,519</u>	<u>496,405</u>	<u>140,604</u>
<u>\$ 1,677,743</u>	<u>\$ 37,858</u>	<u>\$ 282,875</u>	<u>\$ 1,436,902</u>	<u>\$ 1,538,177</u>	<u>\$ 144,714</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds
December 31, 2016

	Maintenance of Effort	Concealed Pistol Licenses	Total
Assets			
Cash and pooled investments	\$ 2,144,943	\$ 76,030	\$ 7,324,607
Accounts receivable	-	-	137,206
Taxes receivable	1,007,957	-	2,015,914
Due from other governments	-	-	1,837,454
Inventories	-	-	174,828
Prepaid items	-	-	14,887
Total assets	\$ 3,152,900	\$ 76,030	\$ 11,504,896
Liabilities			
Accounts payable	\$ 521,769	\$ -	\$ 774,667
Accrued payroll	-	-	251,769
Accrued liabilities	-	-	62,410
Due to other funds	-	-	124,584
Interfund payable	-	-	85,520
Advance from other funds	-	-	500,000
Unearned revenue	-	-	166,351
Total liabilities	521,769	-	1,965,301
Deferred inflows of resources			
Taxes levied for a subsequent period	1,041,772	-	2,083,544
Fund balances			
Nonspendable	-	-	189,715
Restricted	1,589,359	76,030	6,177,123
Committed	-	-	1,089,213
Total fund balances	1,589,359	76,030	7,456,051
Total liabilities, deferred inflows of resources and fund balances	\$ 3,152,900	\$ 76,030	\$ 11,504,896

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COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2016

	Parks Commission	Cascades Preservation	Friend of the Court	Omnibus Forfeitures
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-	-
Intergovernmental	-	-	2,951,484	-
Charges for services	338,327	-	278,489	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Rental	-	-	-	-
Other revenue	4,842	144,471	-	-
Total revenues	343,169	144,471	3,229,973	-
Expenditures				
Current:				
Judicial	-	-	3,347,772	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	897,911	143,871	-	-
Community development	-	-	-	-
Fair	-	-	-	-
Total expenditures	897,911	143,871	3,347,772	-
Revenues over (under) expenditures	(554,742)	600	(117,799)	-
Other financing sources (uses)				
Transfers in	592,078	-	647,294	-
Transfers out	(21,088)	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	570,990	-	647,294	-
Net change in fund balances	16,248	600	529,495	-
Fund balances, beginning of year	122,394	420	335,121	981
Fund balances, end of year	\$ 138,642	\$ 1,020	\$ 864,616	\$ 981

Prosecuting Attorney Drug Enforcement	Sheriff Drug Enforcement	County Law Library	Michigan Justice Training	Social Services	Veteran's Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	26,755	-	38,638
-	-	-	-	-	-
54	5,450	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	6,500	50,433	-	-
54	5,450	6,500	77,188	-	38,638
13,748	-	1,398	-	-	-
-	-	-	-	-	-
-	10,287	-	42,160	-	-
-	-	-	-	29,073	31,175
-	-	-	-	-	-
-	-	-	-	-	-
13,748	10,287	1,398	42,160	29,073	31,175
(13,694)	(4,837)	5,102	35,028	(29,073)	7,463
-	-	-	7,600	29,000	-
-	-	-	(38,500)	-	-
-	-	-	-	-	-
-	-	-	(30,900)	29,000	-
(13,694)	(4,837)	5,102	4,128	(73)	7,463
121,224	5,725	1,026	9,302	110,532	17
\$ 107,530	\$ 888	\$ 6,128	\$ 13,430	\$ 110,459	\$ 7,480

continued...

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2016

	Airport	Joint Narcotics	Community Development Block Grant	Register of Deeds Automation Fund
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	13,232	-	-	-
Intergovernmental	-	-	106,977	-
Charges for services	19,039	-	-	143,890
Fines and forfeitures	-	13,810	-	-
Investment earnings	-	84	-	64
Rental	270,607	-	-	-
Other revenue	15,848	-	145,640	-
Total revenues	318,726	13,894	252,617	143,954
Expenditures				
Current:				
Judicial	-	98,931	-	-
General government	-	-	-	64,956
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Recreation and cultural	-	-	-	-
Community development	546,673	-	245,142	-
Fair	-	-	-	-
Total expenditures	546,673	98,931	245,142	64,956
Revenues over (under) expenditures	(227,947)	(85,037)	7,475	78,998
Other financing sources (uses)				
Transfers in	261,240	(4,300)	-	-
Transfers out	(41,835)	(55,990)	(7,475)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	219,405	(60,290)	(7,475)	-
Net change in fund balances	(8,542)	(145,327)	-	78,998
Fund balances, beginning of year	8,611	701,379	-	361,354
Fund balances, end of year	\$ 69	\$ 556,052	\$ -	\$ 440,352

Child Care	Golf Courses	Fair	Health Department	Department on Aging Millage	Falling Waters Trail
\$ -	\$ -	\$ -	\$ -	\$ 1,070,886	\$ -
-	-	-	334,712	-	-
3,521,415	-	-	3,002,898	-	-
70,099	585,480	1,250,658	396,038	-	-
-	-	-	-	-	-
-	-	38	-	111	-
10,105	-	-	-	-	-
37,779	-	87,652	2,756,591	-	13,381
<u>3,639,398</u>	<u>585,480</u>	<u>1,338,348</u>	<u>6,490,239</u>	<u>1,070,997</u>	<u>13,381</u>
427,412	-	-	-	-	-
-	-	-	-	-	-
2,979,999	-	-	-	-	-
2,713,764	-	-	6,536,939	-	-
-	515,611	-	-	-	76,436
-	-	-	-	-	-
-	-	1,418,233	-	-	-
<u>6,121,175</u>	<u>515,611</u>	<u>1,418,233</u>	<u>6,536,939</u>	<u>-</u>	<u>76,436</u>
<u>(2,481,777)</u>	<u>69,869</u>	<u>(79,885)</u>	<u>(46,700)</u>	<u>1,070,997</u>	<u>(63,055)</u>
3,302,456	-	-	219,701	-	-
-	(72,700)	-	(141,455)	(1,146,000)	-
-	-	-	-	6,068	-
<u>3,302,456</u>	<u>(72,700)</u>	<u>-</u>	<u>78,246</u>	<u>(1,139,932)</u>	<u>-</u>
820,679	(2,831)	(79,885)	31,546	(68,935)	(63,055)
772,986	39,293	188,245	1,135,973	565,340	203,659
<u>\$ 1,593,665</u>	<u>\$ 36,462</u>	<u>\$ 108,360</u>	<u>\$ 1,167,519</u>	<u>\$ 496,405</u>	<u>\$ 140,604</u>

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COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2016

	Maintenance of Effort	Concealed Pistol Licenses	Total
Revenues			
Property taxes	\$ 598,065	\$ -	\$ 1,668,951
Licenses, fees, taxes and permits	-	89,474	437,418
Intergovernmental	-	-	9,648,167
Charges for services	-	-	3,082,020
Fines and forfeitures	-	-	19,314
Investment earnings	11,138	-	11,435
Rental	-	-	280,712
Other revenue	-	-	3,263,137
Total revenues	609,203	89,474	18,411,154
Expenditures			
Current:			
Judicial	-	13,444	3,902,705
General government	-	-	64,956
Public safety	-	-	3,032,446
Health and welfare	2,724,596	-	12,035,547
Recreation and cultural	-	-	1,633,829
Community development	-	-	791,815
Fair	-	-	1,418,233
Total expenditures	2,724,596	13,444	22,879,531
Revenues over (under) expenditures	(2,115,393)	76,030	(4,468,377)
Other financing sources (uses)			
Transfers in	-	-	5,055,069
Transfers out	-	-	(1,525,043)
Proceeds from sale of capital assets	-	-	6,068
Total other financing sources (uses)	-	-	3,536,094
Net change in fund balances	(2,115,393)	76,030	(932,283)
Fund balances, beginning of year	3,704,752	-	8,388,334
Fund balances, end of year	\$ 1,589,359	\$ 76,030	\$ 7,456,051

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COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Parks Commission		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	330,775	338,327	7,552
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other revenue	6,400	4,842	(1,558)
Total revenues	337,175	343,169	5,994
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	978,944	897,911	(81,033)
Community development	-	-	-
Fair	-	-	-
Total expenditures	978,944	897,911	(81,033)
Revenues over (under) expenditures	(641,769)	(554,742)	87,027
Other financing sources (uses)			
Transfers in	654,325	592,078	(62,247)
Transfers out	(42,176)	(21,088)	(21,088)
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	612,149	570,990	(41,159)
Net change in fund balances	(29,620)	16,248	45,868
Fund balances, beginning of year	122,394	122,394	-
Fund balances, end of year	\$ 92,774	\$ 138,642	\$ 45,868



Cascades Preservation			Friend of the Court		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	2,753,221	2,951,484	198,263
-	-	-	266,934	278,489	11,555
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
88,000	144,471	56,471	-	-	-
88,000	144,471	56,471	3,020,155	3,229,973	209,818
-	-	-	3,668,091	3,347,772	(320,319)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
143,902	143,871	(31)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
143,902	143,871	(31)	3,668,091	3,347,772	(320,319)
(55,902)	600	56,502	(647,936)	(117,799)	530,137
-	-	-	647,936	647,294	(642)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	647,936	647,294	(642)
(55,902)	600	56,502	-	529,495	529,495
420	420	-	335,121	335,121	-
<u>\$ (55,482)</u>	<u>\$ 1,020</u>	<u>\$ 56,502</u>	<u>\$ 335,121</u>	<u>\$ 864,616</u>	<u>\$ 529,495</u>

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COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Omnibus Forfeitures		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	-	-	-
Community development	-	-	-
Fair	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	<u>981</u>	<u>981</u>	<u>-</u>
Fund balances, end of year	<u>\$ 981</u>	<u>\$ 981</u>	<u>\$ -</u>



Prosecuting Attorney Drug Enforcement			Sheriff Drug Enforcement		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
40,000	54	(39,946)	16,000	5,450	(10,550)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,000</u>	<u>54</u>	<u>(39,946)</u>	<u>16,000</u>	<u>5,450</u>	<u>(10,550)</u>
40,000	13,748	(26,252)	-	-	-
-	-	-	-	-	-
-	-	-	16,000	10,287	(5,713)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,000</u>	<u>13,748</u>	<u>(26,252)</u>	<u>16,000</u>	<u>10,287</u>	<u>(5,713)</u>
-	(13,694)	(13,694)	-	(4,837)	(4,837)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(13,694)	(13,694)	-	(4,837)	(4,837)
<u>121,224</u>	<u>121,224</u>	<u>-</u>	<u>5,725</u>	<u>5,725</u>	<u>-</u>
<u>\$ 121,224</u>	<u>\$ 107,530</u>	<u>\$ (13,694)</u>	<u>\$ 5,725</u>	<u>\$ 888</u>	<u>\$ (4,837)</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	County Law Library		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other revenue	6,500	6,500	-
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>-</u>
Expenditures			
Current:			
Judicial	6,500	1,398	(5,102)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	-	-	-
Community development	-	-	-
Fair	-	-	-
Total expenditures	<u>6,500</u>	<u>1,398</u>	<u>(5,102)</u>
Revenues over (under) expenditures	<u>-</u>	<u>5,102</u>	<u>5,102</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	5,102	5,102
Fund balances, beginning of year	<u>1,026</u>	<u>1,026</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,026</u>	<u>\$ 6,128</u>	<u>\$ 5,102</u>



Michigan Justice Training			Social Services		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
12,000	26,755	14,755	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
58,000	50,433	(7,567)	-	-	-
<u>70,000</u>	<u>77,188</u>	<u>7,188</u>	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
48,600	42,160	(6,440)	-	-	-
-	-	-	29,000	29,073	73
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>48,600</u>	<u>42,160</u>	<u>(6,440)</u>	<u>29,000</u>	<u>29,073</u>	<u>73</u>
<u>21,400</u>	<u>35,028</u>	<u>(13,628)</u>	<u>(29,000)</u>	<u>(29,073)</u>	<u>(73)</u>
-	7,600	7,600	29,000	29,000	-
(21,400)	(38,500)	17,100	-	-	-
-	-	-	-	-	-
<u>(21,400)</u>	<u>(30,900)</u>	<u>24,700</u>	<u>29,000</u>	<u>29,000</u>	<u>-</u>
-	4,128	38,328	-	(73)	(73)
<u>9,302</u>	<u>9,302</u>	<u>-</u>	<u>110,532</u>	<u>110,532</u>	<u>-</u>
<u>\$ 9,302</u>	<u>\$ 13,430</u>	<u>\$ 38,328</u>	<u>\$ 110,532</u>	<u>\$ 110,459</u>	<u>\$ (73)</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Nonmajor Special Revenue Funds For the Year Ended December 31, 2016

	Veterans Trust		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	90,000	38,638	(51,362)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other revenue	-	-	-
Total revenues	90,000	38,638	(51,362)
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	90,000	31,175	(58,825)
Recreation and culture	-	-	-
Community development	-	-	-
Fair	-	-	-
Total expenditures	90,000	31,175	(58,825)
Revenues over (under) expenditures	-	7,463	7,463
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	7,463	7,463
Fund balances, beginning of year	17	17	-
Fund balances, end of year	\$ 17	\$ 7,480	\$ 7,463

Airport			Joint Narcotics		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14,800	13,232	(1,568)	-	-	-
4,850	-	(4,850)	-	-	-
22,950	19,039	(3,911)	-	-	-
-	-	-	155,000	13,810	(141,190)
-	-	-	-	84	84
291,705	270,607	(21,098)	-	-	-
22,900	15,848	(7,052)	-	-	-
<u>357,205</u>	<u>318,726</u>	<u>(38,479)</u>	<u>155,000</u>	<u>13,894</u>	<u>(141,106)</u>
-	-	-	99,010	98,931	(79)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
549,290	546,673	(2,617)	-	-	-
-	-	-	-	-	-
<u>549,290</u>	<u>546,673</u>	<u>(2,617)</u>	<u>99,010</u>	<u>98,931</u>	<u>(79)</u>
<u>(192,085)</u>	<u>(227,947)</u>	<u>(35,862)</u>	<u>55,990</u>	<u>(85,037)</u>	<u>(141,027)</u>
223,740	261,240	37,500	-	(4,300)	(4,300)
(41,835)	(41,835)	-	(55,990)	(55,990)	-
-	-	-	-	-	-
<u>181,905</u>	<u>219,405</u>	<u>37,500</u>	<u>(55,990)</u>	<u>(60,290)</u>	<u>(4,300)</u>
(10,180)	(8,542)	1,638	-	(145,327)	(145,327)
<u>8,611</u>	<u>8,611</u>	<u>-</u>	<u>701,379</u>	<u>701,379</u>	<u>-</u>
<u>\$ (1,569)</u>	<u>\$ 69</u>	<u>\$ 1,638</u>	<u>\$ 701,379</u>	<u>\$ 556,052</u>	<u>\$ (145,327)</u>

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COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Nonmajor Special Revenue Funds For the Year Ended December 31, 2016

	Community Development Block Grant		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	60,000	106,977	46,977
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other revenue	166,000	145,640	(20,360)
Total revenues	226,000	252,617	26,617
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	-	-	-
Community development	226,000	245,142	19,142
Fair	-	-	-
Total expenditures	226,000	245,142	19,142
Revenues over (under) expenditures	-	7,475	7,475
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	(7,475)	7,475
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	(7,475)	(7,475)
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -

Register of Deeds Automation			Child Care		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	3,080,435	3,521,415	440,980
148,500	143,890	(4,610)	39,098	70,099	31,001
-	-	-	-	-	-
500	64	(436)	-	-	-
-	-	-	2,000	10,105	8,105
-	-	-	-	37,779	37,779
<u>149,000</u>	<u>143,954</u>	<u>(5,046)</u>	<u>3,121,533</u>	<u>3,639,398</u>	<u>517,865</u>
-	-	-	877,000	427,412	(449,588)
149,000	64,956	(84,044)	-	-	-
-	-	-	3,012,989	2,979,999	(32,990)
-	-	-	2,761,984	2,713,764	(48,220)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>149,000</u>	<u>64,956</u>	<u>(84,044)</u>	<u>6,651,973</u>	<u>6,121,175</u>	<u>(530,798)</u>
-	78,998	78,998	(3,530,440)	(2,481,777)	1,048,663
-	-	-	3,302,456	3,302,456	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,302,456	3,302,456	-
-	78,998	78,998	(227,984)	820,679	1,048,663
<u>361,354</u>	<u>361,354</u>	<u>-</u>	<u>772,986</u>	<u>772,986</u>	<u>-</u>
<u>\$ 361,354</u>	<u>\$ 440,352</u>	<u>\$ 78,998</u>	<u>\$ 545,002</u>	<u>\$ 1,593,665</u>	<u>\$ 1,048,663</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Nonmajor Special Revenue Funds For the Year Ended December 31, 2016

	Golf Courses		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	675,786	585,480	(90,306)
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other	-	-	-
Total revenues	675,786	585,480	(90,306)
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	556,539	515,611	(40,928)
Community development	-	-	-
Fair	-	-	-
Total expenditures	556,539	515,611	(40,928)
Revenues over (under) expenditures	119,247	69,869	(49,378)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(119,247)	(72,700)	(46,547)
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	(119,247)	(72,700)	46,547
Net change in fund balances	-	(2,831)	(2,831)
Fund balances, beginning of year	39,293	39,293	-
Fund balances, end of year	\$ 39,293	\$ 36,462	\$ (2,831)

Fair			Health Department		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	337,867	334,712	(3,155)
-	-	-	2,963,664	3,002,898	39,234
1,364,775	1,250,658	(114,117)	596,581	396,038	(200,543)
-	-	-	-	-	-
500	38	(462)	315	-	(315)
-	-	-	-	-	-
89,650	87,652	(1,998)	2,444,952	2,756,591	311,639
<u>1,454,925</u>	<u>1,338,348</u>	<u>(116,577)</u>	<u>6,343,379</u>	<u>6,490,239</u>	<u>146,860</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,782,238	6,536,939	(245,299)
-	-	-	-	-	-
-	-	-	-	-	-
1,423,560	1,418,233	(5,327)	-	-	-
<u>1,423,560</u>	<u>1,418,233</u>	<u>(5,327)</u>	<u>6,782,238</u>	<u>6,536,939</u>	<u>(245,299)</u>
<u>31,365</u>	<u>(79,885)</u>	<u>(111,250)</u>	<u>(438,859)</u>	<u>(46,700)</u>	<u>392,159</u>
-	-	-	219,701	219,701	-
-	-	-	(141,455)	(141,455)	-
2,000	-	(2,000)	-	-	-
<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>78,246</u>	<u>78,246</u>	<u>-</u>
33,365	(79,885)	(113,250)	(360,613)	31,546	392,159
<u>188,245</u>	<u>188,245</u>	<u>-</u>	<u>1,135,973</u>	<u>1,135,973</u>	<u>-</u>
<u>\$ 221,610</u>	<u>\$ 108,360</u>	<u>\$ (113,250)</u>	<u>\$ 775,360</u>	<u>\$ 1,167,519</u>	<u>\$ 392,159</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Department on Aging Millage		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 1,100,000	\$ 1,070,886	\$ (29,114)
Licenses, fees, taxes and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	111	111
Rental	-	-	-
Other	-	-	-
Total revenues	1,100,000	1,070,997	(29,003)
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	-	-	-
Community development	-	-	-
Fair	-	-	-
Total expenditures	-	-	-
Revenues over (under) expenditures	1,100,000	1,070,997	(29,003)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(1,048,805)	(1,146,000)	97,195
Proceeds from sale of capital assets	-	6,068	6,068
Total other financing sources (uses)	(1,048,805)	(1,139,932)	(91,127)
Net change in fund balances	51,195	(68,935)	(120,130)
Fund balances, beginning of year	565,340	565,340	-
Fund balances, end of year	\$ 616,535	\$ 496,405	\$ (120,130)

Falling Waters Trail			Maintenance of Effort		
Amended Budget	Actual	Over (Under) Budget	Amended Budget	Actual	Over (Under) Budget
\$ -	\$ -	\$ -	\$ 600,000	\$ 598,065	\$ (1,935)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	11,138	11,138
-	13,381	13,381	-	-	-
-	13,381	13,381	600,000	609,203	9,203
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,769,172	2,724,596	(44,576)
288,659	76,436	(212,223)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
288,659	76,436	(212,223)	2,769,172	2,724,596	(44,576)
(288,659)	(63,055)	225,604	(2,169,172)	(2,115,393)	53,779
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(288,659)	(63,055)	225,604	(2,169,172)	(2,115,393)	53,779
203,659	203,659	-	3,704,752	3,704,752	-
\$ (85,000)	\$ 140,604	\$ 225,604	\$ 1,535,580	\$ 1,589,359	\$ 53,779

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual - Nonmajor Special Revenue Funds

	Concealed Pistol Licenses		
	Amended Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses, fees, taxes and permits	24,000	89,474	65,474
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Rental	-	-	-
Other	-	-	-
Total revenues	24,000	89,474	65,474
Expenditures			
Current:			
Judicial	24,000	13,444	(10,556)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Recreation and culture	-	-	-
Community development	-	-	-
Fair	-	-	-
Total expenditures	24,000	13,444	(10,556)
Revenues over (under) expenditures	-	76,030	76,030
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	76,030	76,030
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ 76,030	\$ 76,030

concluded.

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2016

	Capital Improvement Series 2015C Airport	Capital Improvement Series 2015A Energy	Capital Improvement Series 2015B LifeWays	Total
Assets				
Cash and pooled investments	\$ 58,184	\$ -	\$ 18,996	\$ 77,180
Fund balances				
Restricted	\$ 58,184	\$ -	\$ 18,996	\$ 77,180

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds For the Year Ended December 31, 2016

	Capital Improvement Series 2015C Airport	Capital Improvement Series 2015A Energy	Capital Improvement Series 2015B LifeWays	Total
Revenues				
Charges for services	\$ -	\$ -	\$ 92,086	\$ 92,086
Investment earnings	-	-	634	634
Total revenues	-	-	92,720	92,720
Expenditures				
Debt service:				
Principal	365,000	85,000	55,000	505,000
Interest	108,878	73,231	37,586	219,695
Total expenditures	473,878	158,231	92,586	724,695
Revenues over (under) expenditures	(473,878)	(158,231)	134	(631,975)
Other financing sources				
Transfers in	473,878	158,231	-	632,109
Net change in fund balances	-	-	134	134
Fund balances, beginning of year	58,184	-	18,862	77,046
Fund balances, end of year	\$ 58,184	\$ -	\$ 18,996	\$ 77,180

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2016

	Equipment/ Replacement	Sheriff Department Equipment	Public Improvement and Building	Airport Runway Project	Total
Assets					
Cash and pooled investments	\$ 869,334	\$ -	\$ 1,479,891	\$ -	\$ 2,349,225
Accounts receivable	-	635,310	2,207	-	637,517
Prepaid items	81,001	-	-	-	81,001
Total assets	\$ 950,335	\$ 635,310	\$ 1,482,098	\$ -	\$ 3,067,743
Liabilities					
Accounts payable	\$ 31,411	\$ 3,881	\$ 80,827	\$ -	\$ 116,119
Interfund payable	-	569,223	-	-	569,223
Total liabilities	31,411	573,104	80,827	-	685,342
Fund balances					
Nonspendable	81,001	-	-	-	81,001
Committed	837,923	62,206	1,401,271	-	2,301,400
Total fund balances	918,924	62,206	1,401,271	-	2,382,401
Total liabilities and fund balances	\$ 950,335	\$ 635,310	\$ 1,482,098	\$ -	\$ 3,067,743

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended December 31, 2016

	Equipment/ Replacement	Sheriff Department Equipment	Public Improvement and Building	Airport Runway Project	Total
Revenues					
Intergovernmental	\$ 48,961	\$ -	\$ -	\$ -	\$ 48,961
Investment earnings	-	-	252	-	252
Rental	13,974	-	-	-	13,974
Other	-	2,166,609	69,049	-	2,235,658
Total revenues	62,935	2,166,609	69,301	-	2,298,845
Expenditures					
Capital outlay	1,020,553	371,692	1,947,861	4,276,173	7,616,279
Revenues over (under) expenditures	(957,618)	1,794,917	(1,878,560)	(4,276,173)	(5,317,434)
Other financing sources (uses)					
Proceeds from issuance of long-term debt	-	-	-	1,000,000	1,000,000
Transfers in	1,117,800	-	1,140,500	562,562	2,820,862
Transfers out	-	(1,740,919)	(562,562)	-	(2,303,481)
Proceeds from sale of capital assets	21,801	-	-	-	21,801
Total other financing sources (uses)	1,139,601	(1,740,919)	577,938	1,562,562	1,539,182
Net change in fund balances	181,983	53,998	(1,300,622)	(2,713,611)	(3,778,252)
Fund balances, beginning of year	736,941	8,208	2,701,893	2,713,611	6,160,653
Fund balances, end of year	\$ 918,924	\$ 62,206	\$ 1,401,271	\$ -	\$ 2,382,401

COUNTY OF JACKSON, MICHIGAN

Combining Balance Sheet
 Nonmajor Permanent Funds
 December 31, 2016

	Department on Aging Endowment	Preston Endowment	Cemetery Trust	Total
Assets				
Cash and pooled investments	\$ 67,331	\$ 101,486	\$ 3,072	\$ 171,889
Fund balances				
Nonspendable	-	87	721	808
Restricted	67,331	101,399	2,351	171,081
Total fund balances	\$ 67,331	\$ 101,486	\$ 3,072	\$ 171,889

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Permanent Funds
 For the Year Ended December 31, 2016

	Department on Aging Endowment	Preston Endowment	Cemetery Trust	Total
Revenues				
Donations	\$ 33,061	\$ -	\$ -	\$ 33,061
Other	-	260	-	260
Total revenues	33,061	260	-	33,321
Expenditures				
Other functions	24,674	-	-	24,674
Net change in fund balances	8,387	260	-	8,647
Fund balances, beginning of year	58,944	101,226	3,072	163,242
Fund balances, end of year	\$ 67,331	\$ 101,486	\$ 3,072	\$ 171,889

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Net Position

Nonmajor Enterprise Funds

December 31, 2016

	Resource Recovery	Personal Property Tax	Foreclosure Tax Administration	Total
Assets				
Current assets:				
Cash and pooled investments	\$ 475,366	\$ 188,703	\$ 622,347	\$ 1,286,416
Due from other funds	-	-	943,379	943,379
Total current assets	<u>475,366</u>	<u>188,703</u>	<u>1,565,726</u>	<u>2,229,795</u>
Noncurrent assets:				
Restricted cash	783,191	-	-	783,191
Advances to component units	-	-	100,000	100,000
Land held for resale	-	-	2,173,836	2,173,836
Total noncurrent assets	<u>783,191</u>	<u>-</u>	<u>2,273,836</u>	<u>3,057,027</u>
Total assets	<u>1,258,557</u>	<u>188,703</u>	<u>3,839,562</u>	<u>5,286,822</u>
Liabilities				
Current liabilities:				
Accounts payable	7,940	8,628	-	16,568
Accrued payroll	710	-	-	710
Current portion of estimated closure and postclosure monitoring costs	90,000	-	-	90,000
Total current liabilities	<u>98,650</u>	<u>8,628</u>	<u>-</u>	<u>107,278</u>
Noncurrent liabilities -				
Estimated closure and postclosure monitoring costs	<u>755,000</u>	<u>-</u>	<u>-</u>	<u>755,000</u>
Total liabilities	<u>853,650</u>	<u>8,628</u>	<u>-</u>	<u>862,278</u>
Net position				
Unrestricted	<u>\$ 404,907</u>	<u>\$ 180,075</u>	<u>\$ 3,839,562</u>	<u>\$ 4,424,544</u>

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COUNTY OF JACKSON, MICHIGAN

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

Nonmajor Enterprise Funds

For the Year Ended December 31, 2016

	Resource Recovery	Personal Property Tax	Foreclosure Tax Administration	Total
Operating revenues				
Interest on taxes	\$ -	\$ 40,922	\$ -	\$ 40,922
Charges for services	100	9,939	1,053,410	1,063,449
Other revenue	14,941	-	-	14,941
Total operating revenues	15,041	50,861	1,053,410	1,119,312
Operating expenses				
Personnel services	52,929	-	-	52,929
Cost of services	7,463	-	-	7,463
Administration	87,220	2,392	919,789	1,009,401
Total operating expenses	147,612	2,392	919,789	1,069,793
Operating income (loss)	(132,571)	48,469	133,621	49,519
Nonoperating revenues				
Interest income	89	650	-	739
Net income (loss) before transfers	(132,482)	49,119	133,621	50,258
Transfers out	-	(2,500)	-	(2,500)
Change in net position	(132,482)	46,619	133,621	47,758
Net position, beginning of year	537,389	133,456	3,705,941	4,376,786
Net position, end of year	\$ 404,907	\$ 180,075	\$ 3,839,562	\$ 4,424,544

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2016

	Resource Recovery	Personal Property Tax	Foreclosure Tax Administration	Total
Cash flows from operating activities				
Cash received from customers, residents and users	\$ 15,041	\$ 22,794	\$ 1,677,055	\$ 1,714,890
Cash paid to employees	(52,779)	(2,392)	-	(55,171)
Cash paid to suppliers	(102,684)	-	(23,592)	(126,276)
Payments for interfund services used	(87,220)	-	(1,863,168)	(1,950,388)
Net cash provided (used) by operating activities	(227,642)	20,402	(209,705)	(416,945)
Cash flows from noncapital financing activities				
Transfers to other funds	-	(2,500)	-	(2,500)
Cash flows from investing activities				
Interest income received	89	650	-	739
Net change in cash and pooled investments	(227,553)	18,552	(209,705)	(418,706)
Cash and pooled investments, beginning of year	1,486,110	170,151	832,052	2,488,313
Cash and pooled investments, end of year	\$ 1,258,557	\$ 188,703	\$ 622,347	\$ 2,069,607
Statement of Net Position Classification				
Cash and pooled investments	\$ 475,366	\$ 188,703	\$ 622,347	\$ 1,286,416
Restricted cash	783,191	-	-	783,191
Total	\$ 1,258,557	\$ 188,703	\$ 622,347	\$ 2,069,607

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COUNTY OF JACKSON, MICHIGAN

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2016

	Resource Recovery	Personal Property Tax	Foreclosure Tax Administration	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (132,571)	\$ 48,469	\$ 133,621	\$ 49,519
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Change in:				
Accounts receivable	-	-	623,645	623,645
Due from other funds	-	-	(943,379)	(943,379)
Land held for resale	-	-	(23,592)	(23,592)
Accounts payable	(5,221)	(28,067)	-	(33,288)
Accrued payroll	150	-	-	150
Estimated closure and postclosure monitoring costs	(90,000)	-	-	(90,000)
Net cash provided (used) by operating activities	<u>\$ (227,642)</u>	<u>\$ 20,402</u>	<u>\$ (209,705)</u>	<u>\$ (416,945)</u>

concluded.

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Net Position
 Internal Service Funds
 December 31, 2016

	Self-Insured Workers Compensation	Self-Funded Managed Care Insurance	Land Use Planning	Graphic Information Systems	Total
Current assets					
Cash and pooled investments	\$ 229,921	\$ -	\$ 23,662	\$ 3,771	\$ 257,354
Accounts receivable	-	727,804	-	-	727,804
Prepaid items	62,029	323,465	-	-	385,494
Total assets	291,950	1,051,269	23,662	3,771	1,370,652
Liabilities					
Accounts payable	-	6,472	-	-	6,472
Estimated claims payable	70,339	385,261	-	-	455,600
Interfund payable	-	37,477	-	-	37,477
Total liabilities	70,339	429,210	-	-	499,549
Net position					
Unrestricted	\$ 221,611	\$ 622,059	\$ 23,662	\$ 3,771	\$ 871,103

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Internal Service Funds
 For the Year Ended December 31, 2016

	Self-Insured Workers Compensation	Self-Funded Managed Care Insurance	Land Use Planning	Graphic Information Systems	Total
Operating revenues					
Charges for services	\$ 68,103	\$ 11,128,129	\$ -	\$ -	\$ 11,196,232
Operating expenses					
Cost of services	9,456	10,824,638	-	-	10,834,094
Administration	182,579	688,512	-	-	871,091
Total operating expenses	192,035	11,513,150	-	-	11,705,185
Operating loss	(123,932)	(385,021)	-	-	(508,953)
Nonoperating revenues					
Interest income	1,066	1,342	-	-	2,408
Net loss before transfers	(122,866)	(383,679)	-	-	(506,545)
Transfers out	-	(35,900)	-	-	(35,900)
Change in net position	(122,866)	(419,579)	-	-	(542,445)
Net position, beginning of year	344,477	1,041,638	23,662	3,771	1,413,548
Net position, end of year	\$ 221,611	\$ 622,059	\$ 23,662	\$ 3,771	\$ 871,103

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COUNTY OF JACKSON, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2016

	Self-Insured Workers Compensation	Self-Funded Managed Care Insurance	Land Use Planning	Graphic Information Systems	Total
Cash flows from operating activities					
Cash received from customers, residents and users	\$ 8,574	\$ 12,391,541	\$ -	\$ -	\$ 12,400,115
Cash paid to employees, suppliers and claimants	(121,696)	(12,356,983)	-	-	(12,478,679)
Net cash provided (used) by operating activities	(113,122)	34,558	-	-	(78,564)
Cash flows from noncapital financing activities					
Transfers to other funds	-	(35,900)	-	-	(35,900)
Cash flows from investing activities					
Interest income received	1,066	1,342	-	-	2,408
Change in cash and pooled investments	(112,056)	-	-	-	(112,056)
Cash and cash pooled investments, beginning of year	341,977	-	23,662	3,771	369,410
Cash and pooled investments, end of year	\$ 229,921	\$ -	\$ 23,662	\$ 3,771	\$ 257,354
Reconciliation of operating loss to net cash provided (used) by operating activities					
Operating loss	\$ (123,932)	\$ (385,021)	\$ -	\$ -	\$ (508,953)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Change in:					
Accounts receivable	-	181,955	-	-	181,955
Prepaid items	(59,529)	1,081,457	-	-	1,021,928
Accounts payable	-	2,485	-	-	2,485
Estimated claims payable	70,339	(139,569)	-	-	(69,230)
Interfund payable	-	(706,749)	-	-	(706,749)
Net cash provided (used) by operating activities	\$ (113,122)	\$ 34,558	\$ -	\$ -	\$ (78,564)

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Fiduciary Assets and Liabilities

All Agency Funds
December 31, 2016

	Trust and Agency	Library	District Court Bonds	Circuit Court Trust
Assets				
Cash and pooled investments	\$ 1,738,191	\$ 64,064	\$ 98,053	\$ 219,853
Accounts receivable	73,408	-	-	-
Total assets	\$ 1,811,599	\$ 64,064	\$ 98,053	\$ 219,853
Liabilities				
Undistributed receipts	\$ 1,782,432	\$ -	\$ -	\$ 204,984
Due to other governments	13	64,064	-	-
Bonds payable	29,154	-	75,608	9,600
Escrow payable	-	-	22,445	5,269
Total liabilities	\$ 1,811,599	\$ 64,064	\$ 98,053	\$ 219,853



LifeWays	Sheriff Canteen	Total
\$ -	\$ 171,869	\$ 2,292,030
-	-	73,408
<u>\$ -</u>	<u>\$ 171,869</u>	<u>\$ 2,365,438</u>

\$ -	\$ 171,869	\$ 2,159,285
-	-	64,077
-	-	114,362
-	-	27,714
<u>\$ -</u>	<u>\$ 171,869</u>	<u>\$ 2,365,438</u>

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Changes in Fiduciary Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
Trust and agency fund				
Assets				
Cash and pooled investments	\$ 1,878,544	\$ 57,571,279	\$ 57,711,632	\$ 1,738,191
Accounts receivable	87,457	373,703	387,752	73,408
Total assets	\$ 1,966,001	\$ 57,944,982	\$ 58,099,384	\$ 1,811,599
Liabilities				
Undistributed receipts	\$ 1,936,834	\$ 25,231,550	\$ 25,385,952	\$ 1,782,432
Due to other governments	13	32,713,432	32,713,432	13
Bonds payable	29,154	-	-	29,154
Total liabilities	\$ 1,966,001	\$ 57,944,982	\$ 58,099,384	\$ 1,811,599
Library fund				
Assets				
Cash and pooled investments	\$ 90,373	\$ 778,179	\$ 804,488	\$ 64,064
Liabilities				
Due to other governments	\$ 90,373	\$ 778,179	\$ 804,488	\$ 64,064
District court bonds				
Assets				
Cash and pooled investments	\$ 106,804	\$ 516,874	\$ 525,625	\$ 98,053
Liabilities				
Bonds payable	\$ 86,473	\$ 407,178	\$ 418,043	\$ 75,608
Escrow payable	20,331	109,696	107,582	22,445
Total liabilities	\$ 106,804	\$ 516,874	\$ 525,625	\$ 98,053
Circuit court trust fund				
Assets				
Cash and pooled investments	\$ 231,009	\$ 1,497,773	\$ 1,508,929	\$ 219,853
Liabilities				
Undistributed receipts	\$ 218,640	\$ 1,451,571	\$ 1,465,227	\$ 204,984
Bonds payable	7,100	46,202	43,702	9,600
Escrow payable	5,269	-	-	5,269
Total liabilities	\$ 231,009	\$ 1,497,773	\$ 1,508,929	\$ 219,853
LifeWays				
Assets				
Cash and pooled investments	\$ -	\$ 1,030,195	\$ 1,030,195	\$ -
Liabilities				
Due to other governments	\$ -	\$ 1,030,195	\$ 1,030,195	\$ -

continued...

COUNTY OF JACKSON, MICHIGAN

Combining Statement of Changes in Fiduciary Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
Sheriff Canteen				
Assets				
Cash and pooled investments	\$ 175,915	\$ 1,396,195	\$ 1,400,241	\$ 171,869
Liabilities				
Undistributed receipts	\$ 175,915	\$ 1,396,195	\$ 1,400,241	\$ 171,869
Totals-all agency funds				
Assets				
Cash and pooled investments	\$ 2,482,645	\$ 62,790,495	\$ 62,981,110	\$ 2,292,030
Accounts receivable	87,457	373,703	387,752	73,408
Total assets	\$ 2,570,102	\$ 63,164,198	\$ 63,368,862	\$ 2,365,438
Liabilities				
Undistributed receipts	\$ 2,331,389	\$ 28,079,316	\$ 28,251,420	\$ 2,159,285
Due to other governments	90,386	34,521,806	34,548,115	64,077
Bonds payable	122,727	453,380	461,745	114,362
Escrow payable	25,600	109,696	107,582	27,714
Total liabilities	\$ 2,570,102	\$ 63,164,198	\$ 63,368,862	\$ 2,365,438

concluded.

COUNTY OF JACKSON, MICHIGAN

Statement of Net Position

Land Bank Authority Component Unit

December 31, 2016

Assets	
Cash and pooled investments	\$ 184,900
Loans receivables	17,621
Inventories	<u>88,849</u>
Total assets	<u>291,370</u>
Liabilities	
Accounts payable	650
Accrued liabilities	5,078
Advance from primary government	<u>100,000</u>
Total liabilities	<u>105,728</u>
Net position	
Unrestricted	<u>\$ 185,642</u>

COUNTY OF JACKSON, MICHIGAN

Statement of Revenues, Expenses and Change in Fund Net Position

Land Bank Authority Component Unit
For the Year Ended December 31, 2016

Operating revenues	
Property taxes	\$ 1,593
Sales	<u>75,525</u>
Total operating revenues	<u>77,118</u>
Operating expenses	
Public works	14,896
Miscellaneous	<u>33,493</u>
Total operating expenses	<u>48,389</u>
Operating income	28,729
Nonoperating revenue	
Interest income	<u>1,413</u>
Change in net position	30,142
Net position, beginning of year	<u>155,500</u>
Net position, end of year	<u><u>\$ 185,642</u></u>

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COUNTY OF JACKSON, MICHIGAN

Statement of Cash Flows

Land Bank Authority Component Unit
For the Year Ended December 31, 2016

Cash flows from operating activities	
Cash received from customers, residents and users	\$ 71,852
Cash paid to employees, suppliers and claimants	<u>(46,623)</u>
Net cash provided by operating activities	25,229
Cash flows from investing activities	
Interest income received	<u>1,413</u>
Net change in cash and pooled investments	26,642
Cash and pooled investments, beginning of year	<u>158,258</u>
Cash and pooled investments, end of year	<u>\$ 184,900</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 28,729
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in:	
Loans receivable	86
Inventories	(5,352)
Accounts payable	266
Accrued liabilities	<u>1,500</u>
Net cash provided by operating activities	<u>\$ 25,229</u>

COUNTY OF JACKSON, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Drain Commission Component Unit

December 31, 2016

	Capital Project Funds		
	Spring Arbor Water Project	Drain Districts	Drain Revolving
Assets			
Cash and pooled investments	\$ 3,334	\$ 1,140,886	\$ 94,843
Special assessments receivable, net	-	75,000	-
Due from other funds	-	-	97,068
Capital assets, net of depreciation	-	-	-
Total assets	\$ 3,334	\$ 1,215,886	\$ 191,911
Liabilities			
Accounts payable	\$ -	\$ 2,868	\$ 413
Due to other funds	-	97,465	-
Advance from primary government	-	-	200,000
Total liabilities	-	100,333	200,413
Deferred inflows of resources			
Unavailable revenue	-	75,000	-
Fund balances			
Restricted for construction	3,334	1,040,553	(8,502)
Total liabilities, deferred inflows of resources and fund balances	\$ 3,334	\$ 1,215,886	\$ 191,911
Net position			
Net investment in capital assets Restricted for construction			
Total net position			



Capital Project Funds				
Lake Level Districts	Lake Level Revolving	Total Governmental Funds	Adjustments	Statement of Net Position
\$ 49,236	\$ 8,627	\$ 1,296,926	\$ -	\$ 1,296,926
-	-	75,000	-	75,000
-	6,320	103,388	(103,388)	-
-	-	-	2,997,025	2,997,025
<u>\$ 49,236</u>	<u>\$ 14,947</u>	<u>\$ 1,475,314</u>	<u>\$ 2,893,637</u>	<u>4,368,951</u>
\$ 919	\$ -	\$ 4,200	\$ -	4,200
5,923	-	103,388	(103,388)	-
-	10,000	210,000	-	210,000
<u>6,842</u>	<u>10,000</u>	<u>317,588</u>	<u>(103,388)</u>	<u>214,200</u>
-	-	75,000	(75,000)	-
<u>42,394</u>	<u>4,947</u>	<u>1,082,726</u>	<u>(1,082,726)</u>	<u>-</u>
<u>\$ 49,236</u>	<u>\$ 14,947</u>	<u>\$ 1,475,314</u>		
			2,997,025	2,997,025
			1,157,726	1,157,726
			<u>\$ 4,154,751</u>	<u>\$ 4,154,751</u>

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COUNTY OF JACKSON, MICHIGAN

■ Reconciliation

Fund Balances of Governmental Funds
to Net Position of Drain
Commission Component Unit
December 31, 2016

Fund balances - governmental funds \$ 1,082,726

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

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the funds. 2,997,025

Unavailable revenue is not a current financial resource and therefore is not
reported as revenue in the governmental funds 75,000

Net position of governmental activities \$ 4,154,751

COUNTY OF JACKSON, MICHIGAN

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances Drain Commission Component Unit For the Year Ended December 31, 2016

	Capital Project Funds		
	Spring Arbor Water Project	Drain Districts	Drain Revolving
Revenues			
Intergovernmental revenue	\$ -	\$ 82,230	\$ 41,463
Investment earnings	9	3,088	172
Total revenues	<u>9</u>	<u>85,318</u>	<u>41,635</u>
Expenditures/expenses			
Current operations -			
Public works	-	67,954	52,963
Depreciation expense	-	-	-
Total expenditures/expenses	<u>-</u>	<u>67,954</u>	<u>52,963</u>
Revenues over (under) expenditures	<u>9</u>	<u>17,364</u>	<u>(11,328)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance/net position	9	17,364	(11,328)
Fund balances/net position			
Beginning of year	<u>3,325</u>	<u>1,023,189</u>	<u>2,826</u>
End of year	<u>\$ 3,334</u>	<u>\$ 1,040,553</u>	<u>\$ (8,502)</u>



Capital Project Funds				
Lake Level Districts	Lake Level Revolving	Total Governmental Funds	Adjustments	Statement of Activities
\$ 5,178	\$ -	\$ 128,871	\$ -	\$ 128,871
141	11	3,421	-	3,421
<u>5,319</u>	<u>11</u>	<u>132,292</u>	<u>-</u>	<u>132,292</u>
7,273	591	128,781	-	128,781
-	-	-	156,057	156,057
<u>7,273</u>	<u>591</u>	<u>128,781</u>	<u>156,057</u>	<u>284,838</u>
<u>(1,954)</u>	<u>(580)</u>	<u>3,511</u>	<u>(156,057)</u>	<u>(152,546)</u>
-	5,178	5,178	-	5,178
<u>(5,178)</u>	<u>-</u>	<u>(5,178)</u>	<u>-</u>	<u>(5,178)</u>
<u>(5,178)</u>	<u>5,178</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(7,132)</u>	<u>4,598</u>	<u>3,511</u>	<u>(156,057)</u>	<u>(152,546)</u>
<u>49,526</u>	<u>349</u>	<u>1,079,215</u>	<u>3,228,082</u>	<u>4,307,297</u>
<u>\$ 42,394</u>	<u>\$ 4,947</u>	<u>\$ 1,082,726</u>	<u>\$ 3,072,025</u>	<u>\$ 4,154,751</u>

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COUNTY OF JACKSON, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Drain
Commission Component Unit
For the Year Ended December 31, 2016

Net change in fund balances - governmental funds	\$ 3,511
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Amounts reported for *governmental activities* in the statement of activities
are different because:

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

<u>(156,057)</u>

Change in net position of governmental activities	<u>\$ (152,546)</u>
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COUNTY OF JACKSON, MICHIGAN

Statement of Net Position and Governmental Fund Balance Sheet

Brownfield Redevelopment Authority Component Unit

December 31, 2016

	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
Current assets			
Cash and pooled investments	\$ 95,485	\$ -	\$ 95,485
Accounts receivable	81,225	-	81,225
Long-term receivable	556,742	-	556,742
Total assets	<u>\$ 733,452</u>	<u>-</u>	<u>733,452</u>
Liabilities			
Accounts payable	\$ 41,420	-	41,420
Advance from primary government	117,500	-	117,500
Total liabilities	158,920	-	158,920
Fund balances			
Restricted	574,532	(574,532)	-
Total liabilities and fund balances	<u>\$ 733,452</u>		
Net position			
Restricted for loans		<u>\$ 574,532</u>	<u>\$ 574,532</u>

COUNTY OF JACKSON, MICHIGAN

**Statement of Activities and Governmental Fund Revenues,
Expenditures and Changes in Fund Balances
Brownfield Redevelopment Authority Component Unit
For the Year Ended December 31, 2016**

	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
Revenues			
Contributions	\$ 188,366	\$ -	\$ 188,366
Expenditures/expenses			
Current operations - Public works	197,390	-	197,390
Net change in fund balances	(9,024)	(9,024)	-
Change in net position		9,024	(9,024)
Fund balances/net position			
Beginning of year	583,556	-	583,556
End of year	\$ 574,532	\$ -	\$ 574,532

COUNTY OF JACKSON, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Board of Public Works Component Unit

December 31, 2016

	Debt Service Funds				
	Village of Springport Wastewater	Village of Springport	Spring Arbor Water Project	Village of Brooklyn	Clark Lake
Assets					
Cash and pooled investments	\$ 668	\$ 243	\$ 587	\$ 161	\$ 106
Accounts receivable	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Total assets	<u>\$ 668</u>	<u>\$ 243</u>	<u>\$ 587</u>	<u>\$ 161</u>	<u>\$ 106</u>
Deferred outflows of resources					
Deferred charges on refunding					
Liabilities					
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Advance from primary government	-	-	-	-	-
Long-term debt:					
Due in one year	-	-	-	-	-
Due in more than one year	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue	-	-	-	-	-
Fund balances					
Restricted for debt service	668	243	587	161	106
Restricted for construction	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	<u>668</u>	<u>243</u>	<u>587</u>	<u>161</u>	<u>106</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 668</u>	<u>\$ 243</u>	<u>\$ 587</u>	<u>\$ 161</u>	<u>\$ 106</u>



Debt Service Funds						
Wolf Lake Section	Napoleon Village Section	Lake Columbia Section	Village of Parma - Revolving	Village of Parma - LDFA	Grass Lake Revolving	Grass Lake Section SER 2002B
\$ 1,049	\$ 547	\$ 2,197	\$ -	\$ 2,450	\$ -	\$ 3,272
-	-	-	-	-	-	150
<u>765,000</u>	<u>-</u>	<u>3,260,000</u>	<u>390,000</u>	<u>700,000</u>	<u>920,000</u>	<u>230,000</u>
<u>\$ 766,049</u>	<u>\$ 547</u>	<u>\$ 3,262,197</u>	<u>\$ 390,000</u>	<u>\$ 702,450</u>	<u>\$ 920,000</u>	<u>\$ 233,422</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>765,000</u>	<u>-</u>	<u>3,260,000</u>	<u>390,000</u>	<u>700,000</u>	<u>920,000</u>	<u>230,000</u>
1,049	547	2,197	-	2,450	-	3,422
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,049</u>	<u>547</u>	<u>2,197</u>	<u>-</u>	<u>2,450</u>	<u>-</u>	<u>3,422</u>
<u>\$ 766,049</u>	<u>\$ 547</u>	<u>\$ 3,262,197</u>	<u>\$ 390,000</u>	<u>\$ 702,450</u>	<u>\$ 920,000</u>	<u>\$ 233,422</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet

Board of Public Works Component Unit

For the Year Ended December 31, 2016

	Debt Service Funds				
	Vineyard Lake Area Section	Round/ Farewell Lake Section	Southern Regional Interceptor	Rives Sanitary Sewer	Village of Parma Wastewater
Assets					
Cash and pooled investments	\$ 382	\$ 9,142	\$ 200,544	\$ 183	\$ -
Accounts receivable	-	-	-	-	-
Due from other governmental units	2,120,000	1,350,000	3,075,000	768,250	2,036,598
Total assets	\$ 2,120,382	\$ 1,359,142	\$ 3,275,544	\$ 768,433	\$ 2,036,598
Deferred outflows of resources					
Deferred charges on refunding					
Liabilities					
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Advance from primary government	-	-	298,550	-	-
Long-term debt:					
Due in one year	-	-	-	-	-
Due in more than one year	-	-	-	-	-
Total liabilities	-	-	298,550	-	-
Deferred inflows of resources					
Unavailable revenue	2,120,000	1,350,000	3,075,000	768,250	2,036,598
Fund balances					
Restricted for debt service	382	9,142	-	183	-
Restricted for construction	-	-	-	-	-
Unassigned (deficit)	-	-	(98,006)	-	-
Total fund balances	382	9,142	(98,006)	183	-
Total liabilities, deferred inflows of resources and fund balances	\$ 2,120,382	\$ 1,359,142	\$ 3,275,544	\$ 768,433	\$ 2,036,598
Net position					

Capital Projects Funds						
Vineyard Lake Area Section	Round/Farewell Lake Section	Southern Regional Interceptor	Rives Sanitary Sewer	Total	Adjustments	Statement of Net Position
\$ 406	\$ 135	\$ 1,352	\$ 63	\$ 223,487	\$ -	\$ 223,487
-	-	-	-	150	-	150
-	-	-	-	15,614,848	53,401	15,668,249
<u>\$ 406</u>	<u>\$ 135</u>	<u>\$ 1,352</u>	<u>\$ 63</u>	<u>\$ 15,838,485</u>	<u>53,401</u>	<u>15,891,886</u>
					<u>129,280</u>	<u>129,280</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,768	\$ 107,768
-	-	-	-	298,550	-	298,550
-	-	-	-	-	1,955,000	1,955,000
-	-	-	-	-	13,659,848	13,659,848
-	-	-	-	298,550	15,722,616	16,021,166
-	-	-	-	15,614,848	(15,614,848)	-
-	-	-	-	21,137	(21,137)	-
406	135	1,352	63	1,956	(1,956)	-
-	-	-	-	(98,006)	98,006	-
<u>406</u>	<u>135</u>	<u>1,352</u>	<u>63</u>	<u>(74,913)</u>	<u>74,913</u>	<u>-</u>
<u>\$ 406</u>	<u>\$ 135</u>	<u>\$ 1,352</u>	<u>\$ 63</u>	<u>\$ 15,838,485</u>		
					<u>\$ -</u>	<u>\$ -</u>

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COUNTY OF JACKSON, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Board of
Public Works Component Unit
December 31, 2016

Fund balances - governmental Funds	\$ (74,913)
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Bonds payable of various municipalities are to be repaid by the municipality, and the amount due is not reported as receivable in the funds	53,401
Because the focus of governmental funds is on short-term financing some assets will not be available to pay current expenditures. Those assets (i.e. due from other governments) are offset by deferred inflows of resources in the governmental funds	15,614,848
Long-term liabilities are not due and payable in the current period and are not reported in the funds:	
Bonds payable	(15,614,848)
Interest payable	(107,768)
Deferred charges on refunding	129,280
Net position of governmental activities	<u><u>\$ -</u></u>

COUNTY OF JACKSON, MICHIGAN

Statement of Activities and Governmental Funds Revenues,
Expenditures and Changes in Fund Balances
Board of Public Works Component Unit
For the Year Ended December 31, 2016

	Debt Service Funds				
	Village of Springport Wastewater	Village of Springport	Spring Arbor Water Project	Village of Brooklyn	Clark Lake
Revenues					
Intergovernmental	\$ -	\$ -	\$ 260,794	\$ 156,725	\$ -
Investment earnings	361	172	576	115	19
Total revenues	361	172	261,370	156,840	19
Expenditures/expenses					
Debt service:					
Principal	-	-	255,000	150,000	-
Interest and fiscal charges	-	-	5,794	6,725	-
Total expenditures/expenses	-	-	260,794	156,725	-
Net change in fund balances	361	172	576	115	19
Change in net position					
Fund balances/net position					
Beginning of year	307	71	11	46	87
End of year	\$ 668	\$ 243	\$ 587	\$ 161	\$ 106



Debt Service Funds						
Wolf Lake Section	Napoleon Village Section	Lake Columbia Section	Village of Parma - Revolving	Village of Parma - LDFA	Grass Lake Revolving	Grass Lake Section SER 2002B
\$ 310,425	\$ -	\$ 541,750	\$ 70,500	\$ 149,050	\$ 144,500	\$ 37,274
228	4	238	-	123	-	22
<u>310,653</u>	<u>4</u>	<u>541,988</u>	<u>70,500</u>	<u>149,173</u>	<u>144,500</u>	<u>37,296</u>
270,000	-	410,000	60,000	130,000	120,000	25,000
40,375	-	131,750	10,500	19,050	24,500	12,274
<u>310,375</u>	<u>-</u>	<u>541,750</u>	<u>70,500</u>	<u>149,050</u>	<u>144,500</u>	<u>37,274</u>
278	4	238	-	123	-	22
771	543	1,959	-	2,327	-	3,400
<u>\$ 1,049</u>	<u>\$ 547</u>	<u>\$ 2,197</u>	<u>\$ -</u>	<u>\$ 2,450</u>	<u>\$ -</u>	<u>\$ 3,422</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Statement of Activities and Governmental Funds Revenues,
 Expenditures and Changes in Fund Balances
 Board of Public Works Component Unit
 For the Year Ended December 31, 2016

	Debt Service Funds				
	Vineyard Lake Area Section	Round/ Farewell Lake Section	Southern Regional Interceptor	Rives Sanitary Sewer	Village of Parma Wastewater
Revenues					
Intergovernmental	\$ 408,307	\$ 283,800	\$ 218,795	\$ 46,122	\$ 177,477
Investment earnings	98	82	193	1,777	-
Total revenues	408,405	283,882	218,988	47,899	177,477
Expenditures/expenses					
Debt service:					
Principal	310,000	225,000	250,000	21,750	125,000
Interest and fiscal charges	98,307	58,800	145,000	26,122	52,477
Total expenditures/expenses	408,307	283,800	395,000	47,872	177,477
Net change in fund balances	98	82	(176,012)	27	-
Change in net position					
Fund balances/net position					
Beginning of year	284	9,060	78,006	156	-
End of year	\$ 382	\$ 9,142	\$ (98,006)	\$ 183	\$ -



Capital Projects Funds						
Vineyard Lake Area Section	Round/Farewell Lake Section	Southern Regional Interceptor	Rives Sanitary Sewer	Total	Adjustments	Statement of Activities
\$ -	\$ -	\$ -	\$ -	\$ 2,805,519	\$ (2,177,391)	\$ 628,128
1	-	3	1	4,013	-	4,013
1	-	3	1	2,809,532	(2,177,391)	632,141
-	-	-	-	2,351,750	(2,351,750)	-
-	-	-	-	631,674	467	632,141
-	-	-	-	2,983,424	(2,351,283)	632,141
1	-	3	1	(173,892)	173,892	-
405	135	1,349	62	98,979	(98,979)	-
\$ 406	\$ 135	\$ 1,352	\$ 63	\$ (74,913)	\$ 74,913	\$ -

concluded.

COUNTY OF JACKSON, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Board of
Public Works Component Unit
For the Year Ended December 31, 2016

Net change in fund balances - governmental funds	\$ (173,892)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report payments received by other municipalities for principal debt service as revenue, but the statement of activities does not.	
Debt assessments received current year	(2,177,391)
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	(467)
Repayment of debt principal is an expenditure in the funds but not in the statement of activities.	
Bond payments	<u>2,351,750</u>
Change in net position of governmental activities	<u><u>\$ -</u></u>

COUNTY OF JACKSON, MICHIGAN

Statistical Section (Unaudited)

This part of the County of Jackson's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

CONTENTS	<u>Page</u>
Financial Trends (schedules 1 thru 5)	
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	180
Revenue Capacity (schedules 6 thru 10)	
These schedules contain information to help the reader assess the government's most significant local sources: property taxes, State shared revenues and water and wastewater usage fees.	190
Debt Capacity (schedules 11 thru 13)	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	198
Demographic and Economic Information (schedules 14 and 15)	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	203
Operating Information (schedules 16 thru 18)	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	205

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF JACKSON, MICHIGAN

Net Position by Component

Last Ten Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011
Governmental activities					
Net investment in capital assets	\$ 16,662,254	\$ 16,820,741	\$ 16,533,573	\$ 15,130,221	\$ 15,172,343
Restricted	1,999,818	1,851,694	2,398,320	2,970,238	17,220,863
Unrestricted (deficit)	29,152,734	28,243,259	27,949,778	28,418,753	14,863,873
Total governmental activities net position	\$ 47,814,806	\$ 46,915,694	\$ 46,881,671	\$ 46,519,212	\$ 47,257,079
Business-type activities					
Net investment in capital assets	\$ 9,254,305	\$ 11,920,478	\$ 12,124,522	\$ 13,178,355	\$ 13,901,502
Unrestricted	22,051,366	21,158,429	23,646,148	24,406,603	25,585,370
Total business-type activities net position	\$ 31,305,671	\$ 33,078,907	\$ 35,770,670	\$ 37,584,958	\$ 39,486,872
Primary government					
Net investment in capital assets	\$ 25,916,559	\$ 28,741,219	\$ 28,658,095	\$ 28,308,576	\$ 29,073,845
Restricted	1,999,818	1,851,694	2,398,320	2,970,238	17,220,863
Unrestricted (deficit)	51,204,100	49,401,688	51,595,926	52,825,356	40,449,243
Total primary government net position	\$ 79,120,477	\$ 79,994,601	\$ 82,652,341	\$ 84,104,170	\$ 86,743,951

In 2013, the net position of the County increased significantly due to the transfer of operations of the road fund to the primary government. These operations were previously reported as part of the Road Commission discretely presented component unit.

Note: GASB Statement No. 68 was implemented for the fiscal year ended December 31, 2015. This resulted in presentation of the County's net pension liability on the statement of net position. Prior years were not restated.

Schedule 1
Unaudited

2012	2013	2014	2015	2016
\$ 14,381,796	\$ 82,006,055	\$ 85,235,379	\$ 80,763,955	\$ 75,849,154
15,477,619	12,690,046	11,852,828	16,954,611	18,778,078
13,990,332	13,284,484	7,656,588	(43,192,276)	(52,963,576)
<u>\$ 43,849,747</u>	<u>\$ 107,980,585</u>	<u>\$ 104,744,795</u>	<u>\$ 54,526,290</u>	<u>\$ 41,663,656</u>
\$ 15,663,869	\$ 3,419,014	\$ 4,078,658	\$ 3,412,622	\$ 4,428,475
25,095,420	23,997,521	22,567,600	33,682,508	32,545,842
<u>\$ 40,759,289</u>	<u>\$ 27,416,535</u>	<u>\$ 26,646,258</u>	<u>\$ 37,095,130</u>	<u>\$ 36,974,317</u>
\$ 30,045,665	\$ 85,425,069	\$ 89,314,037	\$ 84,176,577	\$ 80,277,629
15,477,619	12,690,046	11,852,828	16,954,611	18,778,078
39,085,752	37,282,005	30,224,188	(9,509,768)	(20,417,734)
<u>\$ 84,609,036</u>	<u>\$ 135,397,120</u>	<u>\$ 131,391,053</u>	<u>\$ 91,621,420</u>	<u>\$ 78,637,973</u>

COUNTY OF JACKSON, MICHIGAN

Changes in Net Position

Last Ten Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011
Revenue					
Governmental activities:					
Program revenues:					
Charges for services	\$ 9,156,733	\$ 8,139,339	\$ 9,855,124	\$ 9,597,688	\$ 9,515,532
Operating grants and contributions	20,002,956	19,534,191	16,131,328	16,857,973	17,845,207
Capital grants and contributions	-	-	-	-	382,293
General revenues:					
Property taxes	26,632,998	26,301,985	26,383,232	25,542,916	24,779,304
State shared revenue	686,772	736,391	1,236,701	2,361,911	3,297,426
Other	2,206,053	1,829,418	1,177,816	741,905	1,504,285
Transfers	1,574,795	2,679,194	1,122,574	1,233,954	960,559
Total governmental activities revenues	<u>60,260,307</u>	<u>59,220,518</u>	<u>55,906,775</u>	<u>56,336,347</u>	<u>58,284,606</u>
Business-type activities:					
Program revenues:					
Charges for services	30,063,817	30,586,126	30,569,896	29,535,470	29,741,712
Operating grants and contributions	427,996	338,959	-	-	-
General revenues:					
Other	-	-	234,205	54,945	157,095
Transfers	(1,565,385)	(2,626,150)	(1,123,027)	(1,225,023)	(948,952)
Special items					
Impairment loss on capital assets	-	-	-	-	-
Loss on write-down of inventory	-	-	-	-	-
Total business-type activities revenues	<u>28,926,428</u>	<u>28,298,935</u>	<u>29,681,074</u>	<u>28,365,392</u>	<u>28,949,855</u>
Total primary government revenues	<u>89,186,735</u>	<u>87,519,453</u>	<u>85,587,849</u>	<u>84,701,739</u>	<u>87,234,461</u>
Expenses					
Governmental activities:					
Judicial	-	-	-	-	-
General government	23,777,304	22,601,423	23,650,817	22,366,906	22,951,626
Public safety	16,944,208	18,171,168	18,196,223	18,336,839	18,882,372
Public works	-	-	-	-	-
Health and welfare	9,878,983	9,254,566	9,521,311	10,487,852	10,664,522
Recreation and culture	1,732,731	1,766,639	3,188,894	2,843,700	2,844,926
Community development	8,253,892	7,494,081	1,463,740	1,033,799	2,006,522
Interest on long-term debt	856,277	831,753	803,914	1,156,503	443,479
Total governmental activities expenses	<u>61,443,395</u>	<u>60,119,630</u>	<u>56,824,899</u>	<u>56,225,599</u>	<u>57,793,447</u>
Business-type activities:					
Delinquent tax collection/forfeitures	543,975	523,433	560,542	345,126	490,959
Medical care facility	15,375,425	15,758,850	16,060,347	16,681,276	17,816,002
Foreclosure tax administration	233,853	301,988	426,210	494,072	462,740
Resource recovery	8,602,557	8,640,601	8,991,113	8,893,948	8,242,890
Personal property tax	70,351	66,944	66,998	66,631	35,350
Soil erosion	98,247	65,186	-	-	-
Total business-type activities expenses	<u>24,924,408</u>	<u>25,357,002</u>	<u>26,105,210</u>	<u>26,481,053</u>	<u>27,047,941</u>
Total primary government expenses	<u>86,367,803</u>	<u>85,476,632</u>	<u>82,930,109</u>	<u>82,706,652</u>	<u>84,841,388</u>
Change in net position	2,818,932	2,042,821	2,657,740	1,995,087	2,393,073
Net position, beginning of year, as restated	<u>77,428,572</u>	<u>79,120,477</u>	<u>79,994,601</u>	<u>82,109,083</u>	<u>84,350,878</u>
Net position, end of year	<u>\$ 80,247,504</u>	<u>\$ 81,163,298</u>	<u>\$ 82,652,341</u>	<u>\$ 84,104,170</u>	<u>\$ 86,743,951</u>

Source: Jackson County Finance Department

Schedule 2
Unaudited

	2012	2013	2014	2015	2016
\$	10,060,336	\$ 11,874,779	\$ 12,297,064	\$ 14,265,623	\$ 12,464,814
	18,373,243	30,792,988	35,206,928	37,314,600	37,337,694
	4,025	2,583,837	2,212,368	1,143,175	2,013,993
	24,605,780	24,038,899	24,982,710	25,555,482	25,634,598
	2,577,616	3,629,709	4,034,788	4,549,491	4,030,817
	567,758	(2,143,041)	2,644,025	823,063	105,984
	792,659	1,718,754	2,073,417	2,175,219	3,714,080
	<u>56,981,417</u>	<u>72,495,925</u>	<u>83,451,300</u>	<u>85,826,653</u>	<u>85,301,980</u>
	31,129,191	26,247,095	19,431,181	20,899,090	19,962,409
	-	4,748,424	4,631,877	4,295,869	5,649,772
	143,494	-	-	-	-
	(873,240)	(1,656,210)	(1,909,080)	(2,225,180)	(3,936,177)
	-	(11,573,914)	-	-	-
	-	(1,604,251)	-	-	-
	<u>30,399,445</u>	<u>16,161,144</u>	<u>22,153,978</u>	<u>22,969,779</u>	<u>21,676,004</u>
	<u>87,380,862</u>	<u>88,657,069</u>	<u>105,605,278</u>	<u>108,796,432</u>	<u>106,977,984</u>
	-	-	3,845,425	3,704,190	3,974,952
	25,607,190	27,844,444	26,660,739	24,853,910	27,468,022
	18,745,790	18,748,028	20,578,254	19,761,116	20,053,033
	-	12,432,981	17,643,349	18,498,264	24,231,602
	10,734,927	15,170,502	12,362,735	13,801,527	16,541,687
	2,910,341	1,733,043	2,242,769	2,162,591	2,363,668
	1,795,363	5,418,245	2,818,220	3,377,913	2,894,354
	595,138	604,922	535,599	769,992	637,296
	<u>60,388,749</u>	<u>81,952,165</u>	<u>86,687,090</u>	<u>86,929,503</u>	<u>98,164,614</u>
	325,312	1,035,957	939,727	2,191,806	1,020,128
	18,151,367	18,391,888	18,865,612	19,075,813	19,706,896
	1,626,864	1,338,751	1,205,868	876,550	919,789
	8,960,431	8,377,360	1,911,434	126,738	147,612
	63,054	9,493	1,614	1,565	2,392
	-	-	-	-	-
	<u>29,127,028</u>	<u>29,153,449</u>	<u>22,924,255</u>	<u>22,272,472</u>	<u>21,796,817</u>
	<u>89,515,777</u>	<u>111,105,614</u>	<u>109,611,345</u>	<u>109,201,975</u>	<u>119,961,431</u>
	(2,134,915)	(22,448,545)	(4,006,067)	(405,543)	(12,983,447)
	<u>86,743,951</u>	<u>157,845,665</u>	<u>135,397,120</u>	<u>92,026,963</u>	<u>91,621,420</u>
\$	<u>84,609,036</u>	<u>\$ 135,397,120</u>	<u>\$ 131,391,053</u>	<u>\$ 91,621,420</u>	<u>\$ 78,637,973</u>

COUNTY OF JACKSON, MICHIGAN

Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011
General fund					
Nonspendable					\$ 876,332
Committed					1,447,924
Assigned					830,299
Unassigned					12,965,088
Reserved	\$ 881,943	\$ 878,826	\$ 879,589	\$ 880,467	-
Unreserved	8,333,984	10,211,100	12,834,704	13,012,690	-
Total general fund	\$ 9,215,927	\$ 11,089,926	\$ 13,714,293	\$ 13,893,157	\$ 16,119,643
All other governmental funds					
Nonspendable					\$ 431,540
Restricted					17,150,425
Committed					1,504,087
Unassigned (deficit)					(2,753)
Reserved	\$ 1,988,260	\$ 1,815,135	\$ 1,886,987	\$ 3,038,560	-
Unreserved, reported in:					
Special revenue funds	20,596,873	19,461,048	17,334,858	16,882,432	-
Permanent funds	149,945	176,986	181,134	180,616	-
Total all other governmental funds	22,735,078	21,453,169	19,402,979	20,101,608	19,083,299
Total governmental funds	\$ 31,951,005	\$ 32,543,095	\$ 33,117,272	\$ 33,994,765	\$ 35,202,942

(A) Jackson County implemented GASB Statement No. 54 as of and for the year ended December 31, 2011. Fund balance component classifications are shown as reported under that new criteria as of that date.

Source: Jackson County Finance Department

Schedule 3
Unaudited

2012	2013	2014	2015	2016
\$ 888,149	\$ 874,160	\$ 931,458	\$ 889,529	\$ 1,034,492
958,703	469,482	469,482	-	-
830,299	263,369	1,320,167	705,443	1,275,869
12,789,539	11,058,812	10,365,563	10,278,607	7,328,672
-	-	-	-	-
-	-	-	-	-
<u>\$ 15,466,690</u>	<u>\$ 12,665,823</u>	<u>\$ 13,086,670</u>	<u>\$ 11,873,579</u>	<u>\$ 9,639,033</u>
\$ 387,139	\$ 1,479,623	\$ 1,957,267	\$ 2,052,590	\$ 2,260,062
15,397,727	11,347,738	10,037,650	15,015,207	16,561,231
1,539,808	3,785,981	2,331,517	4,103,415	3,390,613
-	(2,964)	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>17,324,674</u>	<u>16,610,378</u>	<u>14,326,434</u>	<u>21,171,212</u>	<u>22,211,906</u>
<u>\$ 32,791,364</u>	<u>\$ 29,276,201</u>	<u>\$ 27,413,104</u>	<u>\$ 33,044,791</u>	<u>\$ 31,850,939</u>

COUNTY OF JACKSON, MICHIGAN

Changes in Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011
Revenues					
Property taxes	\$ 26,632,998	\$ 26,301,985	\$ 26,383,232	\$ 25,541,044	\$ 24,779,305
Licenses, fees, taxes and permits	497,887	474,069	437,296	471,432	459,766
Intergovernmental	15,701,183	14,098,155	13,904,984	15,498,755	17,817,486
Charges for services	8,006,369	8,873,750	7,589,130	7,920,575	7,603,096
Fines and forfeitures	1,211,283	999,836	1,021,582	987,318	929,517
Investment earnings (loss)	2,848,441	2,389,750	1,548,242	1,136,906	1,759,834
Rental, donations, and other	3,761,527	3,385,049	4,181,788	3,871,363	4,300,043
Total revenues	58,659,688	56,522,594	55,066,254	55,427,393	57,649,047
Expenditures					
Current:					
Judicial	-	-	-	-	-
General government	21,682,119	21,063,018	20,540,737	19,928,198	19,954,588
Public safety	15,579,716	15,805,365	14,871,330	15,132,380	15,434,422
Public works	-	-	-	-	-
Health and welfare	15,579,716	15,805,365	14,871,330	15,132,380	15,434,422
Recreation and cultural	2,080,699	1,775,068	2,448,636	2,112,047	1,985,441
Community development	2,002,491	1,090,014	1,290,775	919,684	1,775,957
Fair	-	-	-	-	-
Other functions	9,583,117	7,653,906	7,061,789	1,950,462	4,278,569
Debt service:					
Principal	600,000	700,000	700,000	775,000	905,000
Interest	860,645	836,969	809,331	779,925	421,334
Issuance costs	-	-	-	-	-
Capital outlay	1,559,476	2,177,165	917,416	5,932,361	5,769,282
Total expenditures	69,527,979	66,906,870	63,511,344	62,662,437	65,959,015
Revenues under expenditures	(10,868,291)	(10,384,276)	(8,445,090)	(7,235,044)	(8,309,968)
Other financing sources (uses)					
Proceeds from the issuance of long-term debt	-	-	-	10,100,000	-
Payment to refunding bond escrow agent	-	-	-	(10,018,468)	-
Premium on bonds	-	-	-	-	-
Discount on bonds	-	-	-	-	-
Transfers in	15,652,285	15,375,975	14,747,892	13,543,829	12,695,160
Transfers out	(13,863,913)	(12,591,093)	(13,809,630)	(12,215,610)	(11,696,532)
Proceeds from the sale of capital assets	-	-	-	-	-
Total other financing sources	1,788,372	2,784,882	938,262	1,409,751	998,628
Net change in fund balances	\$ (9,079,919)	\$ (7,599,394)	\$ (7,506,828)	\$ (5,825,293)	\$ (7,311,340)
Debt service as a percentage of noncapital expenditures	2.15%	2.37%	2.41%	2.74%	2.20%

Source: Jackson County Finance Department

Schedule 4
Unaudited

2012	2013	2014	2015	2016
\$ 24,606,997	\$ 24,038,899	\$ 24,982,710	\$ 25,555,482	\$ 25,634,598
464,860	629,992	553,195	631,450	635,428
17,413,440	31,565,444	34,424,635	35,162,155	36,520,651
7,802,940	10,304,110	10,937,860	10,850,745	11,189,247
884,085	894,326	913,977	1,456,750	651,421
975,110	(2,146,321)	2,621,077	812,505	94,678
4,366,326	5,510,816	6,418,398	7,669,019	8,227,171
<u>56,513,758</u>	<u>70,797,266</u>	<u>80,851,852</u>	<u>82,138,106</u>	<u>82,953,194</u>
-	3,997,148	3,845,425	3,737,954	3,902,705
20,594,967	16,116,914	17,407,601	17,239,021	18,153,632
15,720,974	16,763,410	17,703,355	17,681,048	18,005,725
-	10,743,885	11,891,655	12,341,964	23,653,781
15,720,974	11,589,346	11,842,417	12,658,535	15,454,312
2,175,564	1,335,362	1,690,424	1,822,130	1,633,829
1,586,540	2,125,453	1,098,819	1,065,995	791,815
-	995,116	1,067,215	1,309,611	1,418,233
4,258,056	7,539,934	6,221,610	6,650,035	6,583,834
895,000	1,071,085	1,116,444	1,289,064	1,920,479
600,133	581,230	544,479	854,075	581,304
-	-	69,662	139,792	-
6,400,349	8,189,363	10,425,090	11,029,567	11,156,420
<u>67,952,557</u>	<u>81,048,246</u>	<u>84,924,196</u>	<u>87,818,791</u>	<u>103,256,069</u>
<u>(11,438,799)</u>	<u>(10,250,980)</u>	<u>(4,072,344)</u>	<u>(5,680,685)</u>	<u>(20,302,875)</u>
-	-	5,010,000	8,935,000	15,190,000
-	-	(4,920,000)	-	-
-	-	-	147,286	61,174
-	-	(20,338)	-	-
11,001,852	8,150,845	11,469,347	12,238,395	15,307,436
(10,168,939)	(6,396,191)	(9,360,030)	(10,027,276)	(11,477,456)
-	5,635	30,268	18,967	27,869
<u>832,913</u>	<u>1,760,289</u>	<u>2,209,247</u>	<u>11,312,372</u>	<u>19,109,023</u>
<u>\$ (10,605,886)</u>	<u>\$ (8,490,691)</u>	<u>\$ (1,863,097)</u>	<u>\$ 5,631,687</u>	<u>\$ (1,193,852)</u>
<u>2.43%</u>	<u>2.30%</u>	<u>2.28%</u>	<u>2.60%</u>	<u>2.90%</u>

COUNTY OF JACKSON, MICHIGAN

Changes in Fund Balances - General Fund

Last Ten Years

(modified accrual basis of accounting)

	2007	2008	2009	2010
Revenues				
Property taxes	\$ 23,036,819	\$ 22,536,049	\$ 22,553,464	\$ 21,700,151
Licenses, fees, taxes and permits	119,539	135,192	156,335	175,006
Intergovernmental	6,153,948	5,961,239	6,141,528	7,862,620
Charges for services	6,218,903	5,338,369	5,079,399	5,491,690
Fines and forfeitures	941,868	749,644	732,132	728,241
Investment earnings (loss)	2,255,763	1,897,465	1,205,421	869,110
Rental	-	-	-	-
Other	1,329,233	1,474,543	580,749	525,441
Total revenues	40,056,073	38,092,501	36,449,028	37,352,259
Expenditures				
Elections	127,981	277,010	-	-
Legislative	222,134	223,025	-	-
Judicial	6,051,352	5,934,204	-	-
General government	10,062,268	9,858,185	15,908,581	15,835,320
Public safety	12,745,940	12,681,662	12,531,637	12,925,272
Health and welfare	3,232,085	3,032,634	2,602,846	2,601,208
Other functions	5,674,330	5,493,801	5,051,238	5,497,645
Total expenditures	38,116,090	37,500,521	36,094,302	36,859,445
Revenues over (under) expenditures	1,939,983	591,980	354,726	492,814
Other financing sources (uses)				
Transfers in	6,599,333	6,671,943	7,780,600	5,646,699
Transfers out	(6,309,822)	(5,389,924)	(5,510,959)	(5,591,401)
Total other financing sources (uses)	289,511	1,282,019	2,269,641	55,298
Net change in fund balance	\$ 2,229,494	\$ 1,873,999	\$ 2,624,367	\$ 548,112

Source: Jackson County Finance Department

2011	2012	2013	2014	2015	2016
\$ 21,109,245	\$ 21,043,608	\$ 20,482,195	\$ 21,411,937	\$ 21,882,537	\$ 21,861,653
171,086	156,443	207,230	177,025	176,633	110,735
8,968,474	8,287,347	8,539,239	9,119,267	9,845,236	10,493,103
5,208,296	5,564,361	5,542,454	5,479,044	5,634,251	5,577,341
700,521	728,655	751,820	724,427	680,240	632,107
1,374,972	617,042	(2,137,379)	2,586,554	804,259	63,411
-	-	183,840	191,734	203,379	190,627
631,080	710,319	2,240,661	2,124,084	1,897,529	1,825,893
<u>38,163,674</u>	<u>37,107,775</u>	<u>35,810,060</u>	<u>41,814,072</u>	<u>41,124,064</u>	<u>40,754,870</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,626,331	16,241,246	16,058,391	17,169,311	17,099,912	18,088,676
13,105,635	13,386,637	13,533,400	14,485,381	14,563,759	14,973,279
2,611,342	2,653,476	3,017,394	3,216,354	3,302,188	3,418,765
5,007,331	5,663,549	7,526,066	6,203,489	6,618,646	6,559,160
<u>36,350,639</u>	<u>37,944,908</u>	<u>40,135,251</u>	<u>41,074,535</u>	<u>41,584,505</u>	<u>43,039,880</u>
<u>1,813,035</u>	<u>(837,133)</u>	<u>(4,325,191)</u>	<u>739,537</u>	<u>(460,441)</u>	<u>(2,285,010)</u>
4,515,983	4,576,289	3,737,376	4,108,649	4,254,545	5,671,618
(5,550,456)	(4,392,109)	(2,213,052)	(4,427,339)	(5,007,195)	(5,621,154)
<u>(1,034,473)</u>	<u>184,180</u>	<u>1,524,324</u>	<u>(318,690)</u>	<u>(752,650)</u>	<u>50,464</u>
<u>\$ 778,562</u>	<u>\$ (652,953)</u>	<u>\$ (2,800,867)</u>	<u>\$ 420,847</u>	<u>\$ (1,213,091)</u>	<u>\$ (2,234,546)</u>

COUNTY OF JACKSON, MICHIGAN

Assessed and Estimated Actual Value of Taxable Property Last Ten Years *(amounts expressed in thousands)*

Fiscal Year	Taxable Value by Property Type					
	Real Property				Other	Personal Property
	Residential	Commercial	Industrial	Agricultural		
2007	\$ 3,086,703	\$ 564,281	\$ 246,554	\$ 170,502	\$ 13,253	\$ 368,855
2008	3,153,655	586,814	238,922	176,195	9,399	366,925
2009	3,152,609	594,997	242,768	183,178	6,973	370,891
2010	3,010,501	593,343	217,483	181,464	5,667	364,718
2011	2,918,037	585,050	212,279	183,094	4,647	375,068
2012	2,841,876	553,113	205,194	187,167	4,125	385,366
2013	2,844,162	539,221	194,597	188,802	3,718	411,501
2014	2,872,372	537,330	147,001	190,837	3,386	418,119
2015	2,915,486	524,771	149,366	193,463	3,129	530,649
2016	2,947,731	533,023	147,960	193,871	3,333	450,796

Source: County Equalization Department, exclusive of commercial facility tax and prior to any Board of Review action

Schedule 6
Unaudited

Total	Estimated Actual Value	Industrial Facilities Taxable Value	Total Direct Tax Rate
\$ 4,450,148	\$ 6,033,906	\$ -	5.9909
4,531,910	5,962,893	-	5.9909
4,551,416	5,604,766	-	5.9909
4,373,176	5,225,510	120,563	5.9909
4,278,175	4,971,653	108,419	5.9909
4,176,841	4,772,886	111,961	5.9936
4,182,001	4,754,803	129,410	5.9936
4,249,045	4,843,654	167,171	5.9936
4,316,864	4,985,868	193,803	5.9936
4,276,714	5,144,216	71,794	6.1038

COUNTY OF JACKSON, MICHIGAN

Property Tax Rates - Direct and Overlapping
 Last Ten Years
(rate per \$1,000 of taxable value)

	2007	2008	2009	2010	2011
County direct rates					
Operating	5.1187	5.1187	5.1187	5.1187	5.1187
Medical Care Facility	0.1398	0.1398	0.1398	0.1398	0.1398
Jail	0.4851	0.4851	0.4851	0.4851	0.4851
Senior services	0.2473	0.2473	0.2473	0.2473	0.2473
Total direct rate	5.9909	5.9909	5.9909	5.9909	5.9909
Overlapping rates					
Cities -					
Jackson	14.6889	14.5889	15.8089	15.3589	15.8389
Townships (average)	1.6796	1.7737	1.7709	1.8980	1.9418
Villages (average)	10.0423	9.4123	10.9535	10.7720	10.7496
School districts (average)	22.3495	22.4486	22.3737	22.3737	22.8728
Intermediate school district (average)	5.8883	5.8986	5.9528	5.9528	5.9692
Community College:	1.1446	1.1446	1.1446	1.1446	1.1446
District library	0.8593	1.2593	1.2593	1.2593	1.2593

Operating Tax Rate Limitations

	2010 - 2012		2013 - 2015	
	Millage Authorized	Maximum Allowable after Rollback	Millage Authorized	Maximum Allowable after Rollback
Operating	5.9500	5.1187	5.9500	5.1187
Medical Care Facility	0.1500	0.1398	0.1500	0.1398
Jail debt	0.5000	0.4851	0.5000	0.4851
Senior services	0.2500	0.2473	0.2500	0.2500

2016	
Millage Authorized	Maximum Allowable after Rollback

Operating	5.9500	5.1187
Medical Care Facility	0.2500	0.2500
Jail debt	0.5000	0.4851
Senior services	0.2500	0.2500

Source: Jackson County Equalization Department

Schedule 7
Unaudited

2012	2013	2014	2015	2016
5.1187	5.1187	5.1187	5.1187	5.1187
0.1398	0.1398	0.1398	0.1398	0.2500
0.4851	0.4851	0.4851	0.4851	0.4851
0.2500	0.2500	0.2500	0.2500	0.2500
<u>5.9936</u>	<u>5.9936</u>	<u>5.9936</u>	<u>5.9936</u>	<u>6.1038</u>

16.1389	16.0889	16.9789	16.0329	18.0389
1.9367	1.9445	2.0500	2.0468	2.0734
11.0929	10.8634	13.0162	12.9995	12.9614
21.8281	23.0342	23.4993	23.4993	23.2770
6.0600	6.0612	6.0612	6.0612	6.3073
1.1446	1.1446	1.1446	1.1446	1.1446
1.2593	1.2593	1.2593	1.2593	1.2593

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2016			2007		
	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Consumers Energy	\$ 275,933,418	1	6.45%	\$ 154,300,705	1	3.47%
Enbride	56,191,074	2	1.31%	-		
MACI	19,219,277	3	0.45%	66,163,175	3	1.49%
Ramco Jackson LTD	16,455,893	4	0.38%	17,131,805	6	0.38%
West Bay Exploration	13,162,214	5	0.31%	-		
Michigan Electric Transmission	12,216,318	6	0.29%	-		
Meijer Inc.	12,028,448	7	0.28%	13,793,627	9	0.31%
Vista Grande Villa	11,325,176	8	0.26%	11,180,177	12	0.25%
John Ganton	11,294,837	9	0.26%	9,443,602	14	0.21%
Wal-mart Stores Inc.	11,019,281	10	0.26%	13,037,678	10	0.29%
Gerdau MAC Steel	10,838,676	11	0.25%	41,386,526	4	0.93%
Lloyd Ganton	8,097,577	12	0.19%	10,726,416	13	0.24%
Comcast	7,475,924	13	0.17%	14,687,483	8	0.33%
Edward Rose Development	7,128,763	14	0.17%	-		
Dawn Foods	6,420,985	15	0.15%	-		
Henry Ford Allegiance Health	6,021,240	16	0.14%	-		
TAC Manufacturing Inc.	5,110,358	17	0.12%	20,342,175	5	0.46%
Tenneco/Walker	4,519,229	18	0.11%	11,321,562	11	0.25%
Westwood Delaware	4,291,561	19	0.10%	-		
Adco	4,252,968	20	0.10%	-		
	<u>\$ 503,003,217</u>		<u>11.76%</u>	<u>\$ 383,514,931</u>		<u>8.61%</u>

Source: Jackson County Equalization Department

Property Tax Levies and Collections
Last Ten Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2007	\$ 25,334,259	\$ 23,532,388	92.89%	\$ 1,605,031	\$ 25,137,419	99.22%
2008	25,805,606	24,135,002	93.53%	1,439,464	25,574,466	99.10%
2009	25,772,909	23,450,825	90.99%	1,699,356	25,150,181	97.58%
2010	24,776,520	22,980,074	92.75%	1,568,371	24,548,445	99.08%
2011	24,191,799	22,635,414	93.57%	1,460,958	24,096,372	99.61%
2012	23,838,450	22,426,460	94.08%	1,361,990	23,788,450	99.79%
2013	24,076,501	22,603,314	93.88%	1,473,188	24,076,501	100.00%
2014	24,486,531	23,097,727	94.33%	1,388,805	24,486,531	100.00%
2015	25,036,427	23,738,308	94.82%	1,298,120	25,036,427	100.00%
2016	25,362,592	24,098,873	95.02%	1,263,720	25,362,592	100.00%

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State Revenue Sharing Payments
Last Ten Years

Fiscal Year Ended	Revenue Sharing Payments
2007	\$ -
2008	-
2009	523,936
2010	2,361,911
2011	3,297,426
2012	2,577,416
2013	2,611,765
2014	2,906,904
2015	3,366,891
2016	3,382,698

Source: Jackson County Finance Department

Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities		Business-type Activities		Total Primary Government	% of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds	Revenue Bonds			
2007	\$ 18,895,000	\$ 233,746	\$ 14,055,505	\$ 9,245,000	\$ 42,429,251	9.13%	\$ 260.29
2008	18,913,195	250,968	13,680,900	7,675,000	40,520,063	8.50%	252.97
2009	17,495,000	224,805	13,254,295	5,775,000	36,749,100	7.80%	229.93
2010	17,195,000	196,692	12,822,645	4,445,000	34,659,337	7.35%	216.29
2011	16,290,000	167,823	12,341,085	2,695,000	31,493,908	8.96%	196.53
2012	15,395,000	137,072	11,864,481	905,000	28,301,553	7.94%	176.54
2013	14,355,000	105,987	11,309,481	-	25,770,468	7.18%	160.69
2014	13,339,662	74,543	11,425,000	-	24,839,205	4.74%	167.00
2015	21,163,643	45,479	10,225,000	-	31,434,122	5.71%	197.09
2016	34,530,214	-	10,620,432	-	45,150,646	7.77%	284.93

Source: Jackson County Finance Department

Ratios of Net General Bonded Debt Outstanding
Last Ten Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	% of Personal Income	% of Ad Valorem Taxable Value of Property	Per Capita
2007	\$ 32,950,505	\$ -	\$ 32,950,505	7.09%	0.74%	\$ 202.14
2008	32,594,095	-	32,594,095	6.84%	0.72%	203.48
2009	30,749,295	-	30,749,295	6.52%	0.68%	192.39
2010	30,017,645	-	30,017,645	6.37%	0.69%	187.32
2011	28,631,085	-	28,631,085	8.14%	0.67%	178.67
2012	27,259,481	-	27,259,481	7.65%	0.65%	170.04
2013	25,664,481	-	25,664,481	7.15%	0.61%	160.03
2014	24,764,662	-	24,764,662	4.73%	0.58%	167.00
2015	32,342,677	-	32,342,677	5.87%	0.75%	195.99
2016	34,530,214	-	34,530,214	5.95%	0.81%	217.91

Source: Jackson County Finance Department

Computation of Net Direct and Overlapping Debt
December 31, 2016

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Government	Net Amount Outstanding
Direct debt			
General obligation bonds	\$ 20,160,000	\$ 5,985,000	14,175,000
Michigan Transportation Bonds	14,190,000	14,190,000	-
Medical care facility bonds	9,730,000	9,730,000	-
Issuance discount	(16,948)	(16,948)	-
Issuance premium	1,087,594	1,087,594	-
Board of public works - Component Unit	15,614,848	15,614,848	-
Net direct debt	\$ 60,765,494	\$ 46,590,494	\$ 14,175,000

	Gross	County Share	Net Amount Outstanding
Overlapping debt			
City of Jackson	\$ 28,894,000	100.00%	\$ 28,894,000
Blackman Township	2,500,000	100.00%	2,500,000
Columbia Township	4,222,329	100.00%	4,222,329
Grass Lake Township	408,015	100.00%	408,015
Hanover Township	1,069,740	100.00%	1,069,740
Henrietta Township	1,980,000	100.00%	1,980,000
Leoni Township	3,075,000	100.00%	3,075,000
Liberty Township	280,260	100.00%	280,260
Napoleon Township	1,842,985	100.00%	1,842,985
Norvell Township	1,051,864	100.00%	1,051,864
Rives Township	945,000	100.00%	945,000
Brooklyn Village	1,590,000	100.00%	1,590,000
Concord Village	480,000	100.00%	480,000
Grass Lake Village	1,460,000	100.00%	1,460,000
Parma Village	3,990,000	100.00%	3,990,000
Springport Village	180,000	100.00%	180,000
Addison School District	15,125,000	0.06%	9,075
Albion School District	3,025,000	6.20%	187,550
Chelsea School District	39,521,387	4.58%	1,810,080
Columbia School District	29,540,000	77.99%	23,038,246
Concord School District	2,210,000	100.00%	2,210,000
East Jackson School District	22,187,151	100.00%	22,187,151
Grass Lake School District	26,540,899	99.26%	26,344,497
Hanover-Horton School District	2,045,000	86.35%	1,765,858

continued...

Computation of Net Direct and Overlapping Debt
December 31, 2016

	Gross	County Share	Net Amount Outstanding
Overlapping debt (Continued)			
Homer School District	\$ 19,668,381	1.25%	\$ 245,855
Jackson School District	41,600,000	100.00%	41,600,000
Jonesville School District	12,793,170	0.65%	83,156
Leslie School District	11,187,087	13.59%	1,520,325
Manchester School District	31,796,878	0.72%	228,938
Marshall	46,255,000	1.77%	818,714
Michigan Center	10,375,000	100.00%	10,375,000
Napoleon School District	16,930,000	99.95%	16,921,535
North Adams-Jerome School District	390,000	0.98%	3,822
Northwest School District	40,415,000	99.77%	40,322,046
Springport School District	12,455,735	67.69%	8,431,287
Stockbridge School District	25,040,000	17.98%	4,502,192
Vandercook Lake School district	5,915,000	100.00%	5,915,000
Western School District	39,256,811	100.00%	39,256,811
Ingham Intermediate School district	1,670,000	1.29%	21,543
Jackson Intermediate School District	750,000	94.61%	709,575
Jackson College	39,170,000	100.00%	39,170,000
Total overlapping debt	\$ 549,831,692		\$ 341,647,449
Net direct and overlapping debt			\$ 355,822,449

concluded.

Overlapping debt is calculated for an entity, based upon assessed values received from the State of Michigan, which determines the issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is apportioned based upon relative assessed values.

Legal Debt Margin
Last Ten Years

Legal debt margin calculation for 2016	
Assessed value	<u>\$ 5,327,136,241</u>
Debt limit (10% of state equalized value)	\$ 532,713,624
Debt applicable to limit - gross direct bonds	<u>(59,694,848)</u>
 Legal debt margin	 <u>\$ 473,018,776</u>

Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit As % of Debt Limit Ratio
2007	\$ 603,390,600	\$ 80,995,000	\$ 522,395,600	13.42%
2008	596,294,900	76,808,255	519,486,645	12.88%
2009	560,476,600	73,033,008	487,443,592	13.03%
2010	522,551,000	68,521,552	454,029,448	13.11%
2011	497,165,300	62,576,592	434,588,708	12.59%
2012	477,288,600	54,015,443	423,273,157	11.32%
2013	475,480,300	47,970,215	427,510,085	10.09%
2014	484,365,400	46,521,973	437,843,427	9.60%
2015	498,586,785	49,116,940	449,469,845	9.85%
2016	532,713,624	59,694,848	473,018,776	11.21%

Source: Jackson County Finance Department

Demographic and Economic Statistics
Last Ten Years

Fiscal Year	(1) Population	(2) Labor Force	(2) Employment	(2) Unemployment	(2) Unemployment Rate	(3) Total Personal Income (000's)	(3) Per Capita Income
2007	163,006	77,442	71,591	5,851	7.6%	\$ 4,644,937	\$ 28,495
2008	160,180	76,513	69,845	6,668	8.7%	4,767,939	29,766
2009	159,828	76,470	66,162	10,308	13.5%	4,713,086	29,488
2010	160,248	72,338	65,106	7,232	10.0%	4,713,086	29,411
2011	160,248	71,890	65,680	6,210	8.6%	3,516,693	21,945
2012	160,309	69,851	64,240	5,611	8.0%	3,563,188	22,227
2013	160,369	69,678	64,115	5,563	8.0%	3,590,341	22,388
2014	159,741	72,300	68,600	3,700	5.1%	5,237,323	32,786
2015	159,494	73,020	69,836	3,184	4.4%	5,509,407	34,543
2016	158,460	73,700	70,600	3,100	4.2%	5,807,699	36,651

Source: Jackson County Finance Department

Principal Employers
Current Year and Nine Years Ago

Employer	2016			2008		
	Total Employees	Rank	% of Total County Labor Force	Total Employees	Rank	% of Total County Labor Force
Henry Ford Allegiance Health System	4,100	1	5.22%	3,146	1	4.23%
Consumers Energy	2,400	2	3.05%	2,026	3	2.72%
Michigan Department of Corrections	2,040	3	2.60%	2,040	2	2.74%
Great Lakes Home Health/Hospice	1,118	4	1.42%	400	14	0.54%
Michigan Automotive Compressor (MACI)	1,100	5	1.40%	784	5	1.05%
TAC Manufacturing	990	6	1.26%	590	10	0.79%
Local Government	870	7	1.11%	870	4	1.17%
Jackson Public Schools	782	8	0.99%	782	6	1.05%
Meijer Inc.	755	9	0.96%	755	8	1.01%
Eaton Corporation	700	10	0.89%	563	11	0.76%
Jackson College	650	11	0.83%	767	7	1.03%
Wal-Mart Inc.	568	12	0.72%	598	9	0.80%
Tenneco	510	13	0.65%	270	20	0.36%
JCISD	500	14	0.64%	427	13	0.57%
Dawn Food Products	468	15	0.60%	273	19	0.37%
McDonalds Restaurants	450	16	0.57%	450	12	0.60%
Gerdau Special Steel North America	385	17	0.49%			
Spring Arbor University	300	18	0.38%	300	16	0.40%
Anesthesia Business Consultants	284	19	0.36%	284	17	0.38%
LifeWays/Community Connections	275	20	0.35%	275	18	0.37%
Alro Steel Corporation				325	15	0.44%
	<u>19,245</u>		<u>24.48%</u>	<u>15,925</u>		<u>21.38%</u>

Source: The Enterprise Group, Jackson County.

Full-Time Equivalent County Government Employees by Function/Program
By Function/Program
Last Ten Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Legislative:										
Board of Commissioners	12.0	12.0	12.0	12.0	12.0	12.0	9.0	9.0	9.0	9.0
Judicial:										
Circuit court	30.0	29.0	29.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0
District court	55.0	55.0	54.5	51.0	49.0	49.0	49.5	49.5	49.5	49.5
Friend of the court	47.5	46.5	44.5	43.5	44.0	44.0	44.0	44.0	44.0	44.0
General government and elections:										
County Administration	2.0	2.0	3.0	3.5	2.5	2.5	2.5	2.5	2.5	2.5
*Finance	4.5	4.3	7.5	6.5	3.5	3.6	3.5	3.5	3.5	3.5
Information & Tech Systems	7.0	7.0	7.0	9.0	9.0	9.0	9.0	9.0	11.0	11.0
*Human Resources	3.0	3.0	-	-	4.8	4.5	5.8	5.8	5.8	5.8
Equalization	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
GIS	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Facilities Management	17.8	21.5	20.5	17.0	14.8	14.8	14.8	14.8	15.8	15.8
Fleet Operations	2.0	-	-	-	-	-	-	-	-	-
Clerk	20.4	20.7	21.0	20.0	19.3	18.8	18.8	18.8	18.8	18.8
Register of Deeds	6.0	6.0	5.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
Treasurer	1.5	1.5	1.5	1.0	1.0	1.0	0.5	0.5	0.5	0.5
MSU Extension	3.0	3.0	2.5	2.5	2.5	2.0	2.0	1.0	1.0	1.0
Drain Commissioner	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Print Department	1.0	1.0	-	-	-	-	-	-	-	-
***Retirement Board	1.3	1.3	1.3	1.3	-	-	-	-	-	-
Public safety:										
Prosecuting attorney	27.5	27.5	27.5	25.6	25.6	25.6	25.6	25.6	25.6	25.6
Sheriff	62.0	60.0	59.0	54.0	55.0	58.0	58.0	57.0	58.0	58.0
Emergency management	20.0	20.0	20.0	19.0	19.0	19.0	19.0	19.0	19.0	22.0
Jail	56.0	56.0	55.0	54.0	54.0	54.0	54.0	54.0	54.0	53.0
Animal control	7.3	7.0	4.0	3.0	3.0	3.0	3.0	-	-	-
Youth center	38.0	36.6	35.8	32.4	32.4	32.3	32.3	32.3	32.3	32.3
Health and welfare:										
Environmental Health	13.0	9.8	8.3	8.0	8.0	8.0	8.2	8.2	8.2	8.2
Public Health	40.7	39.0	41.8	40.2	41.5	43.5	44.0	44.0	45.5	45.5
Medical Examiner	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Department On Aging	30.4	29.9	28.8	28.6	27.7	27.7	27.7	27.7	27.7	27.7
Veterans Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
**Animal Shelter	-	-	3.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Cultural and recreation:										
Parks & Recreation	8.0	8.0	8.0	6.0	6.0	6.0	6.0	5.7	5.7	5.7
Golf Course	4.6	4.0	4.0	2.6	2.8	2.8	2.8	2.8	2.8	2.8
***Fair	-	-	-	2.5	1.0	1.0	1.0	1.3	1.3	1.3
Other:										
Airport	4.0	4.0	3.5	3.5	3.5	3.7	3.5	3.5	3.5	3.5
Transportation	-	-	-	-	-	-	75.0	75.0	75.0	79.0
Enterprise funds	7.5	7.5	8.5	6.0	6.0	6.0	6.5	6.5	6.5	6.5
Total	550.0	540.1	533.5	503.2	499.4	503.3	577.5	572.5	578.0	584.0

Source: Jackson County Finance Department

* Human Resources was combined with Administration Services in 2009

** Animal Shelter was separated in 2009 from Animal Control

*** Fair Fund became a special revenue fund in 2010

COUNTY OF JACKSON, MICHIGAN

Operating Indicators by Function/Program Last Ten Years

Function/Program	2007	2008	2009	2010	2011
Public safety					
Sheriff:					
Complaints	26,641	26,792	33,034	30,069	39,448
Dispatches	129,691	127,895	146,669	138,673	149,663
Arrests	1,856	1,875	1,551	1,506	1,335
Bookings	9,576	8,996	9,543	11,104	10,779
Health					
Public health:					
Immunizations administered	7,645	7,575	7,133	14,921	10,052
WIC participants	5,272	5,534	5,687	5,725	5,485
Vision/hearing screenings	14,964	16,433	10,472	16,392	17,597
Cultural and recreation					
Parks and recreation:					
Special events participation	200,000	220,000	220,000	220,000	220,000
Cascades Falls participation	40,000	29,750	29,750	29,750	29,750
Rounds of golf	30,000	38,550	33,700	33,400	33,400
Camper participation	13,300	15,550	15,550	33,700	33,700

Source: Jackson County Finance Department, Sheriff, Health, and Parks and Recreation Departments

Schedule 17
Unaudited



2012	2013	2014	2015	2016
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35,654	36,076	36,480	29,563	32,199
152,808	141,157	132,512	129,036	132,981
2,328	2,305	2,010	2,175	2,277
8,182	8,309	7,190	7,047	7,364

9,247	7,576	5,965	5,609	5,629
5,401	5,361	5,445	5,442	5,150
18,671	18,330	17,741	22,321	17,936

225,000	225,000	230,000	240,000	229,000
31,425	23,964	26,895	27,307	32,222
32,248	25,000	22,500	28,000	34,188
14,740	2,400	1,635	10,742	11,601

COUNTY OF JACKSON, MICHIGAN

Capital Assets Statistics by Function/Program Last Ten Years

Function/Program	2007	2008	2009	2010	2011
Public safety					
Corrections facility capacities	426	426	426	426	426
Vehicle:					
Sheriff	38	39	47	41	49
Animal control	4	4	5	4	5
Culture and recreation					
Parks:					
County	16	16	16	16	16
Acreage	1,000	900	900	900	900
Picnic areas	17	17	17	17	17
Buildings:					
Restaurant/meeting	1	1	1	1	1
County recreation center	1	1	1	1	1
Picnic shelter/pavilions	10	15	15	15	15
Concession	2	4	4	4	4
Swimming beach areas	12	12	12	12	12
Golf courses:					
18 hole course	1	1	1	1	1
Par 3 course	1	1	1	1	1
Driving range	1	1	1	1	1
Trails/paths/sidewalks	4	4	4	4	4
Playgrounds	15	9	9	10	10
Boat launch	8	8	8	8	8
Campgrounds	2	2	2	2	2
Public works					
Miles of streets:					
Paved primary	652	546	544	544	544
Paved local	1,010	788	790	796	1,042
Gravel	283	249	248	253	250

Source: Jackson County Finance Department

Schedule 18
Unaudited



2012	2013	2014	2015	2016
426	426	426	426	426
35 3	31 -	34 -	35 -	35 -
16	16	16	16	16
900 17	900 17	1,086 17	1,086 17	1,086 17
1	1	1	1	1
1	1	1	1	1
15	15	15	15	15
4	4	4	4	4
12	12	12	12	12
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
4	4	4	4	4
10	10	10	10	10
8	8	8	8	8
2	2	2	2	2
544	544	544	544	544
786	811	811	811	811
253	229	229	229	229

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