IF YOU WISH TO ADDRESS THE CITY COUNCIL,
PLEASE COMPLETE FORM LOCATED ON DESK AT ENTRANCE AND PASS TO MAYOR.

AGENDA – CITY COUNCIL MEETING

January 12, 2016
6:30 p.m.

1. **CALL TO ORDER.**

2. **PLEDGE OF ALLEGIANCE** – Invocation by Craig T. Pappin, 4th Ward City Councilmember.

3. **ROLL CALL**.

4. **ADOPTION OF AGENDA**.

5. **CITIZEN COMMENTS** (3-Minute Limit).

6. **PRESENTATIONS/PROCLAMATIONS**.

7. **PETITIONS & COMMUNICATION (Accept & Place on File)**.

   A. **City of Jackson's Audit Report for Fiscal Year 2015:**
   Presentation by Mark Kettner, Rehman Robson, of the City of Jackson's Audit Report for Fiscal Year ended June 30, 2015.

8. **CONSENT CALENDAR**.

   A. **Minutes of the Regular Meeting on December 15, 2015:**
   Approve the minutes of the regular City Council meeting of December 15, 2015.

   B. **Board of Review Reappointment:**
   Mayor's recommendation to reappoint Ken Stapleton to the Board of Review for a three-year term beginning February 1, 2016, and ending January 31, 2019.

   C. **Ella W. Sharp Park Board of Trustees:**
   Mayor's recommendation to reappoint Michelle Woods to the Ella W. Sharp Park Board of Trustees for a three year term beginning February 1, 2016, and ending January 31, 2019.

D. Human Relations Commission Appointments:
Mayor's recommendation to appoint Simon Foster and Suzanne Mure to the Human Relations Commission filling current vacancies beginning immediately, and ending December 31, 2018, in accordance with the Human Relations Commission recommendation.

E. CDBG and HOME Financial Statements through November 30, 2015:
Receive the Community Development Block Grant (CDBG) and HOME Financial Summaries through November 30, 2015.

9. PUBLIC HEARINGS.

10. OTHER BUSINESS.

A. Ordinance No. 2016-01, Amending Chapter 28, Section 28-32. (Second/Final Reading):
Recommendation: Final adoption of Ordinance No. 2016-01, amending Chapter 28, Section 28-32, City Code to rezone property located at 1530 Locust Street from I-2 to R-1.

B. Ordinance No. 2016-02, Amendment – Limit Solicitation in Streets (Second/Final Reading):
Recommendation: Final adoption of Ordinance No. 2016-02, amending Chapter 16, City Code, to add provisions to limit solicitation on any public street.

C. Contract Renewal - Tree Trimming and Removal:
Recommendation: Approve a contract renewal with Woody's Tree Service, Stockbridge, in the amount of $75,725.00 for as needed tree trimming and removals, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate documents.

D. Final Balancing Change Order 2 – 2013 Local Street Construction Contract:
Recommendation: Approve Final Balancing Change Order 2 to the contract with Concord Excavating and Grading, Inc., Concord, in the decreased amount of $1,400.00, to reduce the watering and cultivating contract item to reflect the work for this item completed in the field, and authorize the City Manager and City Engineer to execute the appropriate document.

11. NEW BUSINESS.

A. 2016 Biosolids and Land Application Contract:
Recommendation: Approve a biosolids hauling and land application contract to BioTech Agronomics, Inc., Beulah, MI, at a unit price of $0.0311 per gallon, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate contract documents.

B. Award Five (5) Demolition Contracts Under the Hardest Hit Blight Program:

Recommendation: Award five (5) demotion contracts in the total amount of $761,469.80 under the Hardest Hit Blight Program as follows:

Contractor	**Amount**
Lester Brothers	$30,929.00
RA Baker Excavating	$231,438.00
Rickman Enterprise Group	$51,790.00
Salenbien Trucking & Excavating	$55,907.80
Smalley Construction	$391,405.00
Total	**$761,469.80**

and authorize the City Manager to take all actions necessary to finalize the contracts, and also authorize the City Attorney to make modifications if needed.

***C. Resolution Adjusting the Parking Permit Rates:**

Recommendation: Approve the resolution adjusting the parking permit rates, and authorization for the Mayor and City Treasurer/Clerk to sign the resolution.

***D. Resolution to Repeal SB 571:**

Recommendation: Approve a resolution in opposition to Public Act 269 (Senate Bill 571).

12. EXECUTIVE SESSION to discuss pending litigation, purchase of real property, and written legal opinion of counsel.

13. RETURN TO OPEN SESSION.

14. CITY COUNCILMEMBERS' COMMENTS.

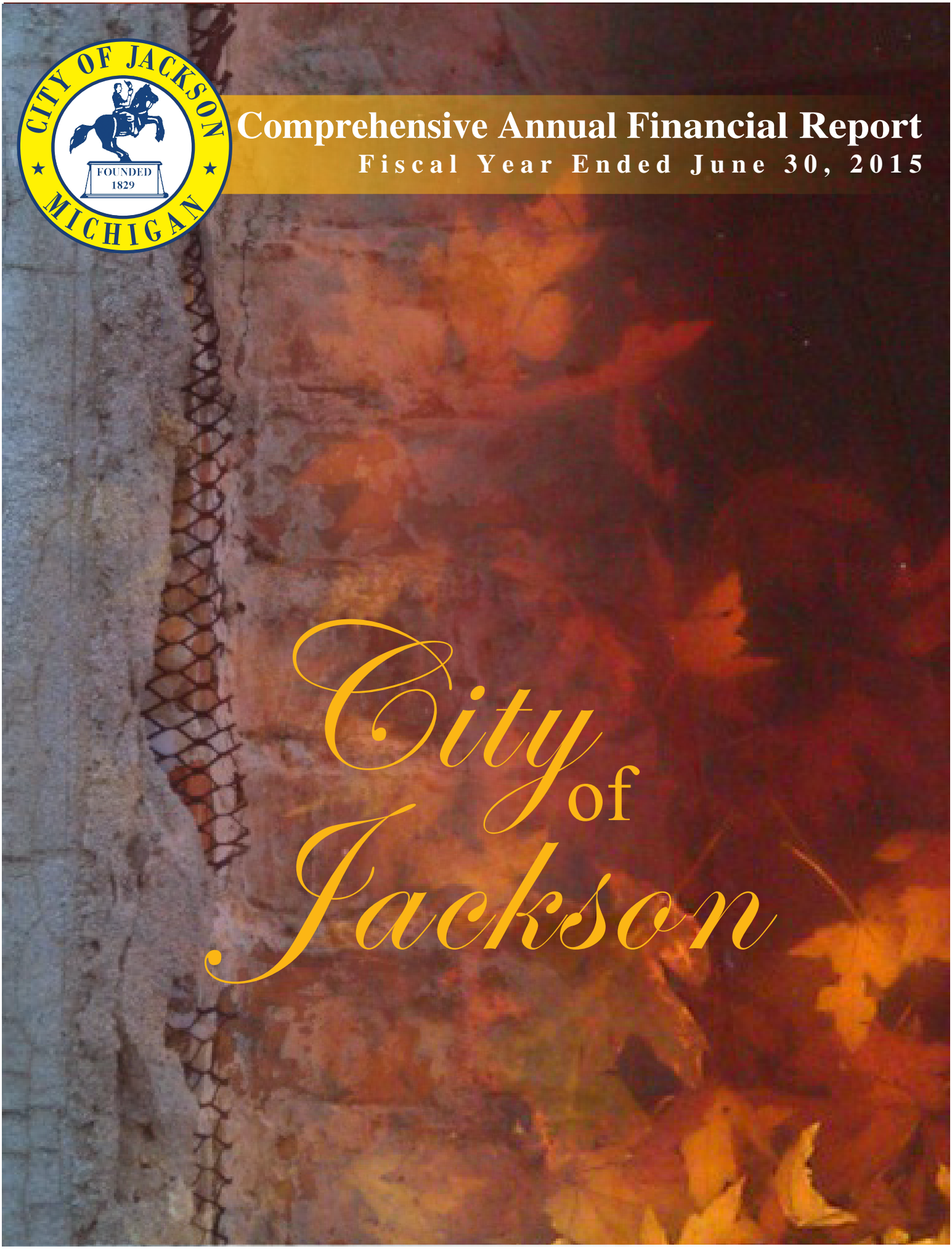
15. MANAGER'S COMMENTS.

16. ADJOURNMENT.

***Agenda Items Added.**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



City of Jackson

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CITY OF JACKSON, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
June 30, 2015

Including
Single Audit Act Compliance

Prepared by:

Philip J. Hones, Finance Director
Heather Ehnis, Assistant Finance Director

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CITY OF JACKSON, MICHIGAN

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INTRODUCTORY SECTION

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CITY MANAGER

161 West Michigan Avenue — Jackson, Michigan 49201
Telephone: (517) 788-4035 — Facsimile: (517) 768-5820

December 22, 2015

To the Honorable Mayor, Members of the City Council and Citizens of the City of Jackson

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Jackson for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the City of Jackson. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, City 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 the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive 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.

The City'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 the City for the fiscal year ended June 30, 2015 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 the City's financial statements for the fiscal year ended June 30, 2015 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 compliment MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Jackson was founded in 1829, incorporated as a city in 1857 and became a Home Rule City in 1914. It is located in south-central Michigan. The City currently has a land area of approximately 11 square miles and a population of 33,445 based on the 2010 census. The City is an industrial and commercial oriented community serving as a principal business, marketing, and cultural center for the surrounding suburban and agricultural territory. The government is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under the Council-Manager form of government. The Mayor is elected on a non-partisan, at-large basis. The six council members are elected on a non-partisan, city ward basis. A ballot proposal passed by the voters on November 6, 2001 staggered and extended the terms of council members elected by ward to four years. The Mayor continues to serve two-year terms. The City Treasurer is also elected on a non-partisan at-large basis. This position serves a four-year term. The City Manager, City Clerk, City Assessor and City Attorney are appointed by the Council for indefinite terms and serve at the pleasure of the Council.

Policymaking and legislative authorities are vested in the City Council. The Council is responsible, among other things, for passing ordinances and resolutions; making public policy decisions; confirming the appointments of department heads; adopting annual budgets; appointing boards, commissions, and committees; approving contracts; authorizing real estate transactions; approving payments; awarding bids; selling personal property; and hiring the government's manager, clerk, assessor and attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for supervising the day-to-day operations of the government, and for appointing the heads of the government's departments.

The City of Jackson provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and other infrastructure; sanitary sewage treatment and disposal; water treatment and distribution; economic development; recreational activities; and cultural events.

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 the City of Jackson operates.

Local economy. The Jackson area currently enjoys a somewhat limited but gradually diversifying economy that has demonstrated growth in the last decade. Because of its central location, Jackson provides access to employment opportunities in Lansing, Battle Creek and Ann Arbor.

2014 saw the beginning of the first phase of the Michigan Avenue Utility Replacement Project in Downtown Jackson. This two-year Project, costing an estimated $4.75 million, was completed in the fall of 2015 and replaced century-old underground water and sewer infrastructure in a three block area in the core of downtown. In addition, Consumers Energy replaced underground electrical and gas utility services, new sidewalk and pavement were installed and new traffic signals and parking spaces added. This Project followed the completion of the Blackman Park addition on the site of the former Consumer Energy Headquarters as well as the $1.3 million Parking Lot Improvement Project which added 149 spaces on Pearl St. just north of the Michigan Avenue Project.

Efforts to improve the downtown corridor are all part of the "Anchor Initiative" headed by Jackson's two largest employers - Allegiance Health and Consumer Energy. Unveiled in December of 2014, this "Initiative" promotes living, buying and innovating in downtown Jackson. Interest in living and working in the downtown as well as increased traffic in restaurants and other cultural venues has increased in recent months and is expected to continue to draw more interest in commercial and residential development over the next several years as a result of these efforts.

Major industries with headquarters or divisions located within the City include a statewide gas and electric utility, aerospace, automobile and industrial component manufacturers, retail sales and several financial institutions.

Long-term financial planning. By 2009 the City's ad valorem (real and personal property) taxable value had grown nearly 57% since fiscal year 2002 to over $768 million. The City has experienced, as have other communities in Michigan as well as across the country, a decline in the past seven fiscal years to approximately $604 million. State equalized values (50% of estimated true market values) have also declined in a similar pattern, however, the most recent valuation (as of December 31, 2014) has shown an increase (1%) over the prior year - the first increase in eight years. Market values, especially in the residential sector, have begun to show slow but steady growth and should continue into the next few years as real estate sales prices improve and the City continues its demolition program of vacant and abandoned housing.

This increase in the assessed value of taxable property in the City mentioned above will be constrained by the Headlee Amendment (which limits the annual increase in the State Equalized Value of real property) and the provisions of Proposal A (which limits increases in taxable property values to 5 percent or the rate of inflation, whichever is less). Taken together, these fiscal factors create a trend toward ever tightening budgets, even in periods of recovery, under which the City must operate.

State shared revenues within the City's General Fund, which had been subject to the Governor's Economic Vitality Incentive Program (EVIP) for the past few years, are now subject to the City, Village and Township Revenue Sharing (CVTRS) Program. To qualify for CVTRS payments, a local unit must provide 1) a Citizen's Guide of Local Finances and Performance Dashboard, 2) a Current Fiscal Year Adopted Budget / Subsequent Year Projected Budget, and 3) a Schedule of Debt and Debt Service Requirements. Actual State Shared revenues for fiscal year 2015 showed a 2.2% increase in the total constitutional and statutory components of state shared revenues, which amounted to $4,255,565.

One of the City's major revenue categories - income taxes – continues to show growth for the fifth straight fiscal year after declining over $1.1 million in fiscal year 2010. Income tax revenues increased 9.0% in fiscal year 2015 to $8.68 million. The City saw its unemployment rate decline to 9.4% from the previous fiscal year rate of 11.3%. While there was a decline in the total labor force of 2.5% to 14,107, actual employment levels declined only .5%, to 12,775.

Another continuing financial challenge for the City is the escalating costs of insurance – particularly for employees and retirees but also for property and liability. Greater revenue growth together with cost containment measures will continue to be necessary to mitigate future stress on City finances. Together, these two issues continue to impose increasing burdens on the City's fiscal structure and therefore affect the long-term stability of City finances. In an effort to better control these costs, the City implemented a self-funded health insurance program on July 1, 2014. Substantial savings have since been realized as a result and, at the same time, the City has been able to maintain its health coverage levels for its employees and retirees than would otherwise be possible in the open market.

Relevant Financial Policies. There have been no situations that have affected the application of the City's standard financial policies.

The City has always taken steps to reduce operating costs in an effort to maintain fund balances, especially within the governmental funds area. Related to this effort, the City Council adopted a fund balance policy in December, 2012, as recommended by the Government Finance Officers Association. This adopted policy prescribes a minimum 15% fund balance with a desired fund balance level of 30% within the general fund and also provides timeframes that the City would have to "replenish" fund balance and attain these higher levels.

Major Initiatives. Police and fire services have always acted in unison with the surrounding townships and county and efforts to further that cooperation are constantly being investigated. The City's Public Works Department continues to work with the County Road Commission more closely than in the past on matters such as bidding for materials (road salt, etc...) and the City provides traffic signal maintenance to many outlying areas. As indicated earlier, the City, along with some of its larger employers as well as the State, have recently begun an "Anchor Initiative" effort which would make it more attractive to live and work in the downtown area. In addition, in the fall of 2014 the City was awarded $5.5 million in State grant funds that would enable the demolition of approximately 225 vacant structures, thus furthering the City's efforts towards neighborhood revitalization. These are just some of the more major efforts the City is taking to not only reduce operating costs and become more cost efficient, but to set the framework for the City to become a more viable and thriving place to live and work in the coming fiscal years.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jackson for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. This was the twenty-third consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the City of Jackson. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Jackson's finances.

Respectfully submitted,

Patrick Burtch

Patrick H. Burtch, City Manager

Philip J. Hones

Philip J. Hones, City Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Jackson

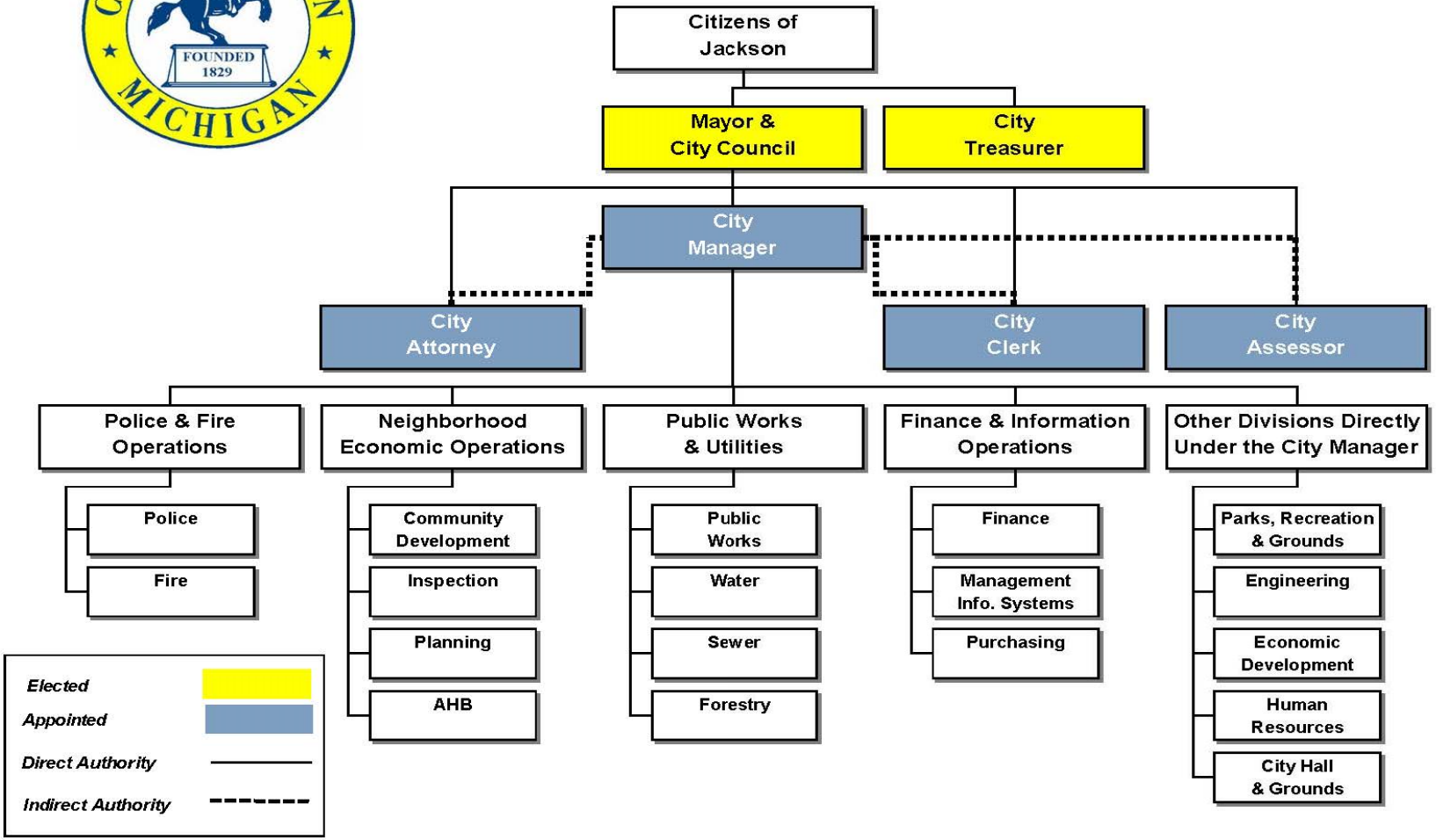
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

City of Jackson
Organizational Structure



City of Jackson, Michigan
List of Principal Officials

CITY COUNCIL

Jason C. Smith, Mayor

Arlene Robinson	**1st Ward**
Kimberly Jaquish	**2nd Ward**
Daniel P. Greer	**3rd Ward**
Laura D. Schlecte	**4th Ward**
Andrew R. Frounfelker	**5th Ward**
Derek J. Dobies	**6th Ward**

CITY OFFICIALS

Patrick H. Burtch, City Manager

Patrick H. Burtch	**Neighborhood & Economic Operations Director**
Jonathan Greene	**Assistant City Manager/Economic Development Director**
Jennifer L. Morris	**Director of Human Resources**
Bethany Smith	**City Attorney**
Matthew Heins	**Director of Police and Fire Services**
Philip J. Hones	**Director of Finance**
Kelli Hoover	**Director of Parks, Recreation & Grounds**
Todd Knepper	**Director of Public Works/Public Utilities Director**
David Taylor	**City Assessor**
Andrew J. Wrozek, Jr.	**City Treasurer/Income Tax Administrator/City Clerk**

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FINANCIAL SECTION

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Rehmann

Rehmann Robson

675 Robinson Rd.
Jackson, MI 49203
Ph: 517.787.6503
Fx: 517.788.8111
rehmann.com

INDEPENDENT AUDITORS' REPORT

December 22, 2015

Honorable Mayor and
Members of the City Council
City of 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 *City of Jackson, Michigan* (the "City") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City'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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, 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 City of Jackson, Michigan, as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison 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.

Implementation of GASB Statement No. 68

As described in Note 20, the City implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* in the current year. Accordingly, beginning net position of the governmental activities, the business-type activities, and the sewage and water enterprise funds were restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules of pension and other postemployment benefits 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 City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied by us and the other auditors 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 information is 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 December 22, 2015, on our consideration of the City of Jackson'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 City of Jackson's internal control over financial reporting and compliance.

Rehmann Robson LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the *City of Jackson, Michigan* (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $65,388,995 (net position). The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* in the current year. In addition to expanded disclosure requirements, the City is required to report its net pension liability on the statement of net position. This change has resulted in a negative unrestricted net position of ($40,040,027).

- The government's total net position increased by $2,132,220 from operations during the fiscal year. This change, together with the restatement from the implementation of GASB 68, which decreased net position by $51,452,412, resulted in a total decrease in net position of $49,320,192.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $14,732,416, an increase of $2,975,063 in comparison with the prior year. Approximately 29 percent of this total amount, or $4,375,247, is *available for spending* at the government's discretion *(unassigned fund balance).*

- At the end of the current fiscal year, unassigned fund balance for the general fund was $5,475,601, or 27 percent of total general fund expenditures.

- The City's total bonded debt decreased by $865,000 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City'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 City's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information shows 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., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City 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 City include legislative, general government, public safety, public works, culture and recreation and community enrichment and development. The business-type activities of the City include the golf practice center, parking system, stormwater utility and water and sewer operations.

Management's Discussion and Analysis

The government-wide financial statements include not only the City itself (known as the primary government), but also two legally separate authorities – the Downtown Development Authority and the Brownfield Redevelopment Authority – for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The City of Jackson Building Authority, although also legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

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 City, 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 City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains 29 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general, major streets and special assessment capital projects funds, each of which are considered to be major funds. Data from the other 26 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 City adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary funds. The City 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 City uses three major enterprise funds to account for its sanitary sewer, water purification and distribution and parking deck operations while the operations of the City's golf practice center, its remaining parking system and the stormwater utility are considered nonmajor and are combined into a single, aggregated presentation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers compensation and prescription drug and health care deductible self-insurance programs, the motor pool and garage operations, public works and engineering administration and for the Brownfield Redevelopment Authority's local site remediation activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. All of the City's individual internal service fund data is provided in the form of combining statements elsewhere in this report.

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 sewage, water and parking deck operations, all of which are considered to be major funds of the City.

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 statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Management's Discussion and Analysis

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

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

The combining statements referred to earlier in connection with nonmajor funds are presented immediately following the required supplementary information.

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 City of Jackson, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $65,388,995 at the close of the most recent fiscal year.

The City's net position reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	$ 20,291,360	$ 18,084,273	$ 25,500,104	$ 25,753,962	$ 45,791,464	$ 43,838,235
Capital assets	76,187,072	75,993,295	59,259,505	57,737,510	135,446,577	133,730,805
Total assets	96,478,432	94,077,568	84,759,609	83,491,472	181,238,041	177,569,040
Deferred outflows of resources	3,380,433	846,001	65,685	-	3,446,118	846,001
Liabilities						
Long-term liabilities outstanding	40,590,754	41,907,043	398,707	555,092	40,989,461	42,462,135
Other liabilities	74,483,034	19,619,926	2,681,005	1,623,793	77,164,039	21,243,719
Total liabilities	115,073,788	61,526,969	3,079,712	2,178,885	118,153,500	63,705,854
Deferred inflows of resources	1,116,733	-	24,931	-	1,141,664	-
Net position:						
Net investment in capital assets	38,234,548	37,303,547	59,159,505	57,537,510	97,394,053	94,841,057
Restricted	7,972,469	7,181,966	62,500	62,500	8,034,969	7,244,466
Unrestricted (deficit)	(62,538,673)	(11,088,913)	22,498,646	23,712,577	(40,040,027)	12,623,664
Total net position	$ (16,331,656)	$ 33,396,600	$ 81,720,651	$ 81,312,587	$ 65,388,995	$ 114,709,187

Management's Discussion and Analysis

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 5,552,879	$ 4,848,628	$ 12,157,199	$ 12,747,090	$ 17,710,078	$ 17,595,718
Operating grants and contributions	8,168,083	4,954,371	-	-	8,168,083	4,954,371
Capital grants and contributions	2,616,526	1,715,400	-	-	2,616,526	1,715,400
General revenues:						
Property taxes	9,848,721	9,347,632	-	-	9,848,721	9,347,632
Income taxes	8,806,662	8,080,526	-	-	8,806,662	8,080,526
Grants and contributions not restricted to specific programs	4,473,462	4,350,343	494,502	502,598	4,967,964	4,852,941
Other	211,377	192,908	79,121	91,290	290,498	284,198
Gain on sale of capital assets	8,939	12,140	-	-	8,939	12,140
Total revenues	39,686,649	33,501,948	12,730,822	13,340,978	52,417,471	46,842,926
Expenses:						
Legislative	77,646	80,442	-	-	77,646	80,442
General government	4,430,955	5,316,441	-	-	4,430,955	5,316,441
Public safety	20,342,158	18,040,231	-	-	20,342,158	18,040,231
Public works	6,078,035	5,909,656	-	-	6,078,035	5,909,656
Culture and recreation	2,925,356	2,592,620	-	-	2,925,356	2,592,620
Community enrichment	2,955,101	3,049,440	-	-	2,955,101	3,049,440
Interest on long-term debt	1,212,116	1,275,528	-	-	1,212,116	1,275,528
Sewer	-	-	4,269,366	4,528,885	4,269,366	4,528,885
Water	-	-	6,671,055	6,388,397	6,671,055	6,388,397
Stormwater utilities	-	-	679,023	524,814	679,023	524,814
Parking system	-	-	590,951	633,440	590,951	633,440
Golf practice center	-	-	53,489	50,620	53,489	50,620
Total expenses	38,021,367	36,264,358	12,263,884	12,126,156	50,285,251	48,390,514
Change in net position before transfers	1,665,282	(2,762,410)	466,938	1,214,822	2,132,220	(1,547,588)
Transfers	(751,966)	(81,450)	751,966	81,450	-	-
Change in net position	913,316	(2,843,860)	1,218,904	1,296,272	2,132,220	(1,547,588)
Net position:						
Beginning of year:						
Previously stated	33,396,600	36,240,460	81,312,587	80,016,315	114,709,187	116,256,775
Restatement for implementation of GASB 68	(50,641,572)	-	(810,840)	-	(51,452,412)	-
Net position - end of year	$ (16,331,656)	$33,396,600	$81,720,651	$81,312,587	$ 65,388,995	$114,709,187

Management's Discussion and Analysis

The government's net position increased by $2,132,220 during the current fiscal year. Governmental activities increased $913,316 and business-type activities increased $1,218,904. The increase in the governmental activities is due to a significant increase in revenues and a modest increase in expenses as well as the ongoing efforts of the government to continue cost containment practices previously implemented. Governmental activities revenues in total increased over the prior year by $6,184,701, or 19%, while governmental activities expenses increased only $1,757,009, or 5%. Similarly, the increase in net position in the business-type activities was also not as large as the increase of $1,296,272, from last fiscal year. Business-type activities revenues declined $610,156, or 5%, while business-type activities expenses increased $137,728, or 1%.

Governmental activities. Governmental activities increased the City's net position by $913,316 during fiscal year 2015. Some significant elements of this increase are as follows:

- Operating grants and contributions increased $3,213,712 in comparison with the prior year. Federal block grant funding increased $0.9 million and the city received new grant funds for blight elimination of over $1.5 million.

- Capital grants and contributions increased $901,126 largely as a result of major street funding for supplemental road and bridge construction.

- Income taxes within the general fund increased $726,136, or 9%, from the prior fiscal year.

- Expenses, for the most part, were comparable to prior year's. The largest change, an increase in public safety of slightly over $2.3 million, included the addition of over $1 million in blight elimination expenditures (demolitions) as well as several smaller increases.

Business-type activities. Business-type activities increased the City's net position by $1,218,904 during fiscal year 2015. This change resulted from an increase in the sewage fund totaling $404,387 and the water fund of $1,111,440 offset by a decrease in the parking deck fund of $452,442. The nonmajor enterprise funds in total reflected an increase in net position of $286,494.

Key elements of this increase are as follows:

- During the fiscal year there were no increases in sewer and water rates. This follows two previous fiscal years that saw increases in both rates of approximately 10% in 2012 and 2.7% in 2013.

- Sewer fund charges for services declined $251,824, or 5.2% from the prior fiscal year. Sewer operating expenses decreased $242,657, or 5.4%.

- Water charges for services decreased $244,407, or 3.3%. The total number of customers declined slightly by 91, or 0.6%. Both residential and commercial user-class revenues declined somewhat while the industrial class showed a significant increase of approximately 33%. Fluctuations, historically, are usually more significant from year to year in the industrial class, as a rule.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City'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.

Management's Discussion and Analysis

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $14,732,416, an increase of $2,975,063 in comparison with the prior year. Approximately 29 percent of this total amount, or $4,375,247, is available for spending at the government's discretion (unassigned fund balance). The remainder of fund balance is 1) nonspendable to indicate that it is not available for new spending because it must be maintained intact for inventories $341,640, prepaid expenditures $16,122, funds advanced on a long-term basis $50,000, cemetery perpetual care $1,882,759 and endowments related to Ella Sharp Park and facilities $1,088,288; 2) restricted to indicate limitations on its use imposed by grants or legislation, which total $4,951,422; and 3) committed which indicate funds that have self-imposed limitations, which total $2,026,938. A summary of the nonspendable, restricted and committed components of fund balance can be found in the notes to financial statements section of this report.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $5,475,601, while total fund balance was $5,541,723. 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. Unassigned fund balance represents 27.3 percent of total general fund expenditures while total fund balance represents 27.6 percent of total general fund expenditures.

The fund balance of the City's general fund increased by $724,452 during the current fiscal year. The City continues to experience declines in its tax base, although much smaller than in prior years. State equalized values, which represent 50% of true cash values, actually increased in 2015 for the first time in several years, signaling what is hoped for as the beginning of a upward trend in taxable values. Income tax revenues, which showed significant growth in the prior year, increased $726,136, or 9.0%, from the prior fiscal year.

The major streets special revenue fund's fund balance increased $468,175 from the prior fiscal year leaving a total surplus of $1,739,759 at fiscal year-end. Street and state highway construction increased substantially in comparison with the prior fiscal year due largely to the $1.24 million reconstruction of Brown Street, a street bordering the west side of the city limits funded with a special state budget appropriation. Winter maintenance expenditures declined to a more normal level following an abnormally harsh winter experienced in the previous fiscal year.

The special assessment capital projects fund, which is used to account for special assessments levied to finance public improvements or services deemed to benefit only the properties against which the assessments are levied, decreased the amount of its fund deficit by $45,843. This fund, which has a deficit by its nature, recorded $418,489 in new assessment rolls receivable during the fiscal year while receiving collections on such receivables totaling $373,864.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities but in more detail.

Unrestricted net position of the sewage fund and water fund at the end of the year amounted to $10,542,298 and $11,237,821, respectively. The sewage fund had an increase in net position for the year of $404,387, whereas the water fund had an increase of $1,111,440. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities. The parking deck fund had a decrease in net position of $452,442. Depreciation and other expenses continue to increase as the revenues increase only slightly.

General Fund Budgetary Highlights

Differences between the original and final amended budgeted revenues were largely minor adjustments made for the most part during the budget process. Total revenues were favorable when compared to budget by $55,008.

Expenditures were favorable when compared to budget in total by $813,261. The actual increase in fund balance of $724,452 exceeded the anticipated budgeted decrease of $145,023 by $869,475, or 4.3 percent of expenditures.

Management's Discussion and Analysis

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounted to $135,446,577 (net of accumulated depreciation). This investment in capital assets includes land, systems, land improvements, infrastructure, buildings and improvements, park and recreation facilities and machinery and equipment. The total net increase in the City's investment in capital assets for the current fiscal year was $1,715,772 or 1.3 percent.

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

- Infrastructure improvements of approximately $3.3 million comprised largely of street and bridge construction.
- Various parking as well as water and sewer system improvements totaled approximately $3.7 million. Included were water distribution mains of $1.24 million, sewer line replacements of approximately $954,000 and painting of the city's two elevated water storage tanks totaling $1.05 million.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 2,428,780	$ 2,428,780	$ 8,956,886	$ 8,956,886	$ 11,385,666	$ 11,385,666
Systems	-	-	38,860,832	36,419,391	38,860,832	36,419,391
Land improvements	12,297,373	12,613,890	1,378,991	1,432,117	13,676,364	14,046,007
Infrastructure	43,655,146	43,310,967	-	-	43,655,146	43,310,967
Buildings and improvements	10,415,906	10,782,375	8,233,350	9,250,905	18,649,256	20,033,280
Park and recreation facilities	5,530,628	4,720,493	-	-	5,530,628	4,720,493
Machinery and equipment	1,859,239	2,136,790	1,562,160	1,678,211	3,421,399	3,815,001
Total	$ 76,187,072	$ 75,993,295	$ 59,259,505	$ 57,737,510	$ 135,446,577	$ 133,730,805

Additional information related to capital assets can be found in Note 7 to the financial statements.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $38,483,577. Of this amount, $38,383,577 comprises debt backed by the full faith and credit of the government.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	$ 38,383,577	$ 39,148,577	$ -	$ -	$ 38,383,577	$ 39,148,577
Revenue bonds	-	-	100,000	200,000	100,000	200,000
Total	$ 38,383,577	$ 39,148,577	$ 100,000	$ 200,000	$ 38,483,577	$ 39,348,577

The City's total bonded debt decreased by $865,000 (2 percent) during the current fiscal year.

The City has an "**A+**" rating from Standard & Poor's for general obligation debt. The revenue bonds of the water fund have been rated "**A2**" by Moody's and "**A**" by Standard & Poor's. The sewer fund revenue bonds were not rated.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the City is $62,942,600, which is significantly in excess of the City's outstanding general obligation debt of $38,741,973.

Additional information related to long-term debt can be found in the Note 10 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the City's budget for the 2015/16 fiscal year:

- The unemployment rate for the City is currently 7.5% (October 2015), which is a decrease from a rate of 9.0% a year ago (October 2014). While this compares unfavorably to the state's average unemployment rate of 5.0% and the national average rate of 4.8%, this decrease in the government's unemployment rate, along with the increase in employment levels - from 12,606 to 12,698 - should have a continued positive effect on this year's income tax revenues.

- Ad valorem (real and personal) taxable values of property have decreased 0.6% over the prior fiscal year. This is the smallest decline in the last several years. State equalized values, however, as indicated earlier, actually increased for the first time since 2009. As a result, it is expected that taxable values will begin to show slow but steady growth in the coming years.

- Inflationary trends in the region compare favorably to national indices.

During the 2015 fiscal year, unassigned fund balance in the general fund increased to $5,475,601. The current budget anticipates that this fund balance amount will increase by $23,675.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 161 W. Michigan Avenue, Jackson, Michigan 49201.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF JACKSON, MICHIGAN

Statement of Net Position

June 30, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Brownfield Redevelopment Authority	Downtown Development Authority
Assets					
Pooled cash and investments	$ 9,512,022	$ 22,570,977	$ 32,082,999	$ 1,557,524	$ 210,373
Restricted cash:					
Cash on hand with agents	46,000	-	46,000	-	-
Pooled cash and investments	2,944,540	62,500	3,007,040	-	-
Receivables, net	6,731,176	2,992,564	9,723,740	-	137,222
Internal balances	417,477	(417,477)	-	-	-
Prepaids and other assets	640,145	291,540	931,685	-	-
Capital assets not being depreciated	2,428,780	9,224,172	11,652,952	-	-
Capital assets being depreciated, net	73,758,292	50,035,333	123,793,625	-	-
Total assets	96,478,432	84,759,609	181,238,041	1,557,524	347,595
Deferred outflows of resources					
Deferred charge on refunding	789,449	-	789,449	-	-
Deferred pension amounts	2,590,984	65,685	2,656,669	-	-
Total deferred outflows of resources	3,380,433	65,685	3,446,118	-	-
Liabilities					
Accounts payable and accrued liabilities	1,925,117	1,666,339	3,591,456	566	4,499
Accrued interest payable	121,353	-	121,353	-	-
Unearned revenue	435,831	125,000	560,831	-	-
Long-term debt:					
Due within one year	1,819,003	398,707	2,217,710	-	-
Due in more than one year	38,771,751	-	38,771,751	-	-
Other noncurrent liabilities:					
Net other postemployment benefits	19,707,153	-	19,707,153	-	-
Net pension liability	52,293,580	889,666	53,183,246	-	-
Total liabilities	115,073,788	3,079,712	118,153,500	566	4,499
Deferred inflows of resources					
Unavailable - notes receivable	-	-	-	-	54,719
Deferred pension amounts	1,116,733	24,931	1,141,664	-	-
Total deferred inflows of resources	1,116,733	24,931	1,141,664	-	54,719
Net position					
Net investment in capital assets	38,234,548	59,159,505	97,394,053	-	-
Restricted for:					
Debt service	57,668	62,500	120,168	-	-
Highways and streets	2,348,883	-	2,348,883	-	-
Public improvement and recreation	2,462,291	-	2,462,291	-	-
Public safety	15,900	-	15,900	-	-
Rehabilitation programs	66,680	-	66,680	-	-
Perpetual care -					
Endowments (nonexpendable)	3,021,047	-	3,021,047	-	-
Unrestricted (deficit)	(62,538,673)	22,498,646	(40,040,027)	1,556,958	288,377
Total net position	$ (16,331,656)	$ 81,720,651	$ 65,388,995	$ 1,556,958	$ 288,377

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

Statement of Activities

For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses)
Primary government					
Governmental activities:					
Legislative	$ 77,646	$ -	$ -	$ -	$ (77,646)
General government	4,430,955	1,182,140	1,025,324	-	(2,223,491)
Public safety	20,342,158	2,607,567	2,411,695	-	(15,322,896)
Public works	6,078,035	402,504	2,804,686	2,566,159	(304,686)
Culture and recreation	2,925,356	828,242	3,183	-	(2,093,931)
Community enrichment and development	2,955,101	532,426	1,923,195	50,367	(449,113)
Interest on long-term debt	1,212,116	-	-	-	(1,212,116)
Total governmental activities	38,021,367	5,552,879	8,168,083	2,616,526	(21,683,879)
Business-type activities:					
Sewer	4,269,366	4,530,039	-	-	260,673
Water	6,671,055	7,260,013	-	-	588,958
Stormwater utilities	679,023	-	-	-	(679,023)
Parking system	590,951	327,342	-	-	(263,609)
Golf practice center	53,489	39,805	-	-	(13,684)
Total business-type activities	12,263,884	12,157,199	-	-	(106,685)
Total primary government	$ 50,285,251	$ 17,710,078	$ 8,168,083	$ 2,616,526	$ (21,790,564)
Component units					
Brownfield redevelopment authority	$ 1,157,478	$ -	$ -	$ -	$ (1,157,478)
Downtown development authority	156,922	52,618	881	-	(103,423)
Total component units	$ 1,314,400	$ 52,618	$ 881	$ -	$ (1,260,901)

continued...

Statement of Activities

For the Fiscal Year Ended June 30, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Brownfield Redevelopment Authority	Downtown Development Authority
Net revenues (expenses)	$ (21,683,879)	$ (106,685)	$ (21,790,564)	$ (1,157,478)	$ (103,423)
General revenues and transfers					
Property taxes	9,848,721	-	9,848,721	1,055,731	93,212
Income taxes	8,806,662	-	8,806,662	-	-
Grants and contributions not restricted to specific purposes	4,473,462	494,502	4,967,964	-	600
Unrestricted interest earnings	211,377	79,121	290,498	4,019	2,209
Gain on sale of capital assets	8,939	-	8,939	-	-
Transfers - internal activities	(751,966)	751,966	-	-	-
Total general revenues and transfers	22,597,195	1,325,589	23,922,784	1,059,750	96,021
Change in net position	913,316	1,218,904	2,132,220	(97,728)	(7,402)
Net position, beginning of year, as restated	(17,244,972)	80,501,747	63,256,775	1,654,686	295,779
Net position, end of year	$ (16,331,656)	$ 81,720,651	$ 65,388,995	$ 1,556,958	$ 288,377

concluded.

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

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FUND FINANCIAL STATEMENTS

CITY OF JACKSON, MICHIGAN

Governmental Funds Balance Sheet
June 30, 2015

	General	Major Streets	Special Assessment Capital Projects	Nonmajor Governmental Funds	Totals
Assets					
Pooled cash and investments	$ 2,557,793	$ 995,379	$ 14,371	$ 8,264,253	$ 11,831,796
Accounts receivables, net	102,888	48,340	-	519,848	671,076
Taxes receivable	1,725,991	-	-	-	1,725,991
Other receivables	-	-	1,104,941	11,796	1,116,737
Due from other governments	824,470	471,703	-	1,712,605	3,008,778
Due from other funds	-	-	-	156,625	156,625
Interfund receivable	1,515,453	-	-	-	1,515,453
Inventories	-	326,140	-	15,500	341,640
Prepaid expenditures	16,122	-	-	-	16,122
Loans receivable	-	-	-	186,625	186,625
Long-term advances to other funds	50,000	-	-	50,000	100,000
Total assets	$ 6,792,717	$ 1,841,562	$ 1,119,312	$ 10,917,252	$ 20,670,843
Liabilities					
Accounts payable	$ 607,078	$ 95,328	$ -	$ 338,545	$ 1,040,951
Accrued payroll	243,132	6,475	-	108,328	357,935
Other liabilities	10,712	-	-	-	10,712
Due to other funds	45,968	-	14,371	75,286	135,625
Interfund payable	-	-	-	1,515,453	1,515,453
Unearned revenue	344,104	-	-	91,727	435,831
Long-term advances from other funds	-	-	1,100,354	50,000	1,150,354
Total liabilities	1,250,994	101,803	1,114,725	2,179,339	4,646,861
Deferred inflows of resources					
Unavailable revenue - loans receivable	-	-	-	186,625	186,625
Unavailable revenue - special assessment receivable	-	-	1,104,941	-	1,104,941
Total deferred inflows of resources	-	-	1,104,941	186,625	1,291,566
Fund balances					
Nonspendable	66,122	326,140	-	2,986,547	3,378,809
Restricted	-	1,413,619	-	3,537,803	4,951,422
Committed	-	-	-	2,026,938	2,026,938
Unassigned (deficit)	5,475,601	-	(1,100,354)	-	4,375,247
Total fund balances (deficit)	5,541,723	1,739,759	(1,100,354)	8,551,288	14,732,416
Total liabilities, deferred inflows of resources and fund balances	$ 6,792,717	$ 1,841,562	$ 1,119,312	$ 10,917,252	$ 20,670,843

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

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2015

Fund balances - total governmental funds	$ 14,732,416
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	2,428,780
Capital assets being depreciated, net	72,658,022
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows in the governmental funds, and thus are not included in fund balance.	
Deferred loans receivable	186,625
Deferred special assessments	1,104,941
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	(52,293,580)
Deferred inflows related to the net pension liability	(1,116,733)
Deferred outflows related to the net pension liability	2,590,984
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	2,639,223
Portion of internal service funds net position attributed to business-type activities	367,477
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Unamortized bond discount	117,754
Unamortized deferred loss on refunding	789,449
Bonds and installment contracts	(38,383,577)
Unamortized bond premium	(476,150)
Other postemployment benefit obligation	(19,707,153)
Compensated absences	(1,848,781)
Accrued interest on long-term liabilities	(121,353)
Net position of governmental activities	$ (16,331,656)

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

CITY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General	Major Streets	Special Assessment Capital Projects	Nonmajor Governmental Funds	Totals
Revenues					
Property taxes	$ 7,378,373	$ -	$ -	$ 2,470,348	$ 9,848,721
Income taxes	8,806,662	-	-	-	8,806,662
Licenses and permits	269,871	-	-	-	269,871
Intergovernmental	4,382,628	4,358,201	-	6,311,261	15,052,090
Charges for services	1,077,458	-	-	2,716,623	3,794,081
Fines and forfeits	251,069	-	-	-	251,069
Special assessments	-	-	372,646	-	372,646
Investment income	28,652	4,585	-	175,426	208,663
Parking fees	-	-	-	102,600	102,600
Miscellaneous	180,446	331,129	-	463,461	975,036
Total revenues	22,375,159	4,693,915	372,646	12,239,719	39,681,439
Expenditures					
Current:					
Legislative	77,646	-	-	-	77,646
General government	4,265,628	-	-	-	4,265,628
Public safety	13,376,704	-	-	4,282,375	17,659,079
Public works	574,188	4,382,753	-	526,409	5,483,350
Culture and recreation	1,460,110	-	-	1,174,010	2,634,120
Community enrichment and development	316,852	-	-	3,157,822	3,474,674
Capital outlay	-	-	-	434,097	434,097
Debt service:					
Principal retirement	-	-	-	765,000	765,000
Interest and fiscal charges	-	-	-	1,187,255	1,187,255
Total expenditures	20,071,128	4,382,753	-	11,526,968	35,980,849
Revenues over expenditures	2,304,031	311,162	372,646	712,751	3,700,590
Other financing sources (uses)					
Proceeds from sale of capital assets	8,939	-	-	-	8,939
Transfers in	28,133	967,696	-	2,554,932	3,550,761
Transfers out	(1,616,651)	(810,683)	(418,489)	(1,439,404)	(4,285,227)
Total other financing sources (uses)	(1,579,579)	157,013	(418,489)	1,115,528	(725,527)
Net change in fund balances	724,452	468,175	(45,843)	1,828,279	2,975,063
Fund balances (deficit), beginning of year	4,817,271	1,271,584	(1,054,511)	6,723,009	11,757,353
Fund balances (deficit), end of year	$ 5,541,723	$ 1,739,759	$ (1,100,354)	$ 8,551,288	$ 14,732,416

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

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Changes in Net Position of Governmental Activities
For the Fiscal Year Ended June 30, 2015

Net change in fund balances - total governmental funds	$ 2,975,063
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.	
Capital outlay	4,435,142
Loss on disposal of capital assets	(30,647)
Depreciation expense	(3,921,998)
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.	
Current year special assessment levied greater than receipts	44,625
Current year loan receivable receipts	(95,750)
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	765,000
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 claims and litigation	561,055
Change in accrued interest payable on bonds	2,916
Amortization of bond discount	(7,959)
Amortization of bond premium	36,735
Amortization of refunding loss	(56,552)
Change in net other postemployment benefit obligation	(3,216,617)
Change in net pension liability and related deferred amounts	(177,757)
Change in the accrual of compensated absences	(38,542)
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 certain internal service funds is reported with governmental activities.	
Net operating loss from governmental activities accounted for in internal service funds	(522,269)
Net operating loss attributable to business-type activities	130,975
Interest revenue from governmental internal service funds	47,396
Transfers made from governmental internal service funds	(17,500)
Change in net position of governmental activities	$ 913,316

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

Statement of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015				
	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues					
Property taxes	$ 7,404,409	$ 7,387,409	$ 7,378,373	$ (9,036)	$ 6,953,802
Income taxes	8,500,000	8,680,000	8,806,662	126,662	8,080,526
Licenses and permits	291,060	269,638	269,871	233	265,297
Intergovernmental	4,357,976	4,416,056	4,382,628	(33,428)	4,244,084
Charges for services	1,287,373	1,152,231	1,077,458	(74,773)	1,218,086
Fines and forfeits	184,523	243,075	251,069	7,994	184,411
Investment income	35,000	29,500	28,652	(848)	26,901
Miscellaneous	128,593	142,242	180,446	38,204	167,695
Total revenues	22,188,934	22,320,151	22,375,159	55,008	21,140,802
Expenditures					
Current:					
Legislative - City Council	90,662	90,662	77,646	(13,016)	80,442
General government:					
City Manager	285,330	301,155	297,370	(3,785)	317,508
City Clerk - Elections	107,221	101,675	100,328	(1,347)	68,448
Finance	457,380	531,020	529,784	(1,236)	440,940
City Assessor	348,441	337,491	317,859	(19,632)	315,171
City Attorney	432,162	467,852	455,454	(12,398)	388,718
City Clerk	128,650	107,302	107,302	-	112,132
Personnel	214,198	209,003	193,910	(15,093)	209,027
Purchasing	101,231	104,372	103,577	(795)	93,051
City Treasurer	319,857	330,516	329,026	(1,490)	311,177
City income tax administration	154,618	146,492	126,021	(20,471)	141,269
Management information services	429,035	343,021	341,822	(1,199)	390,297
City hall and grounds	344,640	380,078	356,283	(23,795)	311,868
Cemeteries	239,699	243,509	233,892	(9,617)	227,574
Administrative hearings bureau	30,522	36,284	35,334	(950)	28,634
Unallocated	800,224	771,813	737,666	(34,147)	755,753
Total general government	4,393,208	4,411,583	4,265,628	(145,955)	4,111,567
Public safety:					
Police:					
General	8,330,526	8,144,751	7,955,584	(189,167)	7,591,853
Youth services unit	-	-	-	-	-
STEP grant	-	9,608	9,551	(57)	9,608
JCCAE grant	-	-	-	-	-
Homeland security grant	-	-	-	-	-
Office of Highway Safety program	-	15,000	15,454	454	11,994
MCOLES training	-	29,323	11,791	(17,532)	13,930
In-service training	2,756	18,500	12,671	(5,829)	2,756
Consortium training	13,069	34,717	34,713	(4)	12,690
Fire -					
Suppression	3,259,246	3,095,677	3,018,925	(76,752)	3,000,942
Police and fire - unallocated	2,272,249	2,312,984	2,318,015	5,031	2,077,192
Emergency measures	-	-	-	-	10,705
Total public safety	13,877,846	13,660,560	13,376,704	(283,856)	12,731,670

continued...

Statement of Revenues, Expenditures and Changes in Fund Balance

Final Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015				
	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Expenditures (concluded)					
Current (concluded):					
Public works:					
Tax property maintenance	$ 29,081	$ 49,754	$ 46,016	$ (3,738)	$ 25,464
Civic affairs	47,894	45,440	28,750	(16,690)	26,599
Drains at large	4,000	37,307	25,092	(12,215)	31,942
Storm drain construction	-	-	-	-	158
Grounds maintenance	73,000	74,475	54,053	(20,422)	106,343
Sidewalk construction	31,000	61,000	5,787	(55,213)	82,563
Street lighting	482,707	481,387	384,688	(96,699)	459,713
Weed control	60,570	67,067	48,020	(19,047)	47,109
Reimbursements	(53,000)	(46,703)	(18,218)	(28,485)	(86,794)
Total public works	675,252	769,727	574,188	(195,539)	693,097
Culture and recreation:					
Parks and recreation administration	708,895	689,147	685,297	(3,850)	687,125
Parks and facilities maintenance	504,306	508,198	499,352	(8,846)	513,104
Forestry	314,889	325,000	224,419	(100,581)	177,066
Lt. Nixon memorial pool	85,882	85,977	71,436	(14,541)	73,790
Sharp Park swimming pool	36,550	-	-	-	33,878
Historical district	19,410	21,675	17,907	(3,768)	6,408
Reimbursements	(45,000)	(44,000)	(38,301)	(5,699)	(37,106)
Total culture and recreation	1,624,932	1,585,997	1,460,110	(125,887)	1,454,265
Community enrichment/development:					
Planning	161,566	199,400	173,363	(26,037)	164,618
DDA and equity grants	-	-	-	-	-
Land acquisition	-	-	-	-	-
Human relations	-	-	-	-	-
Economic development	166,460	166,460	143,489	(22,971)	89,919
Total community enrichment and development	328,026	365,860	316,852	(49,008)	254,537
Total expenditures	20,989,926	20,884,389	20,071,128	(813,261)	19,325,578
Revenues over expenditures	1,199,008	1,435,762	2,304,031	868,269	1,815,224
Other financing sources (uses)					
Proceeds from sale of capital assets	15,000	10,000	8,939	(1,061)	12,140
Transfers in	41,500	31,000	28,133	(2,867)	30,353
Transfers out	(1,168,200)	(1,621,785)	(1,616,651)	(5,134)	(1,291,488)
Total other financing sources (uses)	(1,111,700)	(1,580,785)	(1,579,579)	1,206	(1,248,995)
Net change in fund balances	87,308	(145,023)	724,452	869,475	566,229
Fund balances, beginning of year	4,817,271	4,817,271	4,817,271	-	4,251,042
Fund balances, end of year	$ 4,904,579	$ 4,672,248	$ 5,541,723	$ 869,475	$ 4,817,271

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Statement of Revenues, Expenditures and Changes in Fund Balances

Final Budget and Actual - Major Streets Fund
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015				
	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues					
Intergovernmental	$ 3,482,590	$ 4,723,195	$ 4,358,201	$ (364,994)	$ 3,370,137
Investment income	500	4,120	4,585	465	1,704
Miscellaneous	145,824	348,424	331,129	(17,295)	138,905
Total revenues	3,628,914	5,075,739	4,693,915	(381,824)	3,510,746
Expenditures					
Public works:					
Street construction	803,689	2,206,611	2,202,167	(4,444)	723,055
Street maintenance	547,000	543,816	334,480	(209,336)	385,455
Traffic services	630,585	600,700	497,915	(102,785)	565,207
Winter maintenance	334,000	373,144	176,891	(196,253)	384,380
Trunkline maintenance	195,100	291,121	194,221	(96,900)	150,693
State highway construction	2,107,760	1,295,849	977,079	(318,770)	1,606,343
Total expenditures	4,618,134	5,311,241	4,382,753	(928,488)	3,815,133
Revenues over (under) expenditures	(989,220)	(235,502)	311,162	546,664	(304,387)
Other financing sources (uses)					
Transfers in	1,051,319	531,026	967,696	436,670	603,544
Transfers out	(330,000)	(630,000)	(810,683)	180,683	-
Total other financing sources (uses)	721,319	(98,974)	157,013	255,987	603,544
Net change in fund balances	(267,901)	(334,476)	468,175	802,651	299,157
Fund balances, beginning of year	1,271,584	1,271,584	1,271,584	-	972,427
Fund balances, end of year	$ 1,003,683	$ 937,108	$ 1,739,759	$ 802,651	$ 1,271,584

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

Statement of Net Position - Proprietary Funds

June 30, 2015

	Enterprise Funds - Business-type Activities			
	Sewage	Water	Parking Deck	Nonmajor Funds
Assets				
Current assets:				
Pooled cash and investments	$ 10,372,835	$ 10,745,204	$ 1,066,381	$ 386,557
Accounts receivable, net	1,185,331	1,801,361	-	5,872
Interfund receivable	-	-	-	-
Inventories	-	291,540	-	-
Prepaid items	-	-	-	-
Restricted cash and cash equivalents:				
Cash on hand with agents	-	-	-	-
Bond reserve	62,500	-	-	-
Total current assets	11,620,666	12,838,105	1,066,381	392,429
Noncurrent assets:				
Long-term advances	-	-	-	-
Capital assets not being depreciated	154,947	58,369	7,060,843	1,950,013
Capital assets being depreciated, net	16,039,778	23,869,852	9,991,831	133,872
Total noncurrent assets	16,194,725	23,928,221	17,052,674	2,083,885
Total assets	27,815,391	36,766,326	18,119,055	2,476,314
Deferred outflows of resources				
Deferred pension amounts	47,158	18,527	-	-
Liabilities				
Current liabilities:				
Accounts payable	342,589	819,330	4,224	189,290
Accrued payroll	21,988	72,226	618	3,674
Interfund payable	-	-	-	-
Accrued compensated absences	35,534	237,765	-	-
Customer deposits	-	212,400	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	125,000	-
Current portion of:				
Estimated claims payable	-	-	-	-
Revenue bonds	100,000	-	-	-
Total current liabilities	500,111	1,341,721	129,842	192,964
Noncurrent liabilities:				
Long term advance	-	-	-	50,000
Estimated claims payable, net	-	-	-	-
Accrued compensated absences, net	6,289	19,119	-	-
Net pension liability	638,727	250,939	-	-
Total noncurrent liabilities	645,016	270,058	-	50,000
Total liabilities	1,145,127	1,611,779	129,842	242,964
Deferred inflows of resources				
Deferred pension amounts	17,899	7,032	-	-
Net position				
Net investment in capital assets	16,094,725	23,928,221	17,052,674	2,083,885
Restricted for bond reserve	62,500	-	-	-
Unrestricted	10,542,298	11,237,821	936,539	149,465
Total net position	$ 26,699,523	$ 35,166,042	$ 17,989,213	$ 2,233,350

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

	Governmental Activities
Totals	Internal Service
$ 22,570,977	$ 624,766
2,992,564	21,969
-	248,669
291,540	-
-	282,383
-	46,000
62,500	-
25,917,581	1,223,787
-	1,205,681
9,224,172	-
50,035,333	1,100,270
59,259,505	2,305,951
85,177,086	3,529,738
65,685	-
1,355,433	72,793
98,506	15,535
-	248,669
273,299	-
212,400	-
-	21,000
125,000	-
-	111,021
100,000	-
2,164,638	469,018
50,000	105,327
-	316,170
25,408	-
889,666	-
965,074	421,497
3,129,712	890,515
24,931	-
59,159,505	1,100,270
62,500	-
22,866,123	1,538,953
$ 82,088,128	$ 2,639,223

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CITY OF JACKSON, MICHIGAN

Reconciliation

Net Position of Enterprise Funds
to Net Position of Business-Type Activities
June 30, 2015

Net position - enterprise funds	$ 82,088,128
Amounts reported for *business-type activities* in the statement of net position are different because:	
An internal service fund is used by management to charge the costs of certain equipment usage to individual enterprise funds. A portion of the net position of the internal service fund attributable to these charges are included in business-type activities in the statement of net position.	(367,477)
Net position of business-type activities	$ 81,720,651

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

CITY OF JACKSON, MICHIGAN

Statement of Revenues, Expenses and

Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Enterprise Funds - Business-type Activities			
	Sewage	Water	Parking Deck	Nonmajor Funds
Operating revenues				
Charges for sales and services	$ 4,530,039	$ 7,260,013	$ 274,905	$ 92,242
Administrative fees	-	264,581	-	-
Other	63,556	147,231	-	19,134
Total operating revenues	4,593,595	7,671,825	274,905	111,376
Operating expenses				
Personal services	1,129,011	2,577,593	49,177	66,801
Administration	-	-	-	-
Materials and supplies	234,827	1,041,003	-	4,628
Contractual and other services	1,804,881	2,110,605	151,982	220,383
Benefit payments	-	-	-	-
Depreciation	1,046,477	870,502	262,943	23,921
Stormwater refunds	-	-	-	527,950
Total operating expenses	4,215,196	6,599,703	464,102	843,683
Operating income (loss)	378,399	1,072,122	(189,197)	(732,307)
Nonoperating revenues (expenses)				
Investment income	34,713	39,318	4,041	1,049
Interest and fiscal charges	(8,725)	-	-	(1,500)
Total nonoperating revenues (expenses)	25,988	39,318	4,041	(451)
Income (loss) before transfers	404,387	1,111,440	(185,156)	(732,758)
Transfers in	-	-	-	1,019,252
Transfers out	-	-	(267,286)	-
Change in net position	404,387	1,111,440	(452,442)	286,494
Net position, beginning of year, as restated	26,295,136	34,054,602	18,441,655	1,946,856
Net position, end of year	$ 26,699,523	$ 35,166,042	$ 17,989,213	$ 2,233,350

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

	Governmental Activities
Totals	Internal Service
$ 12,157,199	$ 5,870,658
264,581	-
229,921	614,455
12,651,701	6,485,113
3,822,582	878,883
-	100,747
1,280,458	294,004
4,287,851	5,182,689
-	141,043
2,203,843	410,016
527,950	-
12,122,684	7,007,382
529,017	(522,269)
79,121	47,396
(10,225)	-
68,896	47,396
597,913	(474,873)
1,019,252	74,000
(267,286)	(91,500)
1,349,879	(492,373)
80,738,249	3,131,596
$ 82,088,128	$ 2,639,223

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CITY OF JACKSON, MICHIGAN

Reconciliation

Change in Net Position of Enterprise Funds
to Change in Net Position of Business-Type Activities
For the Fiscal Year Ended June 30, 2015

Net change in net position - total enterprise funds	$ 1,349,879
Amounts reported for *business-type activities* in the statement of activities are different because:	
An internal service fund is used by management to charge the costs of certain equipment usage to individual enterprise funds. A portion of the net operating loss attributable to those funds is reported with business-type activities.	(130,975)
Change in net position of business-type activities	$ 1,218,904

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

CITY OF JACKSON, MICHIGAN

Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended June 30, 2015

	Enterprise Funds - Business-type Activities			
	Sewage	Water	Parking Deck	Nonmajor Funds
Cash flows from operating activities				
Receipts from customers and users	$ 4,712,304	$ 7,756,013	$ 274,905	$ 106,376
Receipts for interfund services provided	-	-	-	-
Payments to employees	(1,115,551)	(2,571,560)	(49,106)	(66,801)
Payments to vendors and claimants	(1,895,687)	(3,055,724)	(170,023)	(864,246)
Net cash provided by (used in) operating activities	1,701,066	2,128,729	55,776	(824,671)
Cash flows from capital and related financing activities				
Purchase of capital assets	(974,241)	(2,484,310)	-	(267,286)
Principal and interest paid on long-term debt	(108,725)	-	-	(1,500)
Interfund advances	-	-	-	-
Net cash used in capital and related financing activities	(1,082,966)	(2,484,310)	-	(268,786)
Cash flows from noncapital financing activities				
Transfers in	-	-	-	1,019,252
Transfers out	-	-	(267,286)	-
Net cash provided by (used in) noncapital financing activities	-	-	(267,286)	1,019,252
Cash flows from investing activities				
Interest received on investments	34,713	39,318	4,041	1,049
Net change in cash and cash equivalents	652,813	(316,263)	(207,469)	(73,156)
Cash and cash equivalents, beginning of year	9,782,522	11,061,467	1,273,850	459,713
Cash and cash equivalents, end of year	$ 10,435,335	$ 10,745,204	$ 1,066,381	$ 386,557
Classified on the statement of net position as:				
Cash and cash equivalents	$ 10,372,835	$ 10,745,204	$ 1,066,381	$ 386,557
Restricted cash and cash equivalents	62,500	-	-	-
	$ 10,435,335	$ 10,745,204	$ 1,066,381	$ 386,557

	Governmental Activities
Totals	Internal Service
$ 12,849,598	$ -
-	6,165,836
(3,803,018)	(891,947)
(5,985,680)	(5,902,069)
3,060,900	(628,180)
(3,725,837)	(121,295)
(110,225)	-
-	(58,176)
(3,836,062)	(179,471)
1,019,252	74,000
(267,286)	(91,500)
751,966	(17,500)
79,121	47,396
55,925	(777,755)
22,577,552	1,448,521
$ 22,633,477	$ 670,766
$ 22,570,977	$ 624,766
62,500	46,000
$ 22,633,477	$ 670,766

continued...

Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended June 30, 2015

	Enterprise Funds - Business-type Activities			
	Sewage	Water	Parking Deck	Nonmajor Funds
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	$ 378,399	$ 1,072,122	$ (189,197)	$ (732,307)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,046,477	870,502	262,943	23,921
Change in:				
Accounts receivable	118,709	68,524	-	-
Interfund receivable	-	-	-	(5,872)
Inventories	-	7,445	-	-
Prepaid items	-	-	-	-
Accounts payable	144,021	88,439	(18,041)	(102,267)
Accrued payroll	3,101	34,705	71	1,854
Due to other funds	-	-	-	-
Interfund payable	-	-	-	-
Accrued compensated absences	(16,974)	(39,411)	-	-
Advance from other funds	-	-	-	(10,000)
Customer deposits	-	15,664	-	-
Estimated claims payable	-	-	-	-
Net pension liability	27,333	10,739	-	-
Net cash provided by (used in) operating activities	$ 1,701,066	$ 2,128,729	$ 55,776	$ (824,671)

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

	Governmental Activities
Totals	Internal Service
$ 529,017	$ (522,269)
2,203,843	410,016
187,233	54,344
(5,872)	(248,669)
7,445	-
-	(282,383)
112,152	(63,745)
39,731	(13,064)
-	(4,995)
-	128,712
(56,385)	-
(10,000)	-
15,664	-
-	(86,127)
38,072	-
$ 3,060,900	$ (628,180)

concluded.

CITY OF JACKSON, MICHIGAN

Statement of Fiduciary Net Position - Fiduciary Funds

June 30, 2015

	Pension and Other Employee Benefits Trust Funds	Agency Funds
Assets		
Pooled cash and investments	$ 50	$ 216,361
Investments, at fair value:		
U.S. treasuries	1,925,418	-
U.S. agencies	385,290	-
Mortgage-backed securities	18,650	-
Corporate bonds:		
Domestic bonds	9,665,865	-
Domestic mutual funds	10,342,273	-
Equities:		
Domestic stocks	26,561,291	-
Domestic mutual funds	15,216,279	-
International stocks	8,430,920	-
International mutual funds	5,894,817	-
Money market accounts	3,405,083	-
Receivables:		
Interest and dividends receivable	1,793	-
Other	161,585	-
Total assets	82,009,314	$ 216,361
Liabilities		
Due to other governments	-	$ 86,729
Refunds payable and other liabilities	424,031	129,632
Total liabilities	424,031	$ 216,361
Net position		
Restricted for pension and other employee benefits	$ 81,585,283	

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

CITY OF JACKSON, MICHIGAN

Statement of Changes in Fiduciary Net Position

Pension and Other Employee Benefits Trust Funds
For the Fiscal Year Ended June 30, 2015

Additions	
Contributions:	
Employer	$ 5,102,680
Plan members	1,259,018
Total contributions	6,361,698
Investment income:	
Net appreciation in fair value of investments	2,963,860
Interest	245,755
Dividends	614,925
Total investment income	3,824,540
Less investment expense	507,338
Net investment income	3,317,202
Total additions	9,678,900
Deductions	
Benefits	9,819,680
Refunds of contributions	414,295
Administrative expense	109,661
Total deductions	10,343,636
Net change in net position	(664,736)
Net position:	
Beginning of year	82,250,019
End of year	$ 81,585,283

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

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NOTES TO THE FINANCIAL STATEMENTS

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Jackson, Michigan have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental 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 City's accounting policies are described below.

Reporting Entity

The City of Jackson, Michigan (the "City") was incorporated in 1857 and is the seat of Jackson County. The City operates under a Council-Manager form of government and provides the following services: public safety, public works, community development, culture and recreation.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. Each blended or discretely presented component unit has a June 30 year end.

Blended component units, although legally separate entities, are essentially part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

Blended Component Unit - All Board Members of the City of Jackson Building Authority are selected by the City Council and the annual budget is approved by the City Council. Proceeds from a limited-tax full faith and credit general obligation bond issue are used to finance certain improvements and renovations in City Hall. The Authority's activity is presented in the capital projects and debt service funds.

Discretely Presented Component Units - Following is a summary of the City's discretely presented component units:

City of Jackson Brownfield Redevelopment Authority - The Brownfield Redevelopment Authority was established by the City to facilitate the revitalization of environmentally distressed areas utilizing tax increment financing. The majority of Board members are appointed by the Mayor and subject to City Council approval. The City has the ability to significantly influence operations and has accountability for financial matters. Separate financial statements are not prepared. The Authority uses governmental fund type accounting and is reported in a separate column. The Brownfield Redevelopment Authority is accounted for in a capital projects fund.

City of Jackson Downtown Development Authority – The Downtown Development Authority is responsible for directing improvements in a taxing district within the City. The Mayor appoints the members of the Authority's governing board, subject to City Council approval. The City has the ability to significantly influence operations and has accountability for financial matters. The Authority uses governmental fund type accounting and is reported in a separate column.

Complete financial statements of the Downtown Development Authority may be obtained from the City of Jackson Downtown Development Authority, 212 W. Michigan Avenue, Jackson, Michigan 49201.

Basis of Presentation

Government-wide and Fund Financial Statements

Government-wide Financial Statements. The statements of net position and activities display information about the primary government and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the City's *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category – *governmental, proprietary* and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide, Proprietary and Fiduciary Fund Financial Statements. The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for agency funds, which do not have a measurement focus. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 City's enterprise funds and 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.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Under this method, revenues are recognized when measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period, except for reimbursement-based grants which must be collected within one year. Property taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Expenditures generally are recorded when a related fund liability is incurred, except for debt service expenditures, compensated absences, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases, if any, are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The City 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.

Major streets special revenue fund. This fund is used to control the expenditures of motor fuel taxes which are earmarked by law for major street and highway purposes.

Special assessment capital projects fund. This fund accounts for public improvement expenditures deemed to benefit only the properties against which the special assessments are levied.

The City reports the following major enterprise funds:

Sewage enterprise fund. This fund accounts for the activities of the City's sewage disposal and sewage treatment systems.

Water enterprise fund. This fund accounts for the operations of the City's water distribution and water treatment systems.

Parking deck enterprise fund. This fund accounts for the operations of the City's East and West parking deck structures as well as surface parking constructed on Water Street.

Additionally, the City reports the following fund types:

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

The *debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets that are not being financed by proprietary funds.

The *permanent funds* account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs-that is, for the benefit of the government or its citizenry.

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

The *internal service funds* are proprietary funds used to account for major machinery and equipment purchases and maintenance, as well as risk management services provided to other departments of the City on a cost reimbursement basis.

The *pension and other employee benefits trust funds* account for the activities of the City's three retirement funds and the employee health care fund, which accumulate resources for retirement benefit payments and future retiree health care costs to qualified employees.

The *agency funds* account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. Agency funds account for property tax collections, are custodial in nature (assets equal liabilities), and do not involve the measurement of results of operations.

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

Deposits and Investments

The City Treasurer maintains a cash management pool that is used by all funds and component units of the government, except for the pension trust funds and the downtown development authority component unit. In addition to their participation in the cash management pool, certain funds and component units also have separate checking accounts. The cash management pool has the general characteristics of a demand deposit account in that deposits and withdrawals may be made at any time without prior notice or penalty. Accordingly, each fund's portion of this pool, along with any amounts in separate demand deposit accounts, is reported as "pooled cash and investments".

The City'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.

State statutes authorize the government 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 various other investment instruments, subject to certain limitations.

Investments are stated 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. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have established market values are reported at estimated fair value. Cash deposits are reported at carrying amounts, which reasonably approximates fair value.

Unrealized appreciation or depreciation on pension trust and permanent fund investments due to changes in fair value are recognized each year.

Receivables and Payables

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

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

Inventories, Prepaid Items and Other Assets

All inventories are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when purchased.

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business type activities columns in the government-wide financial statements. The government defines capital assets 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 fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

	Years
Public domain infrastructure	16-50
Land improvements	50
Buildings and improvements	50
Park and recreation facilities	50
Machinery and equipment	5-15
Water and sewage systems	10-50

Deferred Outflows of Resources

In addition to assets, the statement of net 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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 over the shorter of the life of the refunded or refunding debt. The City reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plans.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and compensatory time benefits, subject to certain limitations. Certain bargaining unit employees are also permitted to accumulate earned but unused sick leave. All vacation and compensatory time pay and 50 percent of sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

Long-term Obligations

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

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

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes 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 one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods. The City also reports deferred inflows of resources for change in expected and actual investment returns.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 government's highest level of decision-making authority, the City Council. A formal resolution of the City Council is required to establish, modify, or rescind a fund balance commitment. Authority rests with the City Council to assign fund balances. Assigned fund balances are reported in instances where the City Council has authorized for the making of such assignments. Unassigned fund balance is the residual classification for the general fund. The City reports no assigned fund balances.

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

Notes to Financial Statements

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, except for those approved by the City Council for carry forward. The City Council requires the City Manager to submit an estimate of revenues and anticipated expenditures for the succeeding fiscal year in June. The City Manager is then authorized to assign and transfer budget amounts within each fund to the extent that the net total fund appropriation (which the City defines as gross authorized expenditures less related revenues that are specifically designated to fund those activities) is not exceeded.

An operating budget is adopted each fiscal year for the general and special revenue funds on a basis consistent with GAAP. Budgets are legally required for the general and special revenue funds. Budgetary control is exercised at the activity level within the general fund and the community development block grant special revenue fund, and on the fund level for all other funds. Accordingly, financial statement presentation is made on this basis. A City Council resolution is required to increase activity budget amounts within the general fund and the community development block grant special revenue fund and any supplemental appropriations that increase the total expenditures of any other fund. Management can make budget transfers between line items within an activity for the general fund and the community development block grant special revenue fund and between line items for the fund as a whole for other funds.

Council reported budgeted amounts are as originally adopted or are amended by department revision or resolution. Supplemental budgetary appropriations were made during the year, the total of which was not significant in relation to the original appropriations.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other firm commitments are used for the expenditure of monies, is utilized as an extension of formal budgetary control in the governmental funds. Encumbered amounts lapse at year-end, however, material encumbrances generally are reappropriated as part of the following year's budget.

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The City had no amounts in excess of expenditures over appropriations in individual funds.

4. FUND DEFICIT

At June 30, 2015, the special assessment capital projects fund had a fund deficit of $1,100,354. This deficit will be eliminated as deferred special assessments become due.

5. DEPOSITS AND INVESTMENTS

Summary of Deposit and Investment Balances. Following is a reconciliation of deposit and investment balances as of June 30, 2015:

	Primary Government	Component Units	Total
Statement of Net Position			
Pooled cash and investments	$ 32,082,999	$ 1,767,897	$ 33,850,896
Restricted cash:			
Cash on hand with agents	46,000	-	46,000
Pooled cash and investments	3,007,040	-	3,007,040
Statement of Fiduciary Net Position			
Pooled cash and investments	216,411	-	216,411
Investments – pension	81,845,886	-	81,845,886
Total	$ 117,198,336	$ 1,767,897	$ 118,966,233

Deposits and investments:	
Bank deposits (checking, savings and certificates of deposit)	$ 21,123,878
Investments in securities and mutual funds:	
Cash and investment pool	15,934,424
Pension and other employee benefits trust funds	81,845,886
Cash on hand with agents	46,000
Cash on hand	16,045
Total	$ 118,966,233

Deposits and Investments – Cash and Investment Pool

Custodial Credit Risk - Deposits. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2015, $17,728,104 of the City's total bank balance of $21,218,395 (total book balance was $21,123,878) was exposed to custodial credit risk as it was uninsured and uncollateralized.

The City's investment policy does not specifically address this risk, although the City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the City evaluates each financial institution with which it deposits City funds 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 City's investments as of June 30, 2015:

U.S. treasuries	$ 1,045,259
U.S. agencies	763,990
Domestic equities	17,704
Money markets	14,107,471
Total	$ 15,934,424

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, 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 City's investment policy requires that investment securities be held in third-party safekeeping by a designated institution and that the safekeeping agent follow the procedure of delivery vs. payment. As of June 30, 2015, none of the City's investments, excluding the money market accounts which are not subject to custodial credit risk, were exposed to risk since the securities are held in the City's name by the counterparty.

Credit Risk. As of June 30, 2015, all of the City's investments in securities of U.S. agencies were rated AA+ by Standard & Poor's. The City also held investments in U.S. treasuries and money market accounts, which are not rated. The City's investment policy does not have specific limits in excess of state law on investment credit risk.

Concentration of Credit Risk. The City's investment policy does not address this risk. At June 30, 2015, there were no concentrations in securities of any one issuer greater than 5% of investment fair market value.

Interest Rate Risk. As of June 30, 2015, maturities of the City's debt securities were as follows:

		Investment Maturities (fair value by years)			
	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. treasuries	$ 1,045,259	$ 51,347	$ 687,265	$ 306,647	$ -
U.S. agencies	763,990	196,310	567,680	-	-
	$ 1,809,249	$ 247,657	$ 1,254,945	$ 306,647	$ -

The City's investment policy does not address interest rate risk. The City's investments in U.S. agencies are non-callable.

Deposits and Investments – Pension and Other Employee Benefits Trust Funds

The City maintains three pension trust funds (see Note 16) and one other employee benefits trust fund (see Note 17) where deposits and investments are maintained separately from the City's pooled cash and investments, and are subject to separate investment policies and state statutes. Accordingly, the required disclosures for the pension and other employee benefits trust funds' deposits and investments are presented separately.

Deposits - The pension and other employee benefits trust funds do not maintain any checking or other demand/time deposit accounts.

Investments - The Michigan Public Employees Retirement Systems' Investment Act, Public Act 314 of 1965, as amended, authorizes the pension and other employee benefit trusts to invest in stocks, government and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitations. The Retirement Boards have the responsibility and authority to oversee the respective investment portfolios. Various professional investment managers are contracted to assist in managing the trust funds' assets. All investment decisions are subject to Michigan law and the investment policy established by each respective Retirement Board.

The pension and other employee benefits trust funds' investments are held in various financial institution or bank-administered trusts. Following is a summary of the funds' investments as of June 30, 2015:

Investments at fair value, as determined by quoted market price:	
U.S. treasuries	$ 1,925,418
U.S. agencies	385,290
Mortgage-backed securities	18,650
Corporate bonds:	
Domestic bonds	9,665,865
Domestic mutual funds	10,342,273
Equities:	
Domestic stocks	26,561,291
Domestic mutual funds	15,216,279
International stocks	8,430,920
International mutual funds	5,894,817
Money market accounts	3,405,083
Total investments	$ 81,845,886

Credit Risk. The pension and other employee benefits trust funds' investment policy provides that its investments in fixed income securities should have an investment grade rating by two nationally recognized statistical rating organizations. As of June 30, 2015, the pension and other employee benefits trust funds' investments in securities of U.S. agencies were all rated AA+ by Standard & Poor's.

The pension and other employee benefits trust funds' investments in domestic corporate bonds and mortgage-backed securities were rated by Standard & Poor's as follows:

Rating	Amount
AAA	$ 295,059
AA+	261,949
AA-	60,892
AA	14,874
A+	161,721
A	385,391
A-	977,983
BBB+	488,900
BBB	556,691
BBB-	291,838
BB+	433,330
BB	322,905
BB-	540,595
B+	363,196
B	77,584
B-	238,851
Not rated	4,212,756
Totals	$ 9,684,515

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension and other employee benefits trust funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The pension and other employee benefits trust funds' investment policy requires that investment securities be held in trust by a third-party institution in each fund's name. As such, although uninsured and unregistered, the pension and other employee benefits trust funds' investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department in each funds' name.

Short-term investments in money market accounts are not subject to custodial credit risk.

Concentration of Credit Risk. The pension and other employee benefits trust funds' investment policies require that the securities of any one company or government agency should not exceed 5% of the total investment market value of each individual pension and other employee benefit trust fund. At June 30, 2015, there were no concentrations in securities of any one issuer greater than 5% of investment fair market value.

Interest Rate Risk. As of June 30, 2015, maturities of debt securities were as follows:

		Investment Maturities (fair value by years)			
	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. treasuries	$ 1,925,418	$ 159,991	$ 1,216,640	$ 391,673	$ 157,114
U.S. agencies	385,290	20,061	99,757	25,312	240,160
Mortgage-backed securities	18,650	242	2,006	7,187	9,215
Domestic corporate bonds:					
Callable	1,564,980	-	148,640	286,292	1,130,048
Non-callable	7,980,957	816,486	4,188,777	1,853,724	1,121,970
Other fixed income	119,928	-	119,928	-	-
	$ 11,995,223	$ 996,780	$ 5,775,748	$ 2,564,188	$ 2,658,507

The City assumes that its callable bonds totaling $1,564,980 will not be called. The pension and other employee benefits trust funds' investment policies do not address interest rate risk.

6. RECEIVABLES

Receivables in the governmental activities are 44.7 percent due from other governments, 25.6 percent income taxes, 16.6 percent special assessments, 10.3 percent accounts receivable, and 2.8 percent loans receivable. Business-type activities receivables are 100 percent due from customers.

7. CAPITAL ASSETS

Capital assets activity of the primary government for the year ended June 30, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated -				
Land	$ 2,428,780	$ -	$ -	$ 2,428,780
Capital assets being depreciated:				
Infrastructure	139,146,601	3,272,348	-	142,418,949
Land improvements	15,763,181	-	-	15,763,181
Buildings and improvements	16,699,780	-	-	16,699,780
Park and recreation facilities	10,005,305	972,366	-	10,977,671
Machinery and equipment	13,999,270	311,724	272,028	14,038,966
	195,614,137	4,556,438	272,028	199,898,547
Less accumulated depreciation for:				
Infrastructure	95,835,634	2,928,169	-	98,763,803
Land improvements	3,149,291	316,517	-	3,465,808
Buildings and improvements	5,917,405	366,469	-	6,283,874
Park and recreation facilities	5,284,812	162,231	-	5,447,043
Machinery and equipment	11,862,480	558,628	241,381	12,179,727
	122,049,622	4,332,014	241,381	126,140,255
Total capital assets being depreciated, net	73,564,515	224,424	30,647	73,758,292
Governmental activities capital assets, net	$ 75,993,295	$ 224,424	$ 30,647	$ 76,187,072

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated:				
Land	$ 8,956,886	$ -	$ -	8,956,886
Construction in progress	-	267,286	-	267,286
	8,956,886	267,286	-	9,224,172
Capital assets being depreciated:				
Systems	79,069,697	3,283,096	902,640	81,450,153
Land improvements	2,512,519	-	-	2,512,519
Buildings and improvements	12,899,449	-	-	12,899,449
Machinery and equipment	10,703,137	175,456	-	10,878,593
	105,184,802	3,458,552	902,640	107,740,714
Less accumulated depreciation for:				
Systems	42,650,306	841,655	902,640	42,589,321
Land improvements	1,080,402	53,126	-	1,133,528
Buildings and improvements	3,648,544	1,017,555	-	4,666,099
Machinery and equipment	9,024,926	291,507	-	9,316,433
	56,404,178	2,203,843	902,640	57,705,381
Total capital assets being depreciated, net	48,780,624	1,254,709	-	50,035,333
Business-type activities capital assets, net	$ 57,737,510	$ 1,521,995	$ -	$ 59,259,505

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

Governmental activities:	
General government	$ 250,798
Public safety	140,517
Public works, including depreciation of general infrastructure assets	3,011,762
Culture and recreation	234,436
Community enrichment and development	284,485
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	410,016
Total depreciation expense - governmental activities	$ 4,332,014
Business-type activities:	
Sewage	$ 1,046,477
Water	870,502
Parking system	262,943
Golf practice center	23,921
Total depreciation expense - business-type activities	$ 2,203,843

8. PAYABLES

Payables in the governmental activities are 57.9 percent vendors, 22.2 percent claims, 19.4 percent accrued payroll, and 0.5 percent other. Business-type activities payables are 81.3 percent vendors, 12.8 percent deposits and 5.9 percent accrued payroll.

9. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

At June 30, 2015, amounts due from and due to other funds were as follows:

	Payable Funds				
Receivable funds	General Fund	Special Assessment Capital Projects	Nonmajor Governmental Funds	Internal Service Funds	Total
Nonmajor governmental funds	$ 45,968	$ 14,371	$ 75,286	$ 21,000	$ 156,625

At June 30, 2015, long-term advances between funds were as follows:

	Payable Funds				
Receivable funds	Special Assessment Capital Projects	Nonmajor Enterprise Funds	Nonmajor Governmental Funds	Internal Service Funds	Total
General fund	$ -	$ -	$ 50,000	$ -	$ 50,000
Nonmajor governmental funds	-	50,000	-	-	50,000
Internal service funds	1,100,354	-	-	105,327	1,205,681
	$ 1,100,354	$ 50,000	$ 50,000	$ 105,327	$ 1,305,681

The City 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 advance from the nonmajor governmental funds was executed in order to assist the cash position (cash flow) of the golf practice center enterprise activity. Also, an advance from the internal service funds was used to provide cash for the special assessment capital projects fund.

Notes to Financial Statements

At June 30, 2015, the interfund receivables and payables, which resulted from negative cash balances, consisted of the following:

	Receivable	Payable
General fund	$ 1,515,453	$ -
Nonmajor governmental funds	-	1,515,453
Internal service funds	248,669	248,669
Totals	$ 1,764,122	$ 1,764,122

For the year ended June 30, 2015, interfund transfers consisted of the following:

	Transfers In					
Transfers Out	General Fund	Major Streets Fund	Nonmajor Govern-mental Funds	Internal Service Funds	Nonmajor Enterprise Funds	Total
General fund	$ 4,521	$ -	$ 1,469,784	$ -	$ 142,346	$ 1,616,651
Major streets fund	-	-	475,000	-	335,683	810,683
Special assessment capital projects fund	-	372,389	-	-	46,100	418,489
Nonmajor governmental funds	23,612	595,307	592,648	-	227,837	1,439,404
Parking deck	-	-	-	-	267,286	267,286
Internal service funds	-	-	17,500	74,000	-	91,500
	$ 28,133	$ 967,696	$ 2,554,932	$ 74,000	$ 1,019,252	$ 4,644,013

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.

10. LONG-TERM DEBT

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 activities. The original amount of general obligation bonds issued in prior years for the items listed below was $49,433,577.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Fiscal Year Matures	Interest Rates	Amount
Governmental activities			
1999 building authority limited tax	2019	5.25%	$ 190,000
2001 downtown development	2026	3.70%-5.75%	8,898,577
2007 brownfield refunding	2030	4.00%-4.375%	9,065,000
2011 downtown development refunding	2030	4.375%-4.750%	5,395,000
2012 brownfield redevelopment refunding	2031	2.00%-4.00%	7,145,000
2013 general obligation refunding	2027	2.00%-4.00%	7,690,000
			$ 38,383,577

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

	Governmental Activities	
Year	Principal	Interest
2016	$ 1,634,125	$ 2,178,137
2017	1,811,414	2,270,300
2018	1,958,118	2,362,518
2019	2,017,608	2,446,683
2020	2,025,453	2,531,455
2021-2025	11,650,524	14,064,905
2026-2030	15,921,335	4,683,280
2031	1,365,000	54,600
	$ 38,383,577	$ 30,591,878

Notes to Financial Statements

Revenue bonds. The City also issues bonds where the income derived from the acquired or constructed assets is pledged to pay debt service. The original amount of revenue bonds issued in prior years for the items listed below was $995,000. Revenue bonds outstanding at year-end are as follows:

Purpose	Fiscal Year Matures	Interest Rates	Amount
Business-type activities			
2000 sewer system	2016	4.75%-5.35%	$ 100,000

Revenue bond debt service requirements to maturity are as follows:

	Business-type Activities	
Year	Principal	Interest
2016	$ 100,000	$ 2,675

Changes in long-term debt. Long-term debt activity for the year ended June 30, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental activities					
General obligation bonds	$ 39,148,577	$ -	$ 765,000	$ 38,383,577	$ 1,634,125
Judgments	561,055	-	561,055	-	-
Compensated absences	1,810,239	1,132,287	1,093,745	1,848,781	184,878
Less deferred amounts for:					
Issuance discount	(125,713)	-	(7,959)	(117,754)	-
Issuance premium	512,885	-	36,735	476,150	-
	$ 41,907,043	$ 1,132,287	$ 2,448,576	$ 40,590,754	$ 1,819,003
Business-type activities					
Revenue bonds	$ 200,000	$ -	$ 100,000	$ 100,000	$ 100,000
Compensated absences	355,092	181,498	237,883	298,707	298,707
	$ 555,092	$ 181,498	$ 337,883	$ 398,707	$ 398,707

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

11. SEGMENT INFORMATION - ENTERPRISE FUNDS

The government issued revenue bonds to finance certain improvements to its water and sewage systems. Because the water and sewage funds, which are individual enterprise funds that account entirely for the government's water and sewage activities, are reported as major funds in the fund financial statements, segment disclosures herein are not required.

12. ENDOWMENTS

Ella W. Sharp Park Endowment Permanent Trust Fund. For the year ended June 30, 2015, the net appreciation on investments of donor-restricted endowments was $22,012 and there was an overall decrease in fund balance of $6,777. Under the terms of the endowment, and consistent with State statutes, the City is authorized based on a total-return policy to spend the net appreciation for the benefit of the Ella Sharp Park. The nonexpendable endowment balance is $1,138,288.

Cemetery Perpetual Maintenance Permanent Trust Fund. For the year ended June 30, 2015, the net appreciation on investments of donor-restricted endowments was $22,549 and there was an overall increase in fund balance of $6,972. Under the terms of the endowment, and consistent with State statutes, the City is authorized based on a total-return policy to spend the net appreciation for the benefit of the cemetery system. At year-end the nonexpendable endowment balance is $1,882,759.

13. RISK MANAGEMENT

During the normal course of its operations, the City is exposed to various risks of loss related to liability, employee injury and other circumstances. In all instances other than workers' compensation, the City has retained coverages through commercial insurance carriers. For workers' compensation, the City has opted to protect itself from risks through means other than the purchase of traditional insurance coverage.

In 1979, the City established a self-insurance program for workers' compensation, which is accounted for in the workers' compensation internal service fund. This program is administered by a service agency, which furnishes safety inspection, claims review, and claims processing. A specific excess workers' compensation reinsurance policy indemnifies the City on a statutory basis in excess of the first $1,000,000 per occurrence. All applicable funds are charged premiums based on payroll and workers' compensation classification. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

The claims liability of $427,191 reported in the workers' compensation internal service fund at June 30, 2015 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, as amended, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claims liability is estimated by management based upon historical experience. No annuity contracts have been purchased for claims liabilities. At June 30, 2015, $111,021 of the total amount is considered to be due within one year.

The change in the workers' compensation internal service fund liability amount for the years ended June 30, 2015 is as follows:

	2015	2014
Claims liability at beginning of fiscal year	$ 513,318	$ 513,318
Claims and changes in estimates	(1,929)	106,178
Claims payments	(84,198)	(106,178)
Claims liability at June 30, 2015	$ 427,191	$ 513,318

There were no significant reductions in insurance coverage from the prior year, and no insurance settlements have exceeded coverage for each of the past three fiscal years.

14. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of December 31 each year. The City property tax is levied July 1 based on the taxable value of the property as of the preceding December 31. Real and personal property in the City for the July 1, 2014 levy was assessed and valued at approximately $616 million, representing approximately 50% of estimated current market value.

The City's operating tax rate is 6.72 mills (cannot exceed 7.00 mills) with an additional 1.92 (cannot exceed 2.00 mills) for public improvement, 6.28 for Act 345 Pension, 1.06 for City Hall bond, and 2.00 for the Downtown Development Authority, a component unit of the City.

Taxes are payable to the City in five equal installments on the twentieth of the month commencing in July and ending in November. They are deemed delinquent immediately after the due date.

15. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and potential adjustment by grantor agencies, principally the federal government. 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 grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

On July 1, 1974 the City sold the Reynolds Municipal Airport to the County of Jackson. The terms of the transfer document indicated the property was being sold "as is". There was also language in the transfer documents providing for indemnification from the County to the City. The County is undertaking an expansion of the airport runways. During the preliminary stages of the expansion, it was discovered the City had operated a landfill on the property during the City's ownership. The landfill was licensed by the Michigan Department of Natural Resources during the City's operation. Even though the City complied with all laws in existence at the time, the City remains liable for any contamination resulting from the ownership/operation of the landfill. As part of the Airport expansion process, the County gave notice to the Michigan Department of Environmental Quality (MDEQ) that an old landfill was on the site. As a result of the County's action, the City received a Notice of Violation in 2005 from the MDEQ. In August 2007, the City released its right to the Reverter clause contained in the 1974 transfer deed to the County. In return, the City received additional indemnification from the County. It is not known at present if the MDEQ will have specific requirements during runway construction. The matter is not covered by insurance and the potential costs could be significant. No provision for the loss has been made in the accompanying financial statements.

16. PENSION PLAN - SINGLE EMPLOYER PENSION TRUST FUNDS

General Information about the Pension Plans

Plan administration. The City administers three single-employer defined benefit pension plans which provide retirement, death, and disability benefits covering substantially all City employees, subject to certain eligibility requirements. The obligation to contribute to these three plans and benefit provisions are authorized and amended by City ordinance. The plans do not issue separate or stand-alone reports.

Plan membership. At June 30, 2015, the date of the latest actuarial valuation, System membership consisted of the following:

	Employees' Retirement System	Policemen's and Firemen's Pension Fund	Policemen's and Firemen's Pension - Act 345 Fund
Retirees and beneficiaries receiving benefits	183	26	164
Terminated plan members entitled to, but not yet receiving benefits	29	-	7
Active plan members	141	-	72
	353	26	243

Employees' Retirement System

Benefits provided. The Employees' Retirement System Pension Plan (ERS) is a contributory defined benefit plan that covers substantially all City employees not covered under one of the City's policemen's and firemen's pension plans and provides for retirement, death, and disability benefits. Members contribute 2.5% of annual compensation or one-half of the actuarially computed contribution if it is greater than 5.0%. The City contributes 2.5% of total compensation as a minimum, plus additional amounts as are necessary to provide assets sufficient for the early retirement window period. Pursuant to actuarial requirements, members contribute 10.6% for employees hired before July 1, 2012, and 7.29% for employees hired after July 1, 2012 with the City contributing 9.92%. Accumulated member contributions are annually credited with interest at 0.26%. Administrative costs of the plan are financed through investment earnings.

Management of the ERS is vested in the City of Jackson Employees' Retirement System Board of Trustees, which consists of nine members, four are elected to four-year terms (with no more than one from any one department), one is a citizen appointed by the City Council, one is a city council member appointed by the City Council and the remaining three are the Mayor, City Manager and City Clerk of the City of Jackson.

Contributions. Members contribute 2.5% of annual compensation or one-half of the actuarially computed contribution if it is greater than 5.0%. The City contributes 2.5% of total compensation as a minimum, plus additional amounts as are necessary to provide assets sufficient for the early retirement window period. Pursuant to actuarial requirements, members contribute 10.6% with the City contributing 12.22%. Accumulated member contributions are annually credited with interest at 0.26%. Administrative costs of the plan are financed through investment earnings.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2014, (rolled forward to June 30, 2015) using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.0% to 7.0%, including inflation
Investment rate of return	7.5%, net of expenses
Mortality rate	RP-2000 Mortality Table

Discount rate. A single discount rate of 6.93% was used to measure the total pension liability. The single discount rate was based on an expected rate of return on pension plan investments of 7.50% and a municipal bond rate of 3.8%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2053. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2053, and the municipal bond rate was applied to all benefit payments after that date.

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 June 30, 2014	$ 52,026,997	$ 38,374,054	$ 13,652,943
Changes for the year:			
Service cost	849,399	-	849,399
Interest	3,591,598	-	3,591,598
Differences between expected and actual experience	(559,714)	-	(559,714)
Changes in assumptions	940,674	-	940,674
Employer contributions	-	947,436	(947,436)
Employee contributions	-	741,956	(741,956)
Net investment income	-	2,012,682	(2,012,682)
Benefit payments, including refunds of employee contributions	(3,588,908)	(3,588,908)	-
Administrative expense	-	(207,419)	207,419
Net changes	1,233,049	(94,253)	1,327,302
Balances at June 30, 2015	$ 53,260,046	$ 38,279,801	$ 14,980,245

Sensitivity of the net pension liability to changes in the discount rate. Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease (5.93%)	Current Single Discount Rate (6.93%)	1% Increase (7.93%)
Plan net pension liability	$ 21,062,103	$ 14,980,245	$ 9,822,850

Pension expense and deferred outflows of resources related to pensions. For the year ended June 30, 2015, the City recognized pension expense of $1,588,514. At June 30, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 419,785
Changes in assumptions	705,505	-
Net difference between projected and actual earnings on pension plan investments	380,960	-
Total	$ 1,086,465	$ 419,785

Amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Outflows Amortization	Inflows Amortization
2016	$ 271,616	$ 104,946
2017	271,616	104,946
2018	271,616	104,946
2019	271,617	104,947
	$ 1,086,465	$ 419,785

Policemen's and Firemen's Pension

Benefits provided. The Policemen's and Firemen's Pension Plan is a contributory defined benefit plan that covers certain uniformed policemen and firemen hired prior to July 1, 1974, and provides for retirement, death, and disability benefits. There are no remaining active plan members. The City contributes such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to plan members. Administrative costs of the Plan are financed through investment earnings.

Management of this plan is vested in a separate board of trustees, which consists of five members, two of which are elected from the plan retirees (or, if none are available or willing to serve as this is a closed plan, from active members of the Act 345 Plan described below) and three are appointed by the City Council.

Contributions. The annual required contribution for the current year was determined as part of a June 30, 2014 actuarial valuation using the entry age method. The actuarial assumptions included a 7.5% rate of return on investments and a 3.0% cost of living adjustment.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2014, (rolled forward to June 30, 2015) using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	Not applicable
Salary increases	Not applicable
Investment rate of return	7.0%, net of expenses
Retirement age	Closed plan
Mortality rate	RP-2000 Combined Table

Discount rate. A single discount rate of 6.392% was used to measure the total pension liability. The single discount rate was based on an expected rate of return on pension plan investments of 7.0%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, 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.

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 June 30, 2014	$ 8,305,530	$ 3,590,767	$ 4,714,763
Changes for the year:			
Interest	522,860	-	522,860
Changes in assumptions	142,043	-	142,043
Employer contributions	-	607,009	(607,009)
Net investment income	-	154,170	(154,170)
Benefit payments, including refunds of employee contributions	(845,636)	(845,636)	-
Administrative expense	-	(34,075)	34,075
Net changes	(180,733)	(118,532)	(62,201)
Balances at June 30, 2015	$ 8,124,797	$ 3,472,235	$ 4,652,562

Sensitivity of the net pension liability to changes in the discount rate. Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease (5.392%)	Current Single Discount Rate (6.392%)	1% Increase (7.392%)
Plan net pension liability	$ 5,391,101	$ 4,652,563	$ 4,176,165

Pension expense and deferred outflows of resources related to pensions. For the year ended June 30, 2015, the City recognized pension expense of $391,939. At June 30, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Changes in assumptions	$ 106,532
Net difference between projected and actual earnings on pension plan investments	46,337
Total	$ 152,869

Amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Outflows Amortization
2016	$ 115,799
2017	9,267
2018	9,267
2019	9,267
2020	9,269
	$ 152,869

Policemen's and Firemen's Pension - Act 345

Benefits provided. The Policemen's and Firemen's Pension Plan - Act 345 is a contributory defined benefit plan that covers uniformed policemen and firemen hired subsequent to July 1, 1974, and certain policemen and firemen hired prior to that date who have elected, under the provisions of the plan, to transfer from the City's Policemen's and Firemen's Pension Plan, and provides for retirement, death, and disability benefits. Members contribute 10.95% of annual compensation with the City contributing such additional amounts as are necessary to provide assets sufficient to meet the benefits to be paid to plan members. Accumulated member contributions are annually credited with interest at 2.0%. Administrative costs of the Plan are financed through investment earnings.

Management of this plan is vested in the City of Jackson Act 345 Pension Board, which consists of five members, two are elected to four-year terms (one each from the fire and police departments), two are appointed by the City Council and one is the City Treasurer of the City of Jackson.

Contributions. The annual required contribution for the current year was determined as part of a June 30, 2014 actuarial valuation using the entry age method. The actuarial assumptions included a 7.25% rate of return on investments and a 3.0% cost of living adjustment.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2014, (rolled forward to June 30, 2015) using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.00% to 9.00%
Investment rate of return	7.25%, net of expenses
Mortality rate	RP-2000 Combined Table

Discount rate. A single discount rate of 7.04% was used to measure the total pension liability. The single discount rate was based on an expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.8%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2061. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2061, and the municipal bond rate was applied to all benefit payments after that date.

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 June 30, 2014	$ 72,612,711	$ 39,528,006	$ 33,084,705
Changes for the year:			
Service cost	965,176	-	965,176
Interest	4,990,906	-	4,990,906
Differences between expected and actual experience	(962,506)	-	(962,506)
Changes in assumptions	791,987	-	791,987
Employer contributions	-	3,534,236	(3,534,236)
Employee contributions	-	517,062	(517,062)
Net investment income	-	1,629,537	(1,629,537)
Benefit payments, including refunds of employee contributions	(5,799,429)	(5,799,429)	-
Administrative expense	-	(361,006)	361,006
Net changes	(13,866)	(479,600)	465,734
Balances at June 30, 2015	$ 72,598,845	$ 39,048,406	$ 33,550,439

Sensitivity of the net pension liability to changes in the discount rate. Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease (6.04%)	Current Single Discount Rate (7.04%)	1% Increase (8.04%)
Plan net pension liability	$ 41,861,467	$ 33,550,439	$ 26,364,554

Pension expense and deferred outflows of resources related to pensions. For the year ended June 30, 2015, the City recognized pension expense of $3,324,060 At June 30, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 721,879
Changes in assumptions	613,534	-
Net difference between projected and actual earnings on pension plan investments	803,801	-
Total	$ 1,417,335	$ 721,879

Amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Outflows Amortization	Inflows Amortization
2016	$ 357,913	$ 231,683
2017	357,913	231,683
2018	357,913	231,683
2019	182,836	26,830
2020	160,760	-
	$ 1,417,335	$ 721,879

The plans' policy in regard to the allocation of invested assets is established and may be amended by the respective Board of Trustees. The policy pursues an investment strategy that protects the financial health of the plans and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the plans may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the plans will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty. The investment allocation targets for each plan are as follows:

Asset Class	Employees' Retirement System	Policemen's and Firemen's Pension Fund	Policemen's and Firemen's Pension - Act 345 Fund
Domestic fixed income	30.00%	35.00%	33.75%
Domestic equity	45.00%	50.00%	48.25%
International equity	20.00%	15.00%	18.00%
Real estate	5.00%	-	-
	100.00%	100.00%	100.00%

The long-term expected rate of return on pension plan investments (for each plan) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 have not been formally adopted but are closely monitored by the Board of Trustees of each in order to achieve a blended money-weighted real rate of return of 8.0 percent.

17. POSTEMPLOYMENT BENEFITS

The City provides postemployment healthcare benefits to substantially all full-time employees who retire from the City under one of its three pension plans. The extent of the cost of those benefits paid by the City are dependent upon a variety of factors including hire date, retirement date, years of service and bargaining unit. The plan is treated as a single-employer defined benefit healthcare plan administered by the City; the plan utilizes a retirement health funding vehicle trust established with the Municipal Employees Retirement System of Michigan to invest plan assets. The plan was adopted and established by action of the City Council. The plan is reported as an other employee benefit trust fund in the accompanying financial statements. The plan does not issue a separate or stand-alone report.

The plan's financial statements are prepared using the accrual basis of accounting. Plan contributions are recognized in the period in which the contributions are due and the employer has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan membership consisted of 194 retirees currently receiving benefits and 203 active members at June 30, 2013, the date of the latest actuarial valuation.

The City has no obligation to make contributions in advance of when the insurance premiums of benefits are due for payment; in other words, the plan may be financed on a pay-as-you-go basis. Administrative costs of the plan are paid for by the City's general fund. Plan participants are not required to contribute to the plan.

For the year ended June 30, 2015, the City estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of June 30, 2013. Such valuation computes the *annual required contribution (ARC)* that represents a level of funding, that if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For fiscal year 2015, the components of the City's annual OPEB (other postemployment benefit) cost for the year, the amount actually contributed to the plan (including *pay-as-you-go* amounts), and changes in the City's net OPEB obligation to the plan are as follows:

Annual required contribution	$ 3,793,860
Interest on net OPEB obligation	659,623
Adjustment to annual required contribution	(623,694)
Annual OPEB cost	3,829,789
Payment of current costs	(613,169)
Increase in net OPEB obligation	3,216,620
Net OPEB obligation, beginning of year	16,490,533
Net OPEB obligation, end of year	$ 19,707,153

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the preceding two years were as follows:

Year Ended	OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/13	$ 3,774,773	44.6%	$ 13,225,364
6/30/14	3,946,449	17.3%	16,490,535
6/30/15	3,829,789	16.0%	19,707,153

The funded status of the plan as of June 30, 2013, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liabilities (AAL)	$ 48,888,510
Actuarial value of plan assets	658,853
Unfunded actuarial accrued liability (UAAL)	$ 48,229,657
Funded ratio	1.3%
Covered payroll (active plan members)	$ 12,653,896
UAAL as a percentage of covered payroll	381.1%

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 to 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing 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.

Significant methods and assumptions were as follows:

Actuarial valuation date	June 30, 2013
Actuarial cost method	Individual entry age
Amortization method	
contributions	Level percent; open for fire
	Level dollar; open for police and general
Remaining amortization period	30 years; open basis
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	5.00%
Projected salary increases	3.00% - 7.00% for the General group
	3.00% - 9.00% for the Police/Fire group
Healthcare inflation rate	9% in 2014, grading to 3% in 2019
Inflation rate	3.00%

Stand alone reports have not been issued for the plans. Financial statements for the individual pension and employee benefit plans are presented in footnote 21 and after the footnotes section. In addition, GASB Statement 68 and 45 required supplementary information is presented after the footnotes section.

18. NET INVESTMENT IN CAPITAL ASSETS

Following is a summary of net investment in capital assets, as presented in the government-wide statement of net position:

	Governmental Activities	Business-type Activities
Capital assets:		
Capital assets not being depreciated	$ 2,428,780	$ 9,224,172
Capital assets being depreciated, net	73,758,292	50,035,333
	76,187,072	59,259,505
Long-term liabilities:		
Due within one year	1,819,003	398,707
Due in more than one year	38,771,751	-
	40,590,754	398,707
Less compensated absences	(1,848,781)	(298,707)
Less deferred loss on refunding	(789,449)	-
	37,952,524	100,000
Net investment in capital assets	$ 38,234,548	$ 59,159,505

19. COMPONENTS OF NONSPENDABLE, RESTRICTED AND COMMITTED FUND BALANCES

Following is a summary of the components of nonspendable, restricted and committed fund balances as of June 30, 2015:

	General	Major Streets	Special Assessments Capital Projects	Nonmajor Funds	Total
Nonspendable					
Inventories	$ -	$ 326,140	$ -	$ 15,500	$ 341,640
Prepaid expenditures	16,122	-	-	-	16,122
Perpetual care	-	-	-	1,882,759	1,882,759
Endowment	-	-	-	1,088,288	1,088,288
Advances	50,000	-	-	-	50,000
	$ 66,122	$ 326,140	$ -	$ 2,986,547	$ 3,378,809
Restricted					
Rehabilitation programs	$ -	$ -	$ -	$ 66,680	$ 66,680
Highways and streets	-	1,413,619	-	935,264	2,348,883
Public improvements	-	-	-	384,259	384,259
Public safety	-	-	-	15,900	15,900
Downtown Development Authority	-	-	-	2,078,032	2,078,032
Debt service	-	-	-	57,668	57,668
	$ -	$ 1,413,619	$ -	$ 3,537,803	$ 4,951,422
Committed					
Culture and recreation	$ -	$ -	$ -	$ 160,955	$ 160,955
Public safety	-	-	-	1,733,907	1,733,907
Capital projects	-	-	-	82,076	82,076
Advances	-	-	-	50,000	50,000
	$ -	$ -	$ -	$ 2,026,938	$ 2,026,938
Unassigned (deficit)	$ 5,475,601	$ -	$ (1,100,354)	$ -	$ 4,375,247

20. RESTATEMENTS

The City adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* in the current year. As a result of this change, beginning net position of the governmental activities and business-type activities decreased by $50,641,572; and $810,840, respectively; and the sewer and water enterprise funds decreased by $582,135 and $228,705 respectively.

Notes to Financial Statements

21. PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS

Stand alone financial reports have not been issued for the plans. GASB Statement 25 and 45 required supplementary information is presented after the footnotes section. Financial statements for the individual pension and employee benefit plans are as follows:

Statement of Plan Net Position - June 30, 2015

	Employees' Retirement System	Policemen's and Firemen's Pension Fund	Policemen's and Firemen's Pension - Act 345 Fund	Employee Health Care	Total
Assets					
Pooled cash and investments	$ -	$ -	$ -	$ 50	$ 50
Investments, at fair value:					
U.S. treasuries	-	205,071	1,720,347	-	1,925,418
U.S. agencies	-	52,467	332,823	-	385,290
Mortgage-backed securities	-	-	18,650	-	18,650
Corporate bonds:					
Domestic bonds	-	703,845	8,962,020	-	9,665,865
Domestic mutual funds	10,342,273	-	-	-	10,342,273
Equities:					
Domestic stocks	5,900,738	1,862,666	18,797,887	-	26,561,291
Domestic mutual funds	15,216,279	-	-	-	15,216,279
International stocks	-	537,604	7,893,316	-	8,430,920
International mutual funds	5,894,817	-	-	-	5,894,817
Money market accounts	762,316	110,581	1,747,393	784,793	3,405,083
Total cash and investments	38,116,423	3,472,234	39,472,436	784,843	81,845,936
Receivables:					
Interest and dividends	1,793	-	-	-	1,793
Other	161,585	-	-	-	161,585
Total receivables	163,378	-	-	-	163,378
Total assets	38,279,801	3,472,234	39,472,436	784,843	82,009,314
Liabilities					
Refunds payable and other	-	-	424,031	-	424,031
Net position restricted for pension and other employee benefits	$ 38,279,801	$ 3,472,234	$ 39,048,405	$ 784,843	$ 81,585,283

Statement of Changes in Plan Net Position - Year Ended June 30, 2015

	Employees' Retirement System	Policemen's and Firemen's Pension Fund	Policemen's and Firemen's Pension - Act 345 Fund	Employee Health Care	Total
Additions					
Contributions:					
Employer	$ 947,435	$ 607,009	$ 3,534,236	$ 14,000	$ 5,102,680
Plan members	741,956	-	517,062	-	1,259,018
Total contributions	1,689,391	607,009	4,051,298	14,000	6,361,698
Investment income:					
Net appreciation in fair value of investments	1,839,239	98,571	997,899	28,151	2,963,860
Interest	421	17,827	227,507	-	245,755
Dividends	173,022	37,772	404,131	-	614,925
Total investment income	2,012,682	154,170	1,629,537	28,151	3,824,540
Less investment expense	112,258	34,074	361,006	-	507,338
Net investment income	1,900,424	120,096	1,268,531	28,151	3,317,202
Total additions	3,589,815	727,105	5,319,829	42,151	9,678,900
Deductions					
Benefits	3,285,163	845,639	5,688,878	-	9,819,680
Refunds of contributions	303,743	-	110,552	-	414,295
Administrative expense	95,161	-	-	14,500	109,661
Total deductions	3,684,067	845,639	5,799,430	14,500	10,343,636
Net change in net position	(94,252)	(118,534)	(479,601)	27,651	(664,736)
Net position:					
Beginning of year	38,374,053	3,590,768	39,528,006	757,192	82,250,019
End of year	$ 38,279,801	$ 3,472,234	$ 39,048,405	$ 784,843	$ 81,585,283

GASB REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

Employees' Retirement System

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

	Fiscal Year Ended June 30,	
	2015	2014
Change in total pension liability		
Service cost	$ 849,399	$ 900,232
Interest	3,591,598	3,512,829
Differences between expected and actual experience	(559,714)	-
Changes of assumptions	940,674	(610,014)
Benefit payments, including refunds of member contributions	(3,588,908)	(3,305,997)
Net change in total pension liability	1,233,049	497,050
Total pension liability, beginning	52,026,998	51,529,948
Total pension liability, ending (a)	53,260,047	52,026,998
Change in plan fiduciary net position		
Contributions - employer	947,436	986,872
Contributions - member	741,956	786,020
Net investment income	2,012,682	5,556,344
Benefit payments, including refunds of member contributions	(3,588,908)	(3,305,997)
Administrative expense	(207,419)	(214,364)
Net change in plan fiduciary net position	(94,253)	3,808,875
Plan fiduciary net position, beginning	38,374,055	34,565,180
Plan fiduciary net position, ending (b)	38,279,802	38,374,055
City's net pension liability, ending (a)-(b)	$14,980,245	$13,652,943
Plan fiduciary net position as a percentage of the total pension liability	71.87%	73.76%
Covered-employee payroll	$ 7,837,558	$ 8,209,105
City's net pension liability as a percentage of covered payroll	191.13%	166.31%

Required Supplementary Information

Police and Fire Pension Plan

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

	Fiscal Year Ended June 30,	
	2015	2014
Change in total pension liability		
Interest	$ 522,860	$ 541,023
Changes of assumptions	142,043	-
Benefit payments, including refunds of member contributions	(845,636)	(921,176)
Net change in total pension liability	(180,733)	(380,153)
Total pension liability, beginning	8,305,530	8,189,493
Total pension liability, ending (a)	8,124,797	7,809,340
Change in plan fiduciary net position		
Contributions - employer	607,009	606,096
Net investment income	154,170	659,708
Benefit payments, including refunds of member contributions	(845,636)	(921,176)
Administrative expense	(34,075)	(35,868)
Net change in plan fiduciary net position	(118,532)	308,760
Plan fiduciary net position, beginning	3,590,767	3,282,007
Plan fiduciary net position, ending (b)	3,472,235	3,590,767
City's net pension liability, ending (a)-(b)	$ 4,652,562	$ 4,218,573
Plan fiduciary net position as a percentage of the total pension liability	42.74%	45.98%
Covered-employee payroll	N/A	N/A
City's net pension liability as a percentage of covered payroll	N/A	N/A

Required Supplementary Information

Police and Fire - Act 345 Pension Plan

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

	Fiscal Year Ended June 30,	
	2015	2014
Change in total pension liability		
Service cost	$ 965,176	$ 987,637
Interest	4,990,906	4,928,085
Differences between expected and actual experience	(962,506)	-
Changes of assumptions	791,987	(244,312)
Benefit payments, including refunds of member contributions	(5,799,429)	(4,735,564)
Net change in total pension liability	(13,866)	935,846
Total pension liability, beginning	72,612,711	71,676,864
Total pension liability, ending (a)	72,598,845	72,612,710
Change in plan fiduciary net position		
Contributions - employer	3,534,236	3,012,344
Contributions - member	517,062	542,751
Net investment income	1,629,537	6,943,323
Benefit payments, including refunds of member contributions	(5,799,429)	(4,735,567)
Administrative expense	(361,006)	(335,536)
Net change in plan fiduciary net position	(479,600)	5,427,315
Plan fiduciary net position, beginning	39,528,006	34,100,690
Plan fiduciary net position, ending (b)	39,048,406	39,528,005
City's net pension liability, ending (a)-(b)	$33,550,439	$33,084,705
Plan fiduciary net position as a percentage of the total pension liability	53.79%	54.44%
Covered-employee payroll	$ 5,148,271	$ 5,124,768
City's net pension liability as a percentage of covered payroll	651.68%	645.58%

Required Supplementary Information

Schedule of the Net Pension Liability

Fiscal Year Ended June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered-Employee Payroll	Net Pension Liability as Percentage of Covered Payroll
Employees' Retirement System (ERS)						
2015	$ 53,260,047	$ 38,279,802	$ 14,980,245	71.87%	$ 7,837,558	191.13%
2014	52,026,998	38,374,055	13,652,943	73.76%	8,209,105	166.31%
Policemen’s and Firemen’s Pension (PFP)						
2015	$ 8,124,797	$ 3,472,235	$ 4,652,562	42.74%	N/A	N/A
2014	7,809,340	3,590,767	4,218,573	45.98%	N/A	N/A
Policemen’s and Firemen’s Pension - Act 345 (Act 345)						
2015	$ 72,598,845	$ 39,048,406	$ 33,550,439	53.79%	$ 5,148,271	651.68%
2014	72,612,710	39,528,005	33,084,705	54.44%	5,124,768	645.58%

Note: GASB 67 was implemented in fiscal year 2014. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

Required Supplementary Information

Schedule of Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Employees' Retirement System (ERS)					
6/30/2015	$ 1,033,247	$ 947,436	$ 85,811	$ 7,837,558	12.09%
6/30/2014	1,126,236	986,872	139,364	8,209,105	12.02%
Policemen's and Firemen's Pension (PFP)					
6/30/2015	$ 6,007,009	$ 607,009	$ 5,400,000	N/A	N/A
6/30/2014	606,096	606,096	-	N/A	N/A
Policemen's and Firemen's Pension - Act 345 (Act 345)					
6/30/2015	$ 3,534,236	$ 3,534,236	$ -	$ 5,148,271	68.65%
6/30/2014	3,012,344	3,012,344	-	5,124,768	58.78%

Note: GASB 67 was implemented in fiscal year 2014. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

Notes to Schedule of Contributions

Valuation date	June 30, 2014 (and rolled forward to June 30, 2015, the measurement date)
Notes	Actuarially determined contribution rates are calculated as of June 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.
Other information	There were no benefit changes during the year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed (level dollar PFP)
Remaining amortization period	30 years (12 years PFP; 20 years Act 345)
Asset valuation method	4-year smoothed market
Inflation	3.0%
Salary increases	3.0-7.0% (9.0% Act 345) including inflation
Investment rate of return	7.5% (7.0% PFP; 7.25% Act 345), net of pension plan investment expense, including inflation
Mortality rates	RP-2000 combined Mortality Table projected to 2017 with scale BB

Required Supplementary Information

Schedule of Investment Returns

Fiscal Year Ended	Annual Money-Weighted Rate of Return, Net of Investment Expense
Employees' Retirement System	
6/30/2015	5.85%
6/30/2014	16.60%
Policemen's and Firemen's Pension	
6/30/2015	3.71%
6/30/2014	20.30%
Policemen's and Firemen's Pension - Act 345	
6/30/2015	3.58%
6/30/2014	19.88%

Note: GASB 67 was implemented in fiscal year 2014. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

Required Supplementary Information

Other Postemployment Benefits

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/07	$ -	$ 56,062,594	$ 56,062,594	0.0%	$ 17,393,970	322.3%
6/30/09	360,691	36,872,463	36,511,772	1.0%	14,340,080	254.6%
6/30/11	561,390	59,681,463	59,120,073	0.9%	12,795,432	462.0%
6/30/13	658,853	48,888,510	48,229,657	1.3%	12,653,896	381.1%

Schedule of Employer Contributions

Year Ended	Annual Required Contributions	Annual Actual Contribution	Percentage Contributed
6/30/11	$ 2,971,206	$ 554,950	18.7%
6/30/12	3,097,480	1,567,827	50.6%
6/30/13	3,750,517	1,682,621	44.9%
6/30/14	3,917,634	681,278	17.4%
6/30/15	3,793,860	613,169	16.2%

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Combining Balance Sheet

Nonmajor Governmental Funds
June 30, 2015

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals
Assets					
Pooled cash and investments	$ 3,058,684	$ 13,419	$ 2,247,610	$ 2,944,540	$ 8,264,253
Receivables:					
Accounts, net	510,303	-	9,545	-	519,848
Interest	-	-	-	11,796	11,796
Due from other governments	1,712,605	-	-	-	1,712,605
Due from other funds	91,376	44,249	-	21,000	156,625
Inventories	15,500	-	-	-	15,500
Loans receivable	186,625	-	-	-	186,625
Long-term advance to other funds	-	-	-	50,000	50,000
Total assets	$ 5,575,093	$ 57,668	$ 2,257,155	$ 3,027,336	$ 10,917,252
Liabilities					
Accounts payable	$ 333,225	$ -	$ 5,320	$ -	$ 338,545
Accrued payroll	108,328	-	-	-	108,328
Due to other funds	68,997	-	-	6,289	75,286
Interfund payables	1,515,453	-	-	-	1,515,453
Unearned revenue	-	-	91,727	-	91,727
Long-term advances from other funds	50,000	-	-	-	50,000
Total liabilities	2,076,003	-	97,047	6,289	2,179,339
Deferred inflows of resources					
Unavailable revenue - loans receivable	186,625	-	-	-	186,625
Fund balances					
Nonspendable for:					
Inventories	15,500	-	-	-	15,500
Perpetual care	-	-	-	1,882,759	1,882,759
Endowment	-	-	-	1,088,288	1,088,288
Restricted for:					
Rehabilitation programs	66,680	-	-	-	66,680
Highways and streets	935,264	-	-	-	935,264
Public improvements	384,259	-	-	-	384,259
Public safety	15,900	-	-	-	15,900
Downtown Development Authority	-	-	2,078,032	-	2,078,032
Debt service	-	57,668	-	-	57,668
Committed for:					
Culture and recreation	160,955	-	-	-	160,955
Public safety	1,733,907	-	-	-	1,733,907
Capital projects	-	-	82,076	-	82,076
Advances	-	-	-	50,000	50,000
Total fund balances	3,312,465	57,668	2,160,108	3,021,047	8,551,288
Total liabilities, deferred inflows of resources and fund balances	$ 5,575,093	$ 57,668	$ 2,257,155	$ 3,027,336	$ 10,917,252

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals
Revenues					
Property taxes	$ 1,043,331	$ 646,911	$ 780,106	$ -	$ 2,470,348
Intergovernmental	5,281,763	1,029,498	-	-	6,311,261
Charges for services	2,647,636	51,550	-	17,437	2,716,623
Investment income	125,791	309	4,765	44,561	175,426
Parking fees	-	-	102,600	-	102,600
Miscellaneous	463,461	-	-	-	463,461
Total revenues	9,561,982	1,728,268	887,471	61,998	12,239,719
Expenditures					
Current:					
Public safety	4,282,375	-	-	-	4,282,375
Public works	526,409	-	-	-	526,409
Culture and recreation	1,174,010	-	-	-	1,174,010
Community enrichment and development	3,148,420	-	-	9,402	3,157,822
Capital outlay	-	-	434,097	-	434,097
Debt service:					
Principal retirement	-	765,000	-	-	765,000
Interest and fiscal charges	-	1,187,255	-	-	1,187,255
Total expenditures	9,131,214	1,952,255	434,097	9,402	11,526,968
Revenues over (under) expenditures	430,768	(223,987)	453,374	52,596	712,751
Other financing sources (uses)					
Transfers in	1,996,515	248,325	310,092	-	2,554,932
Transfers out	(1,138,678)	-	(248,325)	(52,401)	(1,439,404)
Total other financing sources (uses)	857,837	248,325	61,767	(52,401)	1,115,528
Net change in fund balances	1,288,605	24,338	515,141	195	1,828,279
Fund balances, beginning of year	2,023,860	33,330	1,644,967	3,020,852	6,723,009
Fund balances, end of year	$ 3,312,465	$ 57,668	$ 2,160,108	$ 3,021,047	$ 8,551,288

Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Local Street Fund - This fund is used to control the expenditure of motor fuel taxes which are earmarked by law for local street and highway purposes.

Ella W. Sharp Park Operating Fund - This fund is used to record the revenues and expenditures related to operating the Ella W. Sharp Golf Course and Ella W. Sharp Park.

Public Improvement Fund - This fund was established to account for tax revenue set aside for municipal public improvements.

Building Department Fund - This fund accounts for the revenues and expenditures for the Inspection Department Activity in accordance with the State Construction Code Act of 1999.

Building Demolitions Fund - This fund was established to account for revenues earmarked for building demolition expenditures that are not otherwise funded with Brownfield Redevelopment or Community Development Block Grant funds.

Drug Law Enforcement Fund - This fund is used to account for the proceeds from the sale of seized property which has been used in association with controlled substances.

LAWNET Grant Fund - This fund is used to account for activity relating to LAWNET Project Grants entered into with the City of Ypsilanti through the Office of Criminal Justice for the purpose of expanding the drug effort and impacting drug trafficking in the Jackson-Washtenaw-Livingston County Region.

Recreation Activity Fund - This fund is used to account for the expenditure of certain revenues generated from recreation fee programs.

Community Development Block Grant Fund - This fund accounts for grants under the Housing and Community Development Act of 1974, as amended. The Act provides for a series of grants over a period of years to be used for various community development activities.

Community Development Home Grant Fund - This fund is used to account for federal grants created by the National Affordable Housing Act of 1990.

Housing Code Enforcement Fund - This fund is used to account for revenues earmarked for housing code enforcement activities.

Byrne/JAG Program Grants Fund - This fund is used to account for the activity of a federal grant relating to drug enforcement.

Recreation Millage Fund - This fund is used to account for certain property taxes collected by Jackson Public Schools and donated to the City for certain recreation purposes.

2008 Brownfield Revolving Loan Fund - This fund is used to account for the activity of revolving loan fund for brownfield redevelopment.

212 W. Michigan Building Demolitions Fund - This fund was established to account for revenues earmarked for building demolition expenditures for the former Consumers Energy site that are not otherwise funded with Brownfield Redevelopment or Community Development Block Grant funds.

Nonmajor Special Revenue Funds

Blight Elimination Fund - This fund was established to account for revenues and expenditures earmarked for building demolition expenditures for designated blight areas within the City.

SAFER Grant Fund - This fund is used to account for the activity of a federal grant relating to fire staffing.

Combining Balance Sheet

Nonmajor Special Revenue Funds
June 30, 2015

	Local Street	Ella W. Sharp Park Operating	Public Improvement	Building Department	Building Demolitions
Assets					
Pooled cash and investments	$ 818,266	$ 31,629	$ 384,110	$ 72,734	$ 1,282,130
Accounts receivables, net	31,709	2,100	-	8,179	378,330
Due from other governments	95,859	-	-	-	-
Due from other funds	-	6,289	-	-	-
Inventories	-	15,500	-	-	-
Loans receivable	-	-	-	-	-
Total assets	$ 945,834	$ 55,518	$ 384,110	$ 80,913	$ 1,660,460
Liabilities					
Accounts payable	$ 7,843	$ 18,287	$ -	$ 4,306	$ 35,929
Accrued payroll	2,727	12,713	-	6,119	-
Due to other funds	-	-	-	18,627	-
Interfund payables	-	-	-	-	-
Long-term advances from other funds	-	-	-	-	-
Total liabilities	10,570	31,000	-	29,052	35,929
Deferred inflows of resources					
Unavailable revenue - loans receivable	-	-	-	-	-
Fund balances					
Nonspendable for -					
Inventories	-	15,500	-	-	-
Restricted for:					
Rehabilitation programs	-	-	-	-	-
Highways and streets	935,264	-	-	-	-
Public improvements	-	-	384,110	-	-
Public safety	-	-	-	-	-
Committed for:					
Culture and recreation	-	9,018	-	-	-
Public safety	-	-	-	51,861	1,624,531
Total fund balances	935,264	24,518	384,110	51,861	1,624,531
Total liabilities, deferred inflows of resources and fund balances	$ 945,834	$ 55,518	$ 384,110	$ 80,913	$ 1,660,460

Drug Law Enforcement	LAWNET Grant	Recreation Activity	Community Development Block Grant	Community Development Home Grant	Housing Code Enforcement	Byrne / JAG Program Grants
$ 14,892	$ 1,151	$ 158,725	$ 185,468	$ 87,569	$ 3,323	$ -
-	-	-	-	-	89,985	-
-	-	-	4,600	34,881	-	-
-	-	-	85,087	-	-	-
-	-	-	-	-	-	-
-	-	-	186,625	-	-	-
$ 14,892	$ 1,151	$ 158,725	$ 461,780	$ 122,450	$ 93,308	$ -
$ 143	$ -	$ 145	$ 93,900	$ 119,750	$ 14,776	$ -
-	-	6,643	64,575	-	8,070	-
-	-	-	-	2,700	12,947	-
-	-	-	-	-	-	-
-	-	-	50,000	-	-	-
143	-	6,788	208,475	122,450	35,793	-
-	-	-	186,625	-	-	-
-	-	-	-	-	-	-
-	-	-	66,680	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14,749	1,151	-	-	-	-	-
-	-	151,937	-	-	-	-
-	-	-	-	-	57,515	-
14,749	1,151	151,937	66,680	-	57,515	-
$ 14,892	$ 1,151	$ 158,725	$ 461,780	$ 122,450	$ 93,308	$ -

continued...

Combining Balance Sheet

Nonmajor Special Revenue Funds
June 30, 2015

	Recreation Millage	212 W. Michigan Building Demolition	Blight Elimination	SAFER Grant	Totals
Assets					
Pooled cash and investments	$ 8,472	$ 10,215	$ -	$ -	$ 3,058,684
Accounts receivables, net	-	-	-	-	510,303
Due from other governments	-	-	1,526,150	51,115	1,712,605
Due from other funds	-	-	-	-	91,376
Inventories	-	-	-	-	15,500
Loans receivable	-	-	-	-	186,625
Total assets	$ 8,472	$ 10,215	$ 1,526,150	$ 51,115	$ 5,575,093
Liabilities					
Accounts payable	$ 842	$ 10,215	$ 27,089	$ -	$ 333,225
Accrued payroll	7,481	-	-	-	108,328
Due to other funds	-	-	34,723	-	68,997
Interfund payables	-	-	1,464,338	51,115	1,515,453
Long-term advances from other funds	-	-	-	-	50,000
Total liabilities	8,323	10,215	1,526,150	51,115	2,076,003
Deferred inflows of resources					
Unavailable revenue - loans receivable	-	-	-	-	186,625
Fund balances					
Nonspendable for -					
Inventories	-	-	-	-	15,500
Restricted for:					
Rehabilitation programs	-	-	-	-	66,680
Highways and streets	-	-	-	-	935,264
Public improvements	149	-	-	-	384,259
Public safety	-	-	-	-	15,900
Committed for:					
Culture and recreation	-	-	-	-	160,955
Public safety	-	-	-	-	1,733,907
Total fund balances	149	-	-	-	3,312,465
Total liabilities, deferred inflows of resources and fund balances	$ 8,472	$ 10,215	$ 1,526,150	$ 51,115	$ 5,575,093

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Combining Statement of Revenues, Expenditures

and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Local Street	Ella W. Sharp Park Operating	Public Improvement	Building Department	Building Demolitions
Revenues					
Property taxes	$ -	$ -	$ 1,043,331	$ -	$ -
Intergovernmental	598,049	-	-	-	-
Charges for services	-	527,133	-	490,954	1,077,505
Investment income	1,692	121	3,354	2,289	102,614
Miscellaneous	14,500	-	-	-	-
Total revenues	614,241	527,254	1,046,685	493,243	1,180,119
Expenditures					
Current:					
Public safety	-	-	-	457,805	1,291,202
Public works	526,409	-	-	-	-
Culture and recreation	-	693,030	-	-	-
Community enrichment and development	-	-	60,936	-	-
Total expenditures	526,409	693,030	60,936	457,805	1,291,202
Revenues over (under) expenditures	87,832	(165,776)	985,749	35,438	(111,083)
Other financing sources (uses)					
Transfers in	494,560	168,789	-	-	1,300,000
Transfers out	(214,837)	-	(908,175)	-	-
Total other financing sources (uses)	279,723	168,789	(908,175)	-	1,300,000
Net change in fund balances	367,555	3,013	77,574	35,438	1,188,917
Fund balances, beginning of year	567,709	21,505	306,536	16,423	435,614
Fund balances, end of year	$ 935,264	$ 24,518	$ 384,110	$ 51,861	$ 1,624,531

Drug Law Enforcement	LAWNET Grant	Recreation Activity	Community Development Block Grant	Community Development Home Grant	Housing Code Enforcement	Byrne / JAG Program Grants
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	15,666	-	1,683,186	254,122	564,112	-
-	-	260,292	-	-	-	59,173
77	-	218	-	-	15,422	-
13,848	-	-	68,013	279,649	87,449	-
13,925	15,666	260,510	1,751,199	533,771	666,983	59,173
24,132	31,331	-	234,602	-	-	59,173
-	-	-	-	-	-	-
-	-	220,493	-	-	-	-
-	-	-	1,753,782	533,771	799,931	-
24,132	31,331	220,493	1,988,384	533,771	799,931	59,173
(10,207)	(15,665)	40,017	(237,185)	-	(132,948)	-
-	15,666	-	-	-	-	-
(15,666)	-	-	-	-	-	-
(15,666)	15,666	-	-	-	-	-
(25,873)	1	40,017	(237,185)	-	(132,948)	-
40,622	1,150	111,920	303,865	-	190,463	-
$ 14,749	$ 1,151	$ 151,937	$ 66,680	$ -	$ 57,515	$ -

continued...

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Recreation Millage	212 W. Michigan Building Demolition	Blight Elimination	SAFER Grant	Totals
Revenues					
Property taxes	$ -	$ -	$ -	$ -	$ 1,043,331
Intergovernmental	-	-	1,516,110	650,518	5,281,763
Charges for services	232,579	-	-	-	2,647,636
Investment income	4	-	-	-	125,791
Miscellaneous	-	-	2	-	463,461
Total revenues	232,583	-	1,516,112	650,518	9,561,982
Expenditures					
Current:					
Public safety	-	17,500	1,516,112	650,518	4,282,375
Public works	-	-	-	-	526,409
Culture and recreation	260,487	-	-	-	1,174,010
Community enrichment and development	-	-	-	-	3,148,420
Total expenditures	260,487	17,500	1,516,112	650,518	9,131,214
Revenues over (under) expenditures	(27,904)	(17,500)	-	-	430,768
Other financing sources (uses)					
Transfers in	-	17,500	-	-	1,996,515
Transfers out	-	-	-	-	(1,138,678)
Total other financing sources (uses)	-	17,500	-	-	857,837
Net change in fund balances	(27,904)	-	-	-	1,288,605
Fund balances, beginning of year	28,053	-	-	-	2,023,860
Fund balances, end of year	$ 149	$ -	$ -	$ -	$ 3,312,465

concluded.

Local Street Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental	$ 586,000	$ 598,049	$ 12,049	$ 637,185
Investment income	1,353	1,692	339	1,324
Miscellaneous	14,500	14,500	-	1,536
Total revenues	601,853	614,241	12,388	640,045
Expenditures				
Current - public works:				
Street construction	490,725	110,126	(380,599)	226,257
Street maintenance	465,211	440,851	(24,360)	219,616
Traffic services	3,679	297	(3,382)	492
Winter maintenance	199,651	59,924	(139,727)	140,057
Reimbursements	(79,294)	(84,789)	(5,495)	(5,453)
Total expenditures	1,079,972	526,409	(553,563)	580,969
Revenues over (under) expenditures	(478,119)	87,832	565,951	59,076
Other financing sources (uses)				
Transfers in	711,431	494,560	(216,871)	54,699
Transfers out	(210,000)	(214,837)	(4,837)	-
Total other financing sources (uses)	501,431	279,723	(221,708)	54,699
Net change in fund balance	23,312	367,555	344,243	113,775
Fund balance, beginning of year	567,709	567,709	-	453,934
Fund balance, end of year	$ 591,021	$ 935,264	$ 344,243	$ 567,709

Ella W. Sharp Park Operating Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 545,500	$ 527,133	$ (18,367)	$ 490,702
Investment income	10	121	111	-
Total revenues	545,510	527,254	(18,256)	490,702
Expenditures				
Current - culture and recreation:				
Personal services	284,370	287,912	3,542	349,603
Materials and supplies	188,250	178,622	(9,628)	193,467
Contractual and other services	231,045	226,496	(4,549)	99,508
Total expenditures	703,665	693,030	(10,635)	642,578
Revenues under expenditures	(158,155)	(165,776)	(7,621)	(151,876)
Other financing sources				
Transfers in	160,661	168,789	8,128	164,232
Net change in fund balance	2,506	3,013	507	12,356
Fund balance, beginning of year	21,505	21,505	-	9,149
Fund balance, end of year	$ 24,011	$ 24,518	$ 507	$ 21,505

Public Improvement Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Property taxes	$ 1,048,000	$ 1,043,331	$ (4,669)	$ 925,167
Investment income	5,000	3,354	(1,646)	4,133
Total revenues	1,053,000	1,046,685	(6,315)	929,300
Expenditures				
Current - community enrichment and development	202,200	60,936	(141,264)	101,439
Revenues over expenditures	850,800	985,749	134,949	827,861
Other financing uses				
Transfers out	(952,800)	(908,175)	(44,625)	(893,270)
Net change in fund balance	(102,000)	77,574	179,574	(65,409)
Fund balance, beginning of year	306,536	306,536	-	371,945
Fund balance, end of year	$ 204,536	$ 384,110	$ 179,574	$ 306,536

Building Department Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 454,900	$ 490,954	$ 36,054	$ 433,521
Investment income	1,500	2,289	789	5,055
Total revenues	456,400	493,243	36,843	438,576
Expenditures				
Current - public safety:				
Personal services	359,050	354,174	(4,876)	337,133
Materials and supplies	9,380	8,086	(1,294)	5,755
Contractual and other services	103,960	95,545	(8,415)	121,747
Total expenditures	472,390	457,805	(14,585)	464,635
Net change in fund balance	(15,990)	35,438	51,428	(26,059)
Fund balance, beginning of year	16,423	16,423	-	42,482
Fund balance, end of year	$ 433	$ 51,861	$ 51,428	$ 16,423

Building Demolitions Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 1,365,000	$ 1,077,505	$ (287,495)	$ 169,760
Investment income	65,000	102,614	37,614	88,198
Total revenues	1,430,000	1,180,119	(249,881)	257,958
Expenditures				
Current - public safety -				
Contractual and other services	2,401,150	1,291,202	(1,109,948)	1,284,630
Revenues over (under) expenditures	(971,150)	(111,083)	860,067	(1,026,672)
Other financing sources				
Transfers in	1,300,000	1,300,000	-	1,127,000
Net change in fund balance	328,850	1,188,917	860,067	100,328
Fund balance, beginning of year	435,614	435,614	-	335,286
Fund balance, end of year	$ 764,464	$ 1,624,531	$ 860,067	$ 435,614

Drug Law Enforcement Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Investment income	$ 345	$ 77	$ (268)	$ 158
Miscellaneous:				
Sale of property	6,000	1,231	(4,769)	77
Other	19,000	12,617	(6,383)	23,174
Total revenues	25,345	13,925	(11,420)	23,409
Expenditures				
Current - public safety:				
Personal services	19,308	19,719	411	23,233
Materials and supplies	750	-	(750)	159
Contractual and other services	14,150	4,413	(9,737)	4,940
Total expenditures	34,208	24,132	(10,076)	28,332
Revenues under expenditures	(8,863)	(10,207)	(1,344)	(4,923)
Other financing uses				
Transfers out	(15,667)	(15,666)	(1)	(14,564)
Net change in fund balance	(24,530)	(25,873)	(1,343)	(19,487)
Fund balance, beginning of year	40,622	40,622	-	60,109
Fund balance, end of year	$ 16,092	$ 14,749	$ (1,343)	$ 40,622

LAWNET Grant Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental	$ 31,333	$ 15,666	$ (15,667)	$ 22,025
Expenditures				
Current - public safety -				
Personal services	62,666	31,331	(31,335)	45,555
Revenues over (under) expenditures	(31,333)	(15,665)	15,668	(23,530)
Other financing sources				
Transfers in	31,333	15,666	(15,667)	23,530
Net change in fund balance	-	1	1	-
Fund balance, beginning of year	1,150	1,150	-	1,150
Fund balance, end of year	$ 1,150	$ 1,151	$ 1	$ 1,150

Recreation Activity Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 242,000	$ 260,292	$ 18,292	$ 256,881
Investment income	300	218	(82)	320
Total revenues	242,300	260,510	18,210	257,201
Expenditures				
Current - culture and recreation:				
Personal services	93,116	86,908	(6,208)	94,694
Materials and supplies	60,300	49,981	(10,319)	58,777
Contractual and other services	68,200	83,604	15,404	98,038
Total expenditures	221,616	220,493	(1,123)	251,509
Net change in fund balances	20,684	40,017	19,333	5,692
Fund balance, beginning of year	111,920	111,920	-	106,228
Fund balance, end of year	$ 132,604	$ 151,937	$ 19,333	$ 111,920

Community Development Block Grant Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental	$ 1,635,507	$ 1,683,186	$ 47,679	$ 784,801
Miscellaneous	199,141	68,013	(131,128)	120,788
Total revenues	1,834,648	1,751,199	(83,449)	905,589
Expenditures				
Current:				
Public safety -				
Code enforcement	236,364	234,602	(1,762)	234,778
Community enrichment and development:				
Rehabilitation	292,621	289,691	(2,930)	136,147
Rehabilitation loans	6,697	5,697	(1,000)	1,813
Public services	39,897	38,302	(1,595)	43,196
Administration	134,316	131,501	(2,815)	172,252
Culture and recreation	788,916	788,916	-	49,408
Street construction	53,081	53,080	(1)	-
Sidewalks and drives	-	-	-	78,762
Public facility demolition	554,231	446,595	(107,636)	314,049
Total expenditures	2,106,123	1,988,384	(117,739)	1,030,405
Net change in fund balances	(271,475)	(237,185)	34,290	(124,816)
Fund balances, beginning of year	303,865	303,865	-	428,681
Fund balances, end of year	$ 32,390	$ 66,680	$ 34,290	$ 303,865

Community Development Home Grant Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental	$ 263,966	$ 254,122	$ (9,844)	$ 258,762
Miscellaneous	280,261	279,649	(612)	55,213
Total revenues	544,227	533,771	(10,456)	313,975
Expenditures				
Current - community enrichment and development:				
Rehabilitation assistance	282,982	282,981	(1)	-
Community housing development organizations	253,552	250,790	(2,762)	313,975
Total expenditures	536,534	533,771	(2,763)	313,975
Net change in fund balance	7,693	-	(7,693)	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ 7,693	$ -	$ (7,693)	$ -

Housing Code Enforcement Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 540,000	$ 564,112	$ 24,112	$ 541,077
Investment income	15,000	15,422	422	13,691
Miscellaneous	100,000	87,449	(12,551)	15,780
Total revenues	655,000	666,983	11,983	570,548
Expenditures				
Current - public safety -				
Community housing development organizations	799,931	799,931	-	527,653
Net change in fund balance	(144,931)	(132,948)	11,983	42,895
Fund balance, beginning of year	190,463	190,463	-	147,568
Fund balance, end of year	$ 45,532	$ 57,515	$ 11,983	$ 190,463

Byrne / JAG Programs Grant Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental	$ 61,167	$ 59,173	$ (1,994)	$ 11,749
Expenditures				
Current - public safety:				
Contractual and other services	61,167	59,173	(1,994)	11,749
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

CITY OF JACKSON, MICHIGAN

Recreation Millage Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Charges for services	$ 232,932	$ 232,579	$ (353)	$ 212,431
Investment income	132	4	(128)	25
Total revenues	233,064	232,583	(481)	212,456
Expenditures				
Current - culture and recreation:				
Personal services	126,615	124,284	(2,331)	99,908
Materials and supplies	102,000	102,564	564	83,007
Contractual and other services	32,317	33,639	1,322	14,337
Total expenditures	260,932	260,487	(445)	197,252
Net change in fund balance	(27,868)	(27,904)	(36)	15,204
Fund balance, beginning of year	28,053	28,053	-	12,849
Fund balance, end of year	$ 185	$ 149	$ (36)	$ 28,053

212 W. Michigan Building Demolition Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Investment income	$ -	$ -	$ -	$ 211
Expenditures				
Current - public safety -				
Contractual and other services	78,000	17,500	(60,500)	435,413
Revenues over (under) expenditures	(78,000)	(17,500)	60,500	(435,202)
Other financing sources				
Transfers in	78,000	17,500	(60,500)	435,082
Net change in fund balance	-	-	-	(120)
Fund balance, beginning of year	-	-	-	120
Fund balance, end of year	$ -	$ -	$ -	$ -

Blight Elimination Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental revenue	$ 1,876,300	$ 1,516,110	$ (360,190)	$ -
Investment income	-	2	2	211
Total revenues	1,876,300	1,516,112	(360,188)	211
Expenditures				
Current - public safety -				
Contractual and other services	1,876,300	1,516,112	(360,188)	435,413
Revenues over (under) expenditures	-	-	-	(435,202)
Other financing sources				
Transfers in	-	-	-	435,082
Net change in fund balance	-	-	-	(120)
Fund balance, beginning of year	-	-	-	120
Fund balance, end of year	$ -	$ -	$ -	$ -

SAFER Grant Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2015
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			
	Amended Budget	Actual	Actual Over (Under) Final Budget	2014 Actual
Revenues				
Intergovernmental revenue	$ 727,782	$ 650,518	$ (77,264)	$ 592,325
Expenditures				
Current - public safety -				
Personal services	727,782	650,518	(77,264)	592,325
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Nonmajor Debt Service Funds

Debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

2007 Brownfield Refunding Debt Service Fund - This fund is used to record principal and interest payments on the $9,905,000 Refunding Bonds dated December 1, 2007.

2012 Brownfield Refunding Debt Service Fund - This fund is used to record principal and interest payments on the $7,360,000 Refunding Bonds dated December 1, 2007.

2011 Downtown Development Refunding Debt Service Fund - This fund is used to record principal and interest payments on the $5,395,000 Refunding Bonds dated March 27, 2001.

Building Authority Debt Service Fund - This fund is used to record principal and interest payments on the $800,000 Building Authority Bonds dated June 1, 1992.

2001 DDA TIF Debt Service Fund - This fund is used to record principal and interest payments on the $17,998,577 Downtown Development Authority bonds, used to finance the City's share of land acquisition and infrastructure improvements associated with the construction of the new Consumers Energy headquarters.

2013 City Hall Refunding Debt Service Fund - This fund is used to record principal and interest payments on the $8,275,000 Refunding Bonds dated February 5, 2013.

CITY OF JACKSON, MICHIGAN

Combining Balance Sheet

Nonmajor Debt Service Funds
June 30, 2015

	2007 Brownfield Refunding	2012 Brownfield Refunding	2011 DDA Refunding
Assets			
Pooled cash and investments	$ 2,373	$ -	$ -
Due from other funds	-	2,156	431
Total assets	$ 2,373	$ 2,156	$ 431
Fund balances			
Restricted for debt service	$ 2,373	$ 2,156	$ 431

Building Authority	2001 DDA TIF	2013 City Hall Refunding	Totals
$ 3,321	$ 637	$ 7,088	$ 13,419
-	-	41,662	44,249
$ 3,321	$ 637	$ 48,750	$ 57,668
$ 3,321	$ 637	$ 48,750	$ 57,668

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2015

	2007 Brownfield Refunding	2012 Brownfield Refunding	2011 DDA Refunding
Revenues			
Property taxes	$ -	$ -	$ -
Intergovernmental	421,754	603,519	-
Charges for services	-	-	-
Investment income	-	-	-
Total revenues	421,754	603,519	-
Expenditures			
Debt service:			
Principal retirement	30,000	335,000	-
Interest and fiscal charges	391,754	268,519	247,575
Total expenditures	421,754	603,519	247,575
Revenues over (under) expenditures	-	-	(247,575)
Other financing sources			
Transfers in	-	-	247,575
Net change in fund balances	-	-	-
Fund balances, beginning of year	2,373	2,156	431
Fund balances, end of year	$ 2,373	$ 2,156	$ 431

Building Authority	2001 DDA TIF	2013 City Hall Refunding	Totals
$ -	$ -	$ 646,911	$ 646,911
-	-	4,225	1,029,498
51,550	-	-	51,550
-	-	309	309
51,550	-	651,445	1,728,268
40,000	-	360,000	765,000
11,550	750	267,107	1,187,255
51,550	750	627,107	1,952,255
-	(750)	24,338	(223,987)
-	750	-	248,325
-	-	24,338	24,338
3,321	637	24,412	33,330
$ 3,321	$ 637	$ 48,750	$ 57,668

Nonmajor Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund - This fund is used to account for monies set aside to fund various capital building and land improvements not otherwise funded by bond proceeds.

Downtown Development Authority Project Fund - This fund is used to account for the receipt and expenditure of tax increments based on the captured assessed value of property within the Amended Development Area.

CITY OF JACKSON, MICHIGAN

Combining Balance Sheet

Nonmajor Capital Projects Funds
June 30, 2015

	Capital Projects	Downtown Development Authority Project	Totals
Assets			
Pooled cash and investments	$ 164,958	$ 2,082,652	$ 2,247,610
Accounts receivable	9,545	-	9,545
Total assets	$ 174,503	$ 2,082,652	$ 2,257,155
Liabilities			
Accounts payable	$ 700	$ 4,620	$ 5,320
Unearned revenue	91,727	-	91,727
Total liabilities	92,427	4,620	97,047
Fund balances			
Restricted	-	2,078,032	2,078,032
Committed for capital projects	82,076	-	82,076
Total fund balances	82,076	2,078,032	2,160,108
Total liabilities and fund balances	$ 174,503	$ 2,082,652	$ 2,257,155

CITY OF JACKSON, MICHIGAN

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015

	Capital Projects	Downtown Development Authority Project	Totals
Revenues			
Property taxes	$ -	$ 780,106	$ 780,106
Investment income	6	4,759	4,765
Other	50,367	52,233	102,600
Total revenues	50,373	837,098	887,471
Expenditures			
Community enrichment and development	329,956	104,141	434,097
Revenues over (under) expenditures	(279,583)	732,957	453,374
Other financing sources (uses)			
Transfers in	310,092	-	310,092
Transfers out	-	(248,325)	(248,325)
Total other financing sources (uses)	310,092	(248,325)	61,767
Net change in fund balances	30,509	484,632	515,141
Fund balances, beginning of year	51,567	1,593,400	1,644,967
Fund balances, end of year	$ 82,076	$ 2,078,032	$ 2,160,108

Nonmajor Permanent Funds

Ella W. Sharp Park Endowment Fund - This fund is used to account for monies received from the estate of Ella W. Sharp.

Cemetery Perpetual Maintenance Fund - This fund is used to account for money held in trust for the perpetual care of certain cemetery lots.

CITY OF JACKSON, MICHIGAN

Combining Balance Sheet

Nonmajor Permanent Funds
June 30, 2015

	Ella W. Sharp Park Endowment	Cemetery Perpetual Maintenance	Total
Assets			
Pooled cash and investments - restricted	$ 1,073,577	$ 1,870,963	$ 2,944,540
Interest receivable	-	11,796	11,796
Due from other funds	21,000	-	21,000
Long-term advance to other funds	50,000	-	50,000
Total assets	$ 1,144,577	$ 1,882,759	$ 3,027,336
Liabilities			
Due to other funds	$ 6,289	$ -	$ 6,289
Fund balances			
Nonspendable for:			
Perpetual care	-	1,882,759	1,882,759
Endowment	1,088,288	-	1,088,288
Committed for -			
Advances	50,000	-	50,000
Total fund balances	1,138,288	1,882,759	3,021,047
Total liabilities and fund balances	$ 1,144,577	$ 1,882,759	$ 3,027,336

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Permanent Funds
For the Fiscal Year Ended June 30, 2015

	Ella W. Sharp Park Endowment	Cemetery Perpetual Maintenance	Total
Revenues			
Charges for services	$ -	$ 17,437	$ 17,437
Investment income	22,012	22,549	44,561
Total revenues	22,012	39,986	61,998
Expenditures	-	9,402	9,402
Revenues over expenditures	22,012	30,584	52,596
Other financing uses			
Transfers out	(28,789)	(23,612)	(52,401)
Net change in fund balances	(6,777)	6,972	195
Fund balances, beginning of year	1,145,065	1,875,787	3,020,852
Fund balances, end of year	$ 1,138,288	$ 1,882,759	$ 3,021,047

Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's commission is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered through user charges or where the government's commission has decided that periodic determination of net income is appropriate for accountability purposes.

Ella W. Sharp Park Golf Practice Center Fund - This fund is used to account for the construction and operation of the Ella W. Sharp Park Golf Practice Center.

Automobile Parking System Fund - This fund is used to account for the operation of the downtown parking garage and capital improvements to the City's parking system.

Parking Assessment Fund - This fund is used to account for the revenues and expenses of the City's meterless parking system.

Stormwater Utility - This fund is used to account for the revenues and expenses of the City's stormwater utility system.

Combining Statement of Net Position

Nonmajor Enterprise Funds
June 30, 2015

	Ella W. Sharp Park Golf Practice Center	Automobile Parking System	Parking Assessment	Stormwater Utility	Totals
Assets					
Current assets:					
Pooled cash and investments	$ 51,083	$ 185,034	$ 129,729	$ 20,711	$ 386,557
Accounts receivable	872	-	5,000	-	5,872
Total current assets	51,955	185,034	134,729	20,711	392,429
Noncurrent assets:					
Capital assets not being depreciated	-	1,950,013	-	-	1,950,013
Capital assets being depreciated, net	-	133,872	-	-	133,872
Total noncurrent assets	-	2,083,885	-	-	2,083,885
Total assets	51,955	2,268,919	134,729	20,711	2,476,314
Liabilities					
Current liabilities:					
Accounts payable	-	167,749	830	20,711	189,290
Accrued payroll	1,308	172	2,194	-	3,674
Total current liabilities	1,308	167,921	3,024	20,711	192,964
Noncurrent liabilities -					
Long term advance from other funds	50,000	-	-	-	50,000
Total liabilities	51,308	167,921	3,024	20,711	242,964
Net position					
Net investment in capital assets	-	2,083,885	-	-	2,083,885
Unrestricted	647	17,113	131,705	-	149,465
Total net position	$ 647	$ 2,100,998	$ 131,705	$ -	$ 2,233,350

Combining Statement of Revenues, Expenses

and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	Ella W. Sharp Park Golf Practice Center	Automobile Parking System	Parking Assessment	Stormwater Utility	Totals
Operating revenues					
Charges for sales and services	$ 39,805	$ 17,003	$ 35,434	$ -	$ 92,242
Miscellaneous	-	-	19,134	-	19,134
Total operating revenues	39,805	17,003	54,568	-	111,376
Operating expenses					
Personal services	26,840	5,659	34,302	-	66,801
Materials and supplies	4,257	371	-	-	4,628
Contractual and other services	2,483	19,567	54,534	143,799	220,383
Depreciation	17,836	6,085	-	-	23,921
Stormwater refunds	-	-	-	527,950	527,950
Total operating expenses	51,416	31,682	88,836	671,749	843,683
Operating loss	(11,611)	(14,679)	(34,268)	(671,749)	(732,307)
Nonoperating revenues (expenses)					
Investment income	135	82	449	383	1,049
Interest and fiscal charges	(1,500)	-	-	-	(1,500)
Total nonoperating revenues (expenses)	(1,365)	82	449	383	(451)
Loss before transfers	(12,976)	(14,597)	(33,819)	(671,366)	(732,758)
Transfers in	13,000	278,286	56,600	671,366	1,019,252
Change in net position	24	263,689	22,781	-	286,494
Net position, beginning of year	623	1,837,309	108,924	-	1,946,856
Net position, end of year	$ 647	$ 2,100,998	$ 131,705	$ -	$ 2,233,350

Combining Statement of Cash Flows

Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	Ella W. Sharp Park Golf Practice Center	Automobile Parking System	Parking Assessment	Stormwater Utility	Totals
Cash flows from operating activities					
Receipts from customers and users	$ 39,805	$ 17,003	$ 49,568	$ -	$ 106,376
Payments to employees	(26,840)	(5,659)	(34,302)	-	(66,801)
Payments to vendors and claimants	(17,540)	145,635	(55,756)	(936,585)	(864,246)
Net cash provided by (used in) operating activities	(4,575)	156,979	(40,490)	(936,585)	(824,671)
Cash flows from capital and related financing activities					
Purchase of capital assets	-	(267,286)	-	-	(267,286)
Interest paid on long-term debt	(1,500)	-	-	-	(1,500)
Net cash used in capital and related financing activities	(1,500)	(267,286)	-	-	(268,786)
Cash flows from noncapital financing activities					
Transfer in	13,000	278,286	56,600	671,366	1,019,252
Cash flows from investing activities					
Interest received on investments	135	82	449	383	1,049
Net change in cash and cash equivalents	7,060	168,061	16,559	(264,836)	(73,156)
Cash and cash equivalents, beginning of year	44,023	16,973	113,170	285,547	459,713
Cash and cash equivalents, end of year	$ 51,083	$ 185,034	$ 129,729	$ 20,711	$ 386,557
Reconciliation of operating loss to net cash used in operating activities					
Operating loss	$ (11,611)	$ (14,679)	$ (34,268)	$ (671,749)	$ (732,307)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation	17,836	6,085	-	-	23,921
Change in:					
Accounts receivable	(872)	-	(5,000)	-	(5,872)
Accounts payable	-	165,490	(2,921)	(264,836)	(102,267)
Accrued payroll	72	83	1,699	-	1,854
Advance from other funds	(10,000)	-	-	-	(10,000)
Net cash provided by (used in) operating activities	$ (4,575)	$ 156,979	$ (40,490)	$ (936,585)	$ (824,671)

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Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Workers' Compensation Fund - This fund is used to record the activity of the City's self-insured workers compensation program. Revenues are supplied by charges to various City funds.

Self Insurance Health Fund - This fund is used to record the activity of the City's self-insured health program. Revenues are supplied by charges to various City funds.

Motor Pool And Garage Fund - This fund is used to record the operations of the City's motor vehicle pool at the Department of Public Works. Revenues are supplied by equipment rental charges to other funds of the City.

Prescription Drug Fund - This fund is used to record the activity of the City's prescription drug program. Revenues are supplied by charges to various City funds.

Healthcare Insurance Deductible Fund - This fund is used to record the activity of the City's healthcare insurance deductible.

Public Works Administration Fund - This fund is used to account for the administrative operations of the City's Department of Public Works.

Engineering Administration Fund - This fund is used to account for the administrative operations of the City's Engineering Department.

Local Site Remediation Revolving Fund - This Fund is used to record the receipt and disbursement of money available under Section 13(5) of the Brownfield Redevelopment Financing Act (Act 381 of 1996) and may also consist of money appropriated or otherwise made available from public or private sources.

Combining Statement of Net Position

Internal Service Funds
June 30, 2015

	Workers' Compensation	Self Insurance Health	Motor Pool and Garage	Prescription Drug	Healthcare Insurance Deductible
Assets					
Current assets:					
Pooled cash and investments	$ 67,447	$ -	$ 181,530	$ -	$ -
Accounts receivable	1,401	-	432	-	-
Interfund receivable	248,669	-	-	-	-
Prepaid items	-	282,383	-	-	-
Restricted cash -					
Cash on hand with agents	46,000	-	-	-	-
Total current assets	363,517	282,383	181,962	-	-
Noncurrent assets:					
Long-term advances	1,205,681	-	-	-	-
Capital assets being depreciated, net	-	-	1,100,270	-	-
Total noncurrent assets	1,205,681	-	1,100,270	-	-
Total assets	1,569,198	282,383	1,282,232	-	-
Liabilities					
Current liabilities:					
Accounts payable	11,472	28,996	19,604	-	-
Accrued payroll	-	-	5,157	-	-
Interfund payable	-	248,669	-	-	-
Due to other funds	-	-	21,000	-	-
Current portion of estimated claims payable	111,021	-	-	-	-
Total current liabilities	122,493	277,665	45,761	-	-
Noncurrent liabilities:					
Long-term advance, net	-	-	105,327	-	-
Estimated claims payable	316,170	-	-	-	-
Total noncurrent liabilities	316,170	-	105,327	-	-
Total liabilities	438,663	277,665	151,088	-	-
Net position					
Investment in capital assets	-	-	1,100,270	-	-
Unrestricted	1,130,535	4,718	30,874	-	-
Total net position	$ 1,130,535	$ 4,718	$ 1,131,144	$ -	$ -

Public Works Administration	Engineering Administration	Local Site Remediation Revolving	Totals
$ 124,670	$ 54,439	$ 196,680	$ 624,766
19,518	618	-	21,969
-	-	-	248,669
-	-	-	282,383
-	-	-	46,000
144,188	55,057	196,680	1,223,787
-	-	-	1,205,681
-	-	-	1,100,270
-	-	-	2,305,951
144,188	55,057	196,680	3,529,738
10,057	2,664	-	72,793
6,251	4,127	-	15,535
-	-	-	248,669
-	-	-	21,000
-	-	-	111,021
16,308	6,791	-	469,018
-	-	-	105,327
-	-	-	316,170
-	-	-	421,497
16,308	6,791	-	890,515
-	-	-	1,100,270
127,880	48,266	196,680	1,538,953
$ 127,880	$ 48,266	$ 196,680	$ 2,639,223

Combining Statement of Revenues, Expenses

and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Workers' Compensation	Self Insurance Health	Motor Pool and Garage	Prescription Drug	Healthcare Insurance Deductible
Operating revenues					
Charges for services	$ 185,067	$ 4,958,021	$ 251,683	$ -	$ -
Miscellaneous	6,546	3,992	603,561	-	-
Total operating revenues	191,613	4,962,013	855,244	-	-
Operating expenses					
Personal services	-	-	342,806	-	-
Administration	-	-	-	-	-
Materials and supplies	-	-	294,004	-	-
Contractual and other services	1,351	5,031,322	117,901	7,061	25,054
Benefit payments:					
Claims	84,198	-	-	-	-
Fees and reinsurance	56,845	-	-	-	-
Depreciation	-	-	410,016	-	-
Total operating expenses	142,394	5,031,322	1,164,727	7,061	25,054
Operating income (loss)	49,219	(69,309)	(309,483)	(7,061)	(25,054)
Nonoperating revenues					
Investment income	40,085	27	591	-	-
Income (loss) before transfers	89,304	(69,282)	(308,892)	(7,061)	(25,054)
Transfers in	-	74,000	-	-	-
Transfers out	(74,000)	-	-	-	-
Change in net position	15,304	4,718	(308,892)	(7,061)	(25,054)
Net position, beginning of year	1,115,231	-	1,440,036	7,061	25,054
Net position, end of year	$ 1,130,535	$ 4,718	$ 1,131,144	$ -	$ -

Public Works Administration	Engineering Administration	Local Site Remediation Revolving	Totals
$ 159,857	$ 307,073	$ 8,957	$ 5,870,658
356	-	-	614,455
160,213	307,073	8,957	6,485,113
266,159	269,918	-	878,883
39,534	61,213	-	100,747
-	-	-	294,004
-	-	-	5,182,689
-	-	-	84,198
-	-	-	56,845
-	-	-	410,016
305,693	331,131	-	7,007,382
(145,480)	(24,058)	8,957	(522,269)
5,866	191	636	47,396
(139,614)	(23,867)	9,593	(474,873)
-	-	-	74,000
-	-	(17,500)	(91,500)
(139,614)	(23,867)	(7,907)	(492,373)
267,494	72,133	204,587	3,131,596
$ 127,880	$ 48,266	$ 196,680	$ 2,639,223

CITY OF JACKSON, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Workers' Compensation	Self Insurance Health	Motor Pool and Garage	Prescription Drug	Healthcare Insurance Deductible
Cash flows from operating activities					
Receipts (payments) for interfund services provided	$ (57,056)	$ 4,962,013	$ 850,438	$ (116,374)	$ -
Payments to employees	-	-	(351,331)	-	-
Payments to vendors and claimants	(222,042)	(5,036,040)	(412,408)	(53,272)	(60,444)
Net cash provided by (used in) operating activities	(279,098)	(74,027)	86,699	(169,646)	(60,444)
Cash flows from capital and related financing activities					
Purchase of capital assets	-	-	(121,295)	-	-
Interfund advances	10,763	-	(68,939)	-	-
Net cash used in capital and related financing activities	10,763	-	(190,234)	-	-
Cash flows from noncapital financing activities					
Transfer in	-	74,000	-	-	-
Transfer out	(74,000)	-	-	-	-
Net cash used in noncapital financing activities	(74,000)	74,000	-	-	-
Cash flows from investing activities					
Interest received on investments	40,085	27	591	-	-
Net change in cash and cash equivalents	(302,250)	-	(102,944)	(169,646)	(60,444)
Cash and cash equivalents, beginning of year	415,697	-	284,474	169,646	60,444
Cash and cash equivalents, end of year	$ 113,447	$ -	$ 181,530	$ -	$ -
Statement of net position classification of cash					
Cash and cash equivalents	$ 67,447	$ -	$ 181,530	$ -	$ -
Restricted cash and cash equivalents	46,000	-	-	-	-
	$ 113,447	$ -	$ 181,530	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 49,219	$ (69,309)	$ (309,483)	$ (7,061)	$ (25,054)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	410,016	-	-
Change in:					
Accounts receivable	-	-	189	3,583	-
Interfund receivable	(248,669)	-	-	-	-
Prepaid items	-	(282,383)	-	-	-
Accounts payable	6,479	28,996	(503)	(46,211)	(35,390)
Accrued payroll	-	-	(8,525)	-	-
Due to other funds	-	-	(4,995)	-	-
Interfund payable	-	248,669	-	(119,957)	-
Estimated claims payable	(86,127)	-	-	-	-
Net cash provided by (used in) operating activities	$ (279,098)	$ (74,027)	$ 86,699	$ (169,646)	$ (60,444)

Public Works Administration	Engineering Administration	Local Site Remediation Revolving	Totals
$ 209,508	$ 308,350	$ 8,957	$ 6,165,836
(264,788)	(275,828)	-	(891,947)
(58,216)	(59,647)	-	(5,902,069)
(113,496)	(27,125)	8,957	(628,180)
-	-	-	(121,295)
-	-	-	(58,176)
-	-	-	(179,471)
-	-	-	74,000
-	-	(17,500)	(91,500)
-	-	(17,500)	(17,500)
5,866	191	636	47,396
(107,630)	(26,934)	(7,907)	(777,755)
232,300	81,373	204,587	1,448,521
$ 124,670	$ 54,439	$ 196,680	$ 670,766
$ 124,670	$ 54,439	$ 196,680	$ 624,766
-	-	-	46,000
$ 124,670	$ 54,439	$ 196,680	$ 670,766
$ (145,480)	$ (24,058)	$ 8,957	$ (522,269)
-	-	-	410,016
49,295	1,277	-	54,344
-	-	-	(248,669)
-	-	-	(282,383)
(18,682)	1,566	-	(63,745)
1,371	(5,910)	-	(13,064)
-	-	-	(4,995)
-	-	-	128,712
-	-	-	(86,127)
$ (113,496)	$ (27,125)	$ 8,957	$ (628,180)

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Agency Funds

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Payroll Clearing Fund - This fund is used to process City-wide payroll.

Jeopardy Tax Fund - This fund is used to account for advance personal property payments from dissolved businesses.

County And School Tax Collection Fund - This fund is used to record transactions arising from the collection of taxes for the County of Jackson, Jackson Community College, Jackson Transit Authority and Jackson Public Schools.

Community Development Block Grant Escrow Fund - This fund was established to act as an escrow depository for all loans and grants related to the City's Community Development Block Grant Rehabilitation Program.

Act 495 Fire Trust Fund - This fund was established to hold escrowed amounts from insurance proceeds due to fire loss in order to ensure that the damaged property is rehabilitated by the owner's.

Cafeteria Reimbursement Fund - This fund is used to account for employee cafeteria reimbursements.

Combining Balance Sheet

Agency Funds
June 30, 2015

	Payroll Clearing	Jeopardy Tax	County and School Tax Collection	Community Development Block Grant Escrow	Act 495 Fire Trust Fund
Assets					
Pooled cash and investments	$ 51,065	$ 5,481	$ 79,716	$ 1,532	$ 32,425
Liabilities					
Due to other governments	$ -	$ 5,481	$ 79,716	$ 1,532	$ -
Other liabilities	51,065	-	-	-	32,425
Total liabilities	$ 51,065	$ 5,481	$ 79,716	$ 1,532	$ 32,425

Cafeteria Reimbursement	Total
$ 46,142	$ 216,361
$ -	$ 86,729
46,142	129,632
$ 46,142	$ 216,361

Combining Statement of Changes in Assets and Liabilities

Agency Funds
For the Fiscal Year Ended June 30, 2015

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Payroll Clearing Account				
Assets				
Pooled cash and investments	$ 62,283	$ 13,795,739	$ 13,806,957	$ 51,065
Liabilities				
Other liabilities	$ 62,283	$ 13,795,739	$ 13,806,957	$ 51,065
Jeopardy Tax Fund				
Assets				
Pooled cash and investments	$ 10,242	$ 23,714	$ 28,475	$ 5,481
Liabilities				
Due to other governmental units	$ 10,242	$ 23,714	$ 28,475	$ 5,481
County & School Tax Collection Fund				
Assets				
Pooled cash and investments	$ 21,292	$ 29,377,181	$ 29,318,757	$ 79,716
Liabilities				
Due to other governmental units	$ 21,292	$ 8,701,237	$ 8,642,813	$ 79,716
Undistributed tax collections:				
Jackson County	-	3,848,444	3,848,444	-
Jackson Public Schools	-	7,566,105	7,566,105	-
Northwest Schools	-	35,814	35,814	-
Michigan Center Schools	-	39,115	39,115	-
East Jackson Schools	-	4,964	4,964	-
Jackson Intermediate School District	-	4,632,413	4,632,413	-
Jackson Community College	-	610,241	610,241	-
Jackson Transportation Authority	-	524,500	524,500	-
State of Michigan - State Education Tax	-	3,021,057	3,021,057	-
Total liabilities	$ 21,292	$ 28,983,890	$ 28,925,466	$ 79,716

continued...

Combining Statement of Changes in Assets and Liabilities

Agency Funds
For the Fiscal Year Ended June 30, 2015

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Community Development Block Grant Escrow Fund				
Assets				
Pooled cash and investments	$ 1,532	$ -	$ -	$ 1,532
Liabilities				
Due to other governments	$ 1,532	$ -	$ -	$ 1,532
Act 495 Fire Trust Fund				
Assets				
Pooled cash and investments	$ 169,168	$ 50,294	$ 187,037	$ 32,425
Liabilities				
Insurance deposits	$ 169,168	$ 50,294	$ 187,037	$ 32,425
Cafeteria Reimbursement Fund				
Assets				
Pooled cash and investments	$ 40,552	$ 91,654	$ 86,064	$ 46,142
Liabilities				
Accounts payable	$ -	$ 93,830	$ 93,830	$ -
Employees' contributions	40,552	91,654	86,064	46,142
Total liabilities	$ 40,552	$ 185,484	$ 179,894	$ 46,142
Total All Agency Funds				
Assets				
Pooled cash and investments	$ 305,069	$ 43,338,582	$ 43,427,290	$ 216,361
Liabilities				
Accounts payable	$ -	$ 93,830	$ 93,830	$ -
Due to other governmental units	33,066	8,724,951	8,671,288	86,729
Undistributed tax collections	-	20,282,653	20,282,653	-
Other liabilities	272,003	13,937,687	14,080,058	129,632
Total liabilities	$ 305,069	$ 43,039,121	$ 43,127,829	$ 216,361

concluded.

CITY OF JACKSON, MICHIGAN

Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit
June 30, 2015

	Capital Projects		
	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
Assets			
Pooled cash and investments	$ 1,557,524	$ -	$ 1,557,524
Liabilities			
Accounts payable	$ 9	-	9
Salaries payable	557	-	557
Total liabilities	566	-	566
Fund balances			
Unrestricted	1,556,958	(1,556,958)	-
Total liabilities and fund balance	$ 1,557,524		
Net position - unrestricted		$ 1,556,958	$ 1,556,958

CITY OF JACKSON, MICHIGAN

Statement of Revenues, Expenditures

and Changes in Fund Balances / Statement of Activities
Brownfield Redevelopment Authority Component Unit
For the Fiscal Year Ended June 30, 2015

	Capital Projects		
	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
Revenues			
Property tax	$ 1,055,731	$ -	$ 1,055,731
Interest revenue	4,019	-	4,019
Total revenues	1,059,750	-	1,059,750
Expenditures/Expenses			
Community enrichment	1,157,478	-	1,157,478
Revenues over (under) expenditures	(97,728)	97,728	-
Change in net position	-	(97,728)	(97,728)
Fund balances / net position, beginning of year	1,654,686	-	1,654,686
Fund balances / net position, end of year	$ 1,556,958	$ -	$ 1,556,958

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STATISTICAL SECTION

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CITY OF JACKSON, MICHIGAN

Statistical Section (Unaudited)

This part of the City 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 **Page**

Financial Trends (schedules 1 thru 5) 162

These schedules contain trend information to help the reader understand how the financial performance and well-being have changed over time.

Revenue Capacity (schedules 6 thru 9) 173

These schedules contain information to help the reader assess the government's most local sources: property taxes and water and wastewater usage fees.

Debt Capacity (schedules 10 thru 12) 178

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 debt in the future.

Demographic and Economic Information (schedules 13 and 14) 182

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information (schedules 15 thru 26) 184

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.

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

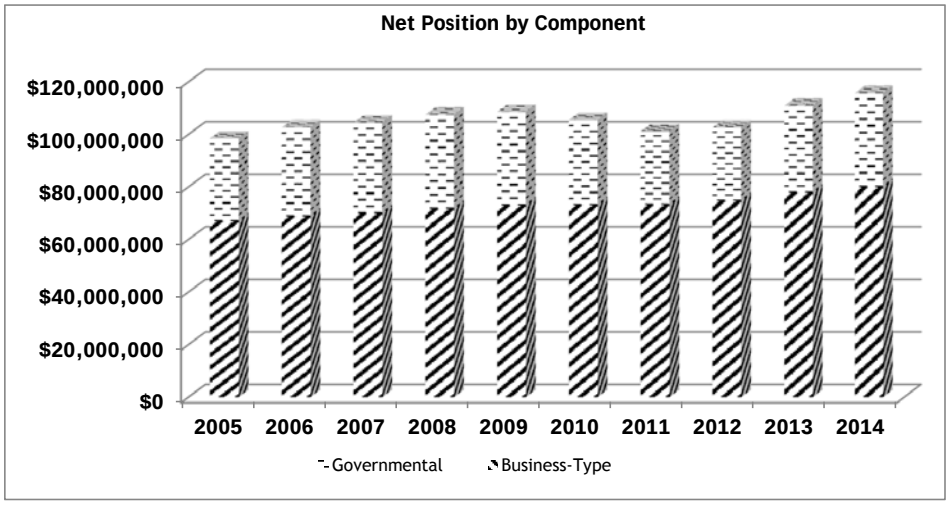
Net Position by Component

Last Ten Years

(accrual basis of accounting)

	2006	2007	2008	2009	2010
Governmental activities					
Net investment in capital assets	$ 20,420,840	$ 23,412,904	$ 22,909,620	$ 25,292,037	$ 26,205,595
Restricted	6,220,922	5,261,929	5,250,943	6,084,912	5,954,460
Unrestricted (deficit)	7,794,846	7,158,068	7,433,449	1,004,574	(4,248,423)
Total governmental activities net assets	$ 34,436,608	$ 35,832,901	$ 35,594,012	$ 32,381,523	$ 27,911,632
Business-type activities					
Net investment in capital assets	$ 53,240,973	$ 53,809,620	$ 55,168,398	$ 57,102,607	$ 56,517,510
Restricted	1,447,009	1,447,009	1,447,009	167,600	160,100
Unrestricted	15,288,589	16,417,163	16,368,542	15,846,100	16,599,831
Total business-type activities net assets	$ 69,976,571	$ 71,673,792	$ 72,983,949	$ 73,116,307	$ 73,277,441
Primary government					
Net investment in capital assets	$ 73,661,813	$ 77,222,524	$ 78,078,018	$ 82,394,644	$ 82,723,105
Restricted	7,667,931	6,708,938	6,697,952	6,252,512	6,114,560
Unrestricted	23,083,435	23,575,231	23,801,991	16,850,674	12,351,408
Total primary government net position	$ 104,413,179	$ 107,506,693	$ 108,577,961	$ 105,497,830	$ 101,189,073

Source: City of Jackson Finance Department



Schedule 1
Unaudited

2011	2012	2013	2014	2015
$ 27,905,286	$ 32,867,134	$ 36,771,568	$ 37,303,547	$ 38,234,548
4,234,677	4,240,770	6,439,037	7,181,966	7,972,469
(4,269,622)	(4,048,999)	(6,970,145)	(11,088,913)	(62,538,673)
$ 27,870,341	$ 33,058,905	$ 36,240,460	$ 33,396,600	$ (16,331,656)
$ 56,651,540	$ 57,808,727	$ 57,446,945	$ 57,537,510	$ 59,159,505
167,600	67,300	62,500	62,500	62,500
17,964,849	19,952,439	22,506,870	23,712,577	22,498,646
$ 74,783,989	$ 77,828,466	$ 80,016,315	$ 81,312,587	$ 81,720,651
$ 84,556,826	$ 90,675,861	$ 94,218,513	$ 94,841,057	$ 97,394,053
4,402,277	4,308,070	6,501,537	7,244,466	8,034,969
13,695,227	15,903,440	15,536,725	12,623,664	(40,040,027)
$ 102,654,330	$ 110,887,371	$ 116,256,775	$ 114,709,187	$ 65,388,995

CITY OF JACKSON, MICHIGAN

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2006	2007	2008	2009	2010
Revenue					
Governmental activities:					
Program revenues:					
Charges for services	$ 4,441,578	$ 4,928,945	$ 4,576,960	$ 4,545,223	$ 4,729,249
Operating grants and contributions	6,341,324	5,929,661	5,954,457	5,964,746	7,238,196
Capital grants and contributions	1,797,076	2,591,674	1,119,751	1,444,563	2,130,328
General revenues:					
Property taxes	9,584,773	11,062,066	10,710,438	10,488,646	10,305,545
Income taxes	7,249,113	7,822,180	7,946,837	7,645,706	6,519,574
Grants and contributions not restricted to specific programs	6,737,106	5,538,943	5,390,450	5,730,532	4,785,181
Other	614,799	626,456	613,778	210,499	36,974
Total governmental activities revenues	36,765,769	38,499,925	36,312,671	36,029,915	35,745,047
Business-type activities:					
Program revenues:					
Charges for services	11,258,598	12,004,796	11,987,813	11,741,153	10,969,737
Operating grants and contributions	-	-	-	-	17,165
Capital grants and contributions	-	-	-	-	-
General revenues:					
Grants and contributions not restricted to specific programs	240,999	268,077	527,454	225,628	285,961
Other	500,427	703,383	781,190	446,863	221,234
Total business-type activities revenues	12,000,024	12,976,256	13,296,457	12,413,644	11,494,097
Total primary government revenues	48,765,793	51,476,181	49,609,128	48,443,559	47,239,144
Expenses					
Governmental activities:					
Legislative	79,904	79,944	100,856	84,987	81,455
General government	4,750,801	5,227,643	5,106,778	5,590,322	5,193,157
Public safety	16,110,222	16,865,859	16,474,297	18,514,730	18,480,322
Public works	6,391,700	6,112,674	6,363,857	6,982,096	6,815,307
Culture and recreation	2,766,612	2,746,767	2,484,262	2,823,240	3,074,451
Community enrichment & development	4,031,540	3,951,962	3,836,177	4,276,212	4,808,286
Interest on long-term debt	2,025,886	1,995,657	1,767,307	1,823,284	1,761,960
Total governmental activities expenses	36,156,665	36,980,506	36,133,534	40,094,871	40,214,938
Business-type activities:					
Sewer	4,790,277	5,257,605	5,405,194	5,186,279	5,221,872
Water	5,437,488	5,448,272	5,896,097	6,315,543	5,360,557
Stormwater utilities	-	-	-	-	-
Parking system	597,889	627,579	743,253	708,936	688,921
Golf practice center	72,501	68,705	71,092	70,528	61,613
Total business-type activities expenses	10,898,155	11,402,161	12,115,636	12,281,286	11,332,963
Total primary government expenses	47,054,820	48,382,667	48,249,170	52,376,157	51,547,901
Change in net position	1,710,973	3,093,514	1,359,958	(3,932,598)	(4,308,757)
Net position, beginning of year, as restated	102,702,206	104,413,179	107,506,693	108,577,961	105,497,830
Other restatements at June 30	-	-	(288,690)	852,467	-
Net position, end of year	$ 104,413,179	$ 107,506,693	$ 108,577,961	$ 105,497,830	$ 101,189,073

Source: City of Jackson Finance Department.

Schedule 2
Unaudited

2011	2012	2013	2014	2015
$ 4,996,781	$ 4,598,435	$ 6,587,602	$ 4,848,628	$ 5,552,879
6,800,210	5,979,625	7,603,364	4,954,371	8,168,083
2,363,474	5,321,414	4,434,092	1,715,400	2,616,526
9,826,762	9,708,980	9,495,893	9,347,632	9,848,721
6,977,923	7,297,281	8,017,329	8,080,526	8,806,662
4,750,419	4,061,333	4,218,247	4,350,343	4,473,462
99,733	100,188	88,095	205,048	220,316
35,815,302	37,067,256	40,444,622	33,501,948	39,686,649
12,738,380	15,905,133	14,550,167	12,747,090	12,157,199
-	-	-	-	-
-	-	-	-	-
292,290	245,514	274,432	502,598	494,502
101,871	93,619	185,949	91,290	79,121
13,132,541	16,244,266	15,010,548	13,340,978	12,730,822
48,947,843	53,311,522	55,455,170	46,842,926	52,417,471
78,998	78,779	81,079	80,442	77,646
4,672,731	4,224,454	4,774,616	5,316,441	4,430,955
16,182,495	14,157,903	18,980,031	18,040,231	20,342,158
6,604,418	5,509,209	6,157,790	5,909,656	6,078,035
2,891,768	2,764,356	2,392,391	2,592,620	2,925,356
3,764,313	3,140,708	3,281,198	3,049,440	2,955,101
1,634,370	1,280,723	1,595,962	1,275,528	1,212,116
35,829,093	31,156,132	37,263,067	36,264,358	38,021,367
5,165,228	5,808,940	4,622,944	4,528,885	4,269,366
5,718,144	5,923,975	6,079,526	6,388,397	6,671,055
88,861	845,506	1,441,642	524,814	679,023
623,946	632,315	625,116	633,440	590,951
57,314	62,084	53,471	50,620	53,489
11,653,493	13,272,820	12,822,699	12,126,156	12,263,884
47,482,586	44,428,952	50,085,766	48,390,514	50,285,251
1,465,257	8,882,570	5,369,404	(1,547,588)	2,132,220
101,189,073	102,654,330	110,887,371	116,256,775	63,256,775
-	(649,529)	-	-	-
$ 102,654,330	$ 110,887,371	$ 116,256,775	$ 114,709,187	$ 65,388,995

Fund Balances - Governmental Funds

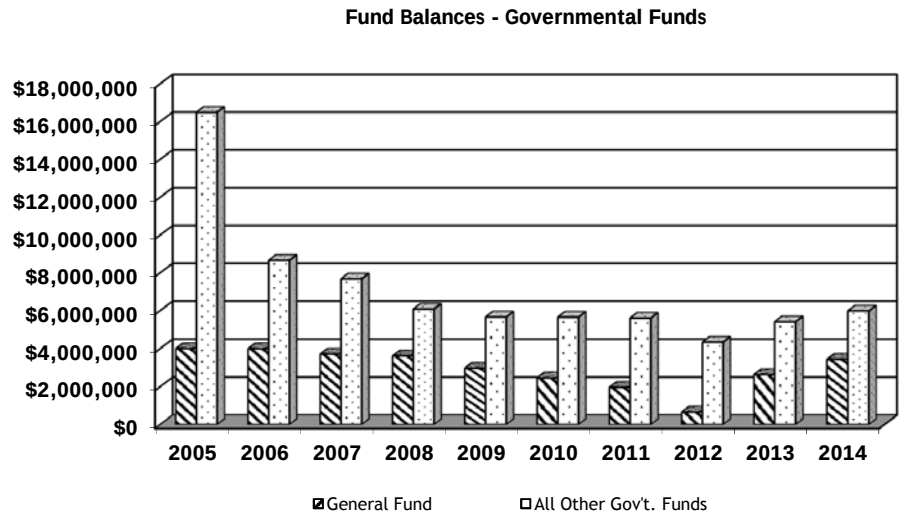
Last Ten Years

(modified accrual basis of accounting)

	2006	2007	2008	2009	2010
General fund					
Nonspendable					
Unassigned					
Reserved	$ 1,007,649	$ 311,967	$ 379,213	$ 249,169	$ 76,177
Unreserved	2,596,377	2,656,966	2,078,521	1,707,278	581,788
Total general fund	$ 3,604,026	$ 2,968,933	$ 2,457,734	$ 1,956,447	$ 657,965
All other governmental funds					
Nonspendable					
Restricted					
Committed					
Unassigned (deficit)					
Reserved	$ 2,890,964	$ 2,989,343	$ 3,116,497	$ 3,259,351	$ 3,518,347
Unreserved, reported in:					
Special revenue funds	4,015,537	2,810,082	2,498,687	2,492,904	2,485,481
Debt service funds	35,044	43,361	54,908	42,961	13,714
Capital projects funds	731,542	230,953	(17,189)	(146,010)	(420,308)
Permanent funds	-	-	-	-	-
Total all other governmental funds	7,673,087	6,073,739	5,652,903	5,649,206	5,597,234
Total governmental funds	$ 11,277,113	$ 9,042,672	$ 8,110,637	$ 7,605,653	$ 6,255,199

(A) The City of Jackson implemented GASB Statement No. 54 as of and for the year ended June 30, 2011. Fund balance component classifications are shown as reported under that new criteria as of that date.

Source: City of Jackson Finance Department.



Schedule 3
Unaudited

2011	2012	2013	2014	2015
$ 469,317	$ 54,655	$ 62,482	$ 60,073	$ 66,122
2,160,928	3,372,517	4,188,560	4,757,198	5,475,601
-	-	-	-	-
-	-	-	-	-
$ 2,630,245	$ 3,427,172	$ 4,251,042	$ 4,817,271	$ 5,541,723
$ 3,092,357	$ 3,169,686	$ 3,156,635	$ 3,185,209	$ 3,312,687
2,005,904	2,871,925	3,282,402	3,996,757	4,951,422
127,472	321,791	685,861	812,627	2,026,938
(895,314)	(958,023)	(1,149,377)	(1,054,511)	(1,100,354)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,330,419	5,405,379	5,975,521	6,940,082	9,190,693
$ 6,960,664	$ 8,832,551	$ 10,226,563	$ 11,757,353	$ 14,732,416

Changes in Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2006	2007	2008	2009	2010
Revenues					
Taxes	$ 16,806,838	$ 18,716,042	$ 18,589,716	$ 18,249,873	$ 16,936,953
Licenses and permits	231,377	231,486	228,671	247,399	250,602
Intergovernmental	12,846,052	13,180,443	11,274,670	11,885,926	12,316,023
Charges for services	3,853,103	4,051,135	3,848,682	3,870,877	3,913,947
Fines and forfeits	212,690	203,086	221,869	224,967	261,677
Special assessments	378,339	306,739	467,981	384,602	278,701
Investment income	457,942	697,179	767,926	406,345	218,023
Miscellaneous	1,843,723	571,129	785,300	998,231	1,222,574
Total revenues	36,630,064	37,957,239	36,184,815	36,268,220	35,398,500
Expenditures					
Legislative	79,904	79,944	100,856	84,987	81,455
General government	4,460,003	4,814,896	4,687,386	4,778,604	4,440,441
Public safety	16,555,647	17,460,830	16,945,032	17,398,422	16,770,309
Public works	6,528,508	8,480,193	5,954,413	5,974,822	6,435,712
Culture and recreation	2,592,558	2,727,397	2,668,948	2,758,877	2,503,995
Community enrichment and development	2,873,782	2,581,143	2,589,998	2,543,682	2,856,698
Capital outlay	1,456,073	731,251	506,321	625,907	162,571
Debt service:					
Principal	1,064,000	1,219,000	1,479,000	1,604,000	1,699,000
Interest & fiscal charges	2,021,976	1,994,884	1,773,561	1,789,183	1,735,313
Other	-	-	215,913	-	-
Total expenditures	37,632,451	40,089,538	36,921,428	37,558,484	36,685,494
Excess of revenues over (under) expenditures	(1,002,387)	(2,132,299)	(736,613)	(1,290,264)	(1,286,994)
Other financing sources (uses)					
Proceeds from the sale of capital assets	26,795	20,984	11,452	22,538	18,842
Proceeds from the issuance of debt	-	-	9,905,000	-	-
Discount on bonds	-	-	(94,062)	-	-
Premium on bonds	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	(9,599,786)	-	-
Transfers in	2,158,544	2,969,637	2,635,156	3,552,312	3,232,670
Transfers (out)	(2,266,270)	(3,092,763)	(2,764,492)	(3,642,036)	(3,314,972)
Total other financing sources (uses)	(80,931)	(102,142)	93,268	(67,186)	(63,460)
Net change in fund balances	$ (1,083,318)	$ (2,234,441)	$ (643,345)	$ (1,357,450)	$ (1,350,454)
Debt service as a percentage of total expenditures	8.2%	8.0%	9.4%	9.0%	9.4%

Source: City of Jackson Finance Department.

Schedule 4
Unaudited

2011	2012	2013	2014	2015
$ 16,753,417	$ 16,885,935	$ 17,321,868	$ 17,428,158	$ 18,655,383
270,214	262,775	271,848	265,297	269,871
12,727,160	15,414,169	16,139,922	10,841,106	15,052,090
3,898,388	3,806,252	5,133,688	3,588,723	3,794,081
224,881	199,216	223,947	184,411	251,069
254,958	223,209	403,688	288,255	372,646
127,759	134,927	121,539	186,120	208,663
1,518,901	608,713	660,058	771,598	1,077,636
35,775,678	37,535,196	40,276,558	33,553,668	39,681,439
78,998	78,779	81,079	80,442	77,646
4,156,263	4,111,378	4,334,482	4,111,567	4,265,628
15,553,034	13,936,985	17,766,806	15,829,087	17,659,079
6,088,484	8,704,847	8,036,993	5,044,025	5,483,350
2,839,995	2,686,777	2,684,768	2,545,604	2,634,120
2,614,118	1,998,043	2,260,186	2,002,541	3,474,674
210,309	547,300	641,945	781,655	434,097
1,832,000	915,000	1,600,000	710,000	765,000
1,669,512	1,255,740	1,458,980	1,272,030	1,187,255
-	471,371	-	-	-
35,042,713	34,706,220	38,865,239	32,376,951	35,980,849
732,965	2,828,976	1,411,319	1,176,717	3,700,590
-	-	16,996	12,140	8,939
-	13,025,000	8,275,000	-	-
-	(69,591)	-	-	-
-	141,288	415,396	-	-
-	(13,975,326)	(8,644,152)	-	-
3,207,550	2,384,867	5,005,390	3,059,835	3,550,761
(3,235,050)	(2,463,327)	(5,085,937)	(2,717,902)	(4,285,227)
(27,500)	(957,089)	(17,307)	354,073	(725,527)
$ 705,465	$ 1,871,887	$ 1,394,012	$ 1,530,790	$ 2,975,063
10.0%	7.6%	9.3%	7.1%	6.2%

Changes in Fund Balances - General Fund

Last Ten Years

(modified accrual basis of accounting)

	2006	2007	2008	2009	2010
Revenues					
Taxes	$ 14,276,643	$ 16,016,387	$ 15,794,628	$ 15,415,825	$ 14,201,465
Licenses and permits	231,377	231,486	228,671	247,399	250,602
Intergovernmental	5,925,153	5,572,841	5,204,759	5,474,154	4,579,549
Charges for services	1,170,927	1,306,639	1,305,095	1,299,376	1,282,471
Fines and forfeits	212,690	203,086	221,869	224,967	261,677
Investment income	267,083	288,413	307,193	101,926	23,086
Miscellaneous	1,404,473	130,031	151,284	370,730	544,266
Total revenues	23,488,346	23,748,883	23,213,499	23,134,377	21,143,116
Expenditures					
Legislative	79,904	79,944	100,856	84,987	81,455
General government	4,460,003	4,814,896	4,687,386	4,778,604	4,440,441
Public safety	15,229,963	16,292,286	15,745,929	16,165,588	15,143,445
Public works	1,728,580	1,498,532	1,498,147	1,513,350	1,165,539
Culture and recreation	1,385,593	1,465,900	1,466,462	1,549,225	1,379,570
Community enrichment and development	204,811	202,150	198,589	259,488	182,875
Total expenditures	23,088,854	24,353,708	23,697,369	24,351,242	22,393,325
Excess of revenues over (under) expenditures	399,492	(604,825)	(483,870)	(1,216,865)	(1,250,209)
Other financing sources (uses)					
Proceeds from the sale of capital assets	13,379	20,984	11,452	9,979	18,367
Transfers in	270,667	274,603	319,680	152,291	72,260
Transfers (out)	(786,115)	(325,855)	(358,461)	(299,158)	(138,900)
Total other financing sources (uses)	(502,069)	(30,268)	(27,329)	(136,888)	(48,273)
Net change in fund balances	$ (102,577)	$ (635,093)	$ (511,199)	$ (1,353,753)	$ (1,298,482)

Source: City of Jackson Finance Department.

Schedule 5
Unaudited

2011	2012	2013	2014	2015
$ 13,994,106	$ 14,140,266	$ 14,797,663	$ 15,034,328	$ 16,185,035
270,214	262,775	271,848	265,297	269,871
4,835,891	3,964,157	4,403,887	4,244,084	4,382,628
1,202,033	1,222,262	1,216,088	1,218,086	1,077,458
224,881	199,216	223,947	184,411	251,069
28,179	17,945	30,887	26,901	28,652
730,797	292,346	198,786	167,695	180,446
21,286,101	20,098,967	21,143,106	21,140,802	22,375,159
78,998	78,779	81,079	80,442	77,646
4,156,263	4,111,378	4,334,482	4,111,567	4,265,628
14,037,609	12,399,958	12,900,639	12,731,670	13,376,704
659,843	645,059	593,487	693,097	574,188
1,725,123	1,530,163	1,582,946	1,454,265	1,460,110
189,356	163,125	113,533	254,537	316,852
20,847,192	18,928,462	19,606,166	19,325,578	20,071,128
438,909	1,170,505	1,536,940	1,815,224	2,304,031
-	-	16,996	12,140	8,939
95,662	72,422	46,406	30,353	28,133
(167,500)	(446,000)	(776,472)	(1,291,488)	(1,616,651)
(71,838)	(373,578)	(713,070)	(1,248,995)	(1,579,579)
$ 367,071	$ 796,927	$ 823,870	$ 566,229	$ 724,452

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Assessed and Estimated Actual Value of Taxable Property

Last Ten Years

	Taxable Value by Property Type						
	Real Property						
Fiscal Year (2)	Residential	Commercial	Industrial	Personal Property	Total	Estimated Actual Value	Total Direct Tax Rate
2006	$ 338,302,320	$ 177,317,171	$ 141,221,356	$ 85,010,000	$ 741,850,847	$ 1,851,317,400	14.5789
2007	359,719,432	187,419,444	136,593,395	81,563,700	765,295,971	1,891,532,700	14.6789
2008	361,956,829	197,794,933	129,149,728	79,361,400	768,262,890	1,842,335,000	14.5889
2009	353,941,043	196,333,654	125,399,758	76,961,000	752,635,455	1,698,488,700	14.8089
2010	333,963,240	191,882,575	118,178,126	81,180,897	725,204,838	1,696,488,700	14.3589
2011	308,857,852	186,076,317	116,724,423	80,010,400	691,668,992	1,466,403,330	14.8389
2012	280,275,052	170,027,779	111,159,314	80,966,400	642,428,545	1,323,376,200	15.1389
2013	267,840,044	164,156,082	105,319,947	85,933,700	623,249,773	1,272,223,600	15.0889
2014	260,629,651	157,464,395	50,709,410	138,432,300	607,235,756	1,246,337,100	15.9789
2015	259,617,797	156,947,201	50,781,342	136,449,200	603,793,360	1,258,852,000	16.0329

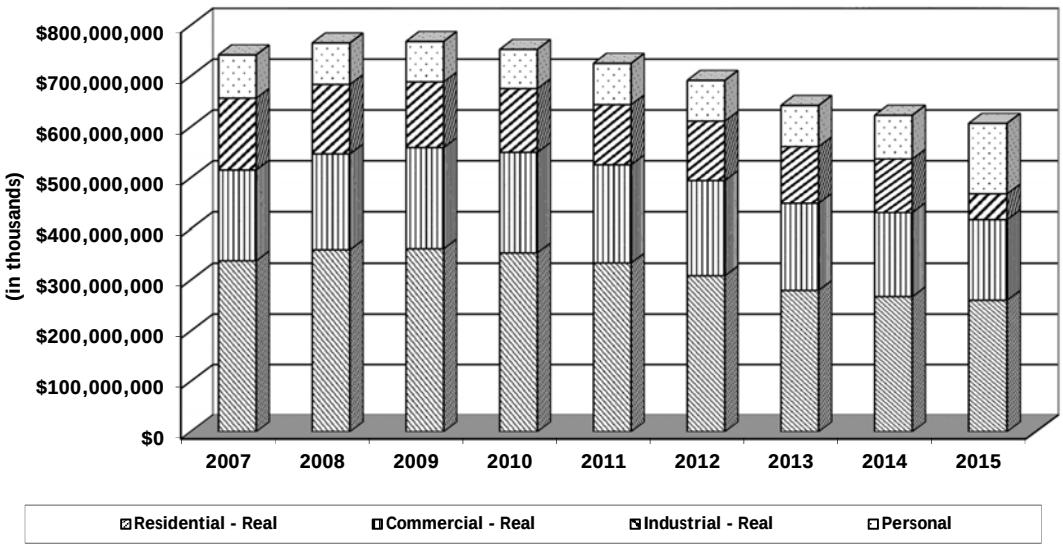
(1) Ad Valorem assessments only; amounts do not include Act 189, NEZ, OPRA, Land Bank or other abated properties. The term "taxable value" rather than "assessed value" is used in determining tax liability effective 7/1/94.

(2) The fiscal year 2015 taxable values are for the tax year beginning July 1, 2014.

(3) Above Ad Valorem assessments include those properties located within Renaissance Zones and which are exempt from all millages levied except for bonded indebtedness. This exemption is phased out beginning July 1, 2012 at which time those properties will be taxed at 25 % of their taxable value. This percentage will increase to 50% as of July 16, 2013 and 75% as of July 1, 2014. Renaissance Zones will become fully taxable July 1, 2015.

Source: Michigan Department of Treasury Form L-4022

Taxable Value of Taxable Property



Property Tax Rates - Direct and Overlapping

Last Ten Years

(rate per $1,000 of taxable value)

	2006	2007	2008	2009	2010
City direct rates					
Operating	6.7192	6.7192	6.7192	6.7192	6.7192
Public Improvement	1.9197	1.9197	1.9197	1.9197	1.9197
City hall debt	0.7500	0.7400	0.7500	0.7700	0.8700
Act 345 pension	5.1900	5.3000	5.2000	5.4000	4.8500
Total direct rate	14.5789	14.6789	14.5889	14.8089	14.3589
Overlapping rates					
Jackson County:					
Operating	5.1259	5.1187	5.1187	5.1187	5.1187
Jail debt	0.4858	0.4851	0.4851	0.4851	0.4851
Medical care facility	0.1400	0.1398	0.1398	0.1398	0.1398
Senior services	0.2477	0.2473	0.2473	0.2473	0.2473
District library	0.8606	0.8593	1.2593	1.2593	1.2593
	6.8600	6.8502	7.2502	7.2502	7.2502
Intermediate School District:					
Operating	0.3429	0.3422	0.3422	0.3422	0.3422
Special & vocational education	7.7682	7.7541	7.7678	7.7678	7.7678
	8.1111	8.0963	8.1100	8.1100	8.1100
Jackson Community College:	1.1463	1.1446	1.1446	1.1446	1.1446
Jackson Transit Authority - operating	0.9597	0.9597	1.0000	1.0000	1.0000
Downtown Dev. Authority - operating	1.9996	1.9996	1.9996	1.9996	1.9996
Jackson Public Schools:					
Operating	18.0000	18.0000	18.0000	18.0000	18.0000
State education tax (SET)	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	2.4000	2.2500	2.2500	2.2500	2.8500
Recreation	0.2000	0.2000	0.2000	0.2000	0.2000
	26.6000	26.4500	26.4500	26.4500	27.0500
East Jackson Public Schools:					
Operating	18.0000	18.0000	18.0000	18.0000	18.0000
State education tax (SET)	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	6.2000	5.8800	5.8400	5.9400	6.0000
Extra voted	-	-	-	-	-
	30.2000	29.8800	29.8400	29.9400	30.0000
Michigan Center Public Schools:					
Operating	17.3999	17.3999	18.0000	18.0000	18.0000
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	6.0000
Extra Voted/Sinking Fund	4.0015	4.0016	3.4015	-	-
	27.4014	27.4015	27.4015	24.0000	24.0000
Northwest Public Schools:					
Operating	16.9487	16.9487	16.9487	16.9487	16.9487
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	-	-	-	0.9173	1.0281
Extra voted	1.0513	1.0513	1.0513	1.0513	1.0513
	24.0000	24.0000	24.0000	24.9173	25.0281

Note: Levy shown is as of July 1. The July 1, 2014 levy is for the fiscal year ending June 30, 2015.
Source: City of Jackson Finance Department.

2011	2012	2013	2014	2015
6.7192	6.7192	6.7192	6.7192	6.7192
1.9197	1.9197	1.7197	1.9197	1.9197
0.9500	1.0400	1.0100	1.0600	1.0640
5.2500	5.4600	5.6400	6.2800	6.3300
14.8389	15.1389	15.0889	15.9789	16.0329
5.1187	5.1187	5.1187	5.1187	5.1187
0.4851	0.4851	0.4851	0.4851	0.4851
0.1398	0.1398	0.1398	0.1398	0.1398
0.2473	0.2500	0.2500	0.2500	0.2500
1.2593	1.2593	1.2593	1.2593	1.2593
7.2502	7.2529	7.2529	7.2529	7.2529
0.3422	0.3422	0.3422	0.3422	0.3422
7.7678	8.4178	8.4178	8.4178	8.4178
8.1100	8.7600	8.7600	8.7600	8.7600
1.1446	1.1446	1.1446	1.1446	1.1446
1.0000	1.0000	1.0000	1.0000	1.0000
1.9996	1.9996	1.9996	1.9996	1.9996
18.0000	18.0000	18.0000	18.0000	18.0000
6.0000	6.0000	6.0000	6.0000	6.0000
2.8500	3.1500	3.1000	3.2500	3.2500
0.2000	0.2000	0.2000	0.2000	0.5000
27.0500	27.3500	27.3000	27.4500	27.7500
18.0000	18.0000	18.0000	18.0000	18.0000
6.0000	6.0000	6.0000	6.0000	6.0000
6.0000	7.0000	7.0000	7.0000	7.0000
-	-	-	-	-
30.0000	31.0000	31.0000	31.0000	31.0000
18.0000	18.0000	18.0000	18.0000	18.0000
6.0000	6.0000	6.0000	6.0000	6.0000
-	-	-	-	-
24.0000	24.0000	24.0000	24.0000	24.0000
16.9487	18.0000	18.0000	18.0000	18.0000
6.0000	6.0000	6.0000	6.0000	6.0000
1.0281	1.0221	4.7973	4.8145	4.7690
1.0513	-	-	-	-
25.0281	25.0221	28.7973	28.8145	28.7690

Principal Property Taxpayers

Current Year and Nine Years Ago
(amounts expressed in thousands)

	2015			2006		
Taxpayer	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Alphagen/DPC Juniper LLC (2)	$ 79,308,550	1	13.14%	$ 101,682,650	1	13.71%
Consumers Energy	50,788,012	2	8.41%	50,243,900	2	6.77%
Wolverine Technologies/Certainteed	10,053,166	3	1.67%	6,458,068	4	0.87%
Ramco (Jackson Crossing/Jackson West)	9,173,880	4	1.52%	7,974,191	3	1.07%
Alro Steel Corporation	8,231,295	5	1.36%	5,918,056	6	0.80%
Allegiance Health/Health Center	6,528,064	6	1.08%			
Eaton/Aeroquip	5,289,173	7	0.88%			
Elm Plating	4,955,224	8	0.82%			
Jackson Iron & Metal/Omnisource	4,471,037	9	0.74%			
Production Engineering/Equestor Partners	3,155,119	10	0.52%			
Edscha Jackson Automotive Group				5,964,820	5	0.80%
Home Depot				5,847,470	7	0.79%
Merchants Crossing (Kroger)				3,734,850	8	0.50%
Alpine Lake Apartments				3,213,171	9	0.43%
Dayton Hudson (Target Store)				3,033,057	10	0.41%
	$ 181,953,520		30.14%	$ 194,070,233		26.16%

(1) Total Ad Valorem Taxable Valuation as of June 30, 2015 = $ 603,793,360 (valuation for fiscal year 2016).
Total Ad Valorem Taxable Valuation as of June 30, 2006 = $ 741,850,847 (valuation for fiscal year 2007).

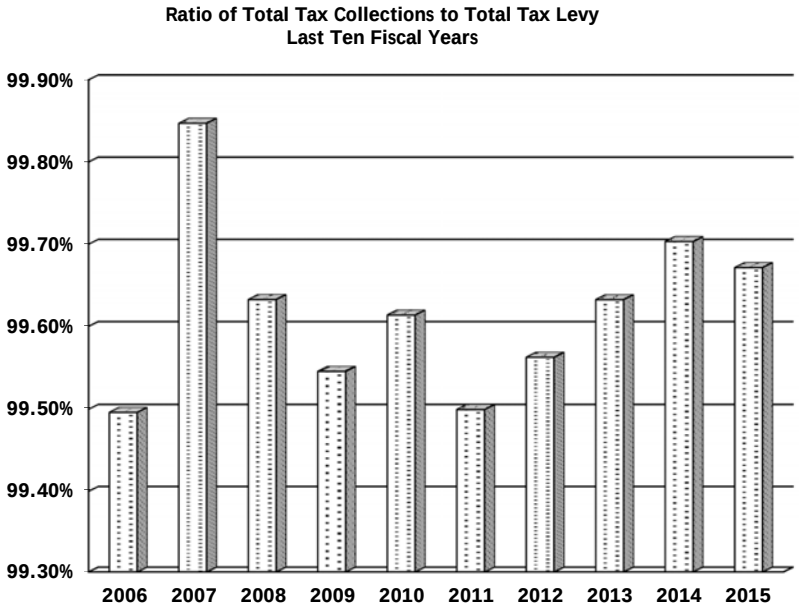
(2) Alphagen/DPC Juniper LLC, an electric power generation company, has the largest taxable value of $79,308,550, or 13.14 % of the 2015 ad valorem taxable value. Alphagen/DPC Juniper LLC is located in a Renaissance Zone and, prior to July 1, 2012, was exempt from all millage levies with the exception of those levied for bonded indebtedness. This exemption is phased out beginning July 1, 2012 at which time this property, as well as all others in Renaissance Zones, were taxed at 25 % of their taxable value. This percentage increased to 50% as of July 1, 2013 and 75% as of July 1, 2014. Alphagen/DPC Juniper LLC became fully taxable July 1, 2015.

Source: City of Jackson Assessors Department.

Property Tax Levies and Collections

Last Ten Years

Fiscal Year	Year of Levy	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
2006	2005	$ 8,906,874	$ 8,247,529	92.60%	$ 614,468	$ 8,861,997	99.50%
2007	2006	10,074,157	9,251,721	91.84%	807,029	10,058,750	99.85%
2008	2007	10,460,635	9,674,158	92.48%	748,057	10,422,215	99.63%
2009	2008	9,808,693	8,940,028	91.14%	824,139	9,764,167	99.55%
2010	2009	9,942,692	9,006,808	90.59%	897,485	9,904,293	99.61%
2011	2010	9,037,902	8,156,819	90.25%	835,861	8,992,680	99.50%
2012	2011	8,791,409	7,924,795	90.14%	828,217	8,753,012	99.56%
2013	2012	8,640,462	7,890,861	91.32%	717,852	8,608,713	99.63%
2014	2013	8,667,986	7,955,742	91.78%	686,515	8,642,257	99.70%
2015	2014	9,272,624	8,581,310	92.54%	660,859	9,242,169	99.67%



CITY OF JACKSON, MICHIGAN

Schedule 10a
Unaudited

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	Installment Debt	Revenue Bonds			
2006	$ 48,263,577	$ 1,933,000	$ 3,990,000	$ 54,186,577	5.36%	$ 1,332.59
2007	47,220,094	1,629,000	3,540,000	52,389,094	5.01%	1,303.77
2008	46,272,114	1,320,000	3,030,000	50,622,114	4.68%	1,277.60
2009	45,014,094	1,006,000	1,876,000	47,896,094	4.49%	1,242.87
2010	43,576,074	777,000	1,701,000	46,054,074	4.54%	1,302.92
2011	41,918,054	635,000	1,014,000	43,567,054	4.08%	1,253.34
2012	40,913,561	570,000	673,000	42,156,561	3.86%	1,223.31
2013	40,274,525	-	300,000	40,574,525	3.53%	1,204.20
2014	39,535,749	-	200,000	39,735,749	n/a	1,182.11
2015	38,383,577	-	100,000	38,483,577	n/a	1,147.66

Source: City of Jackson Finance Department & U.S. Bureau of Economic Analysis.
Personal Income statistics not available for the City of Jackson. Data used is for Jackson County.
Personal Income statistics not available for 2014 and 2015.

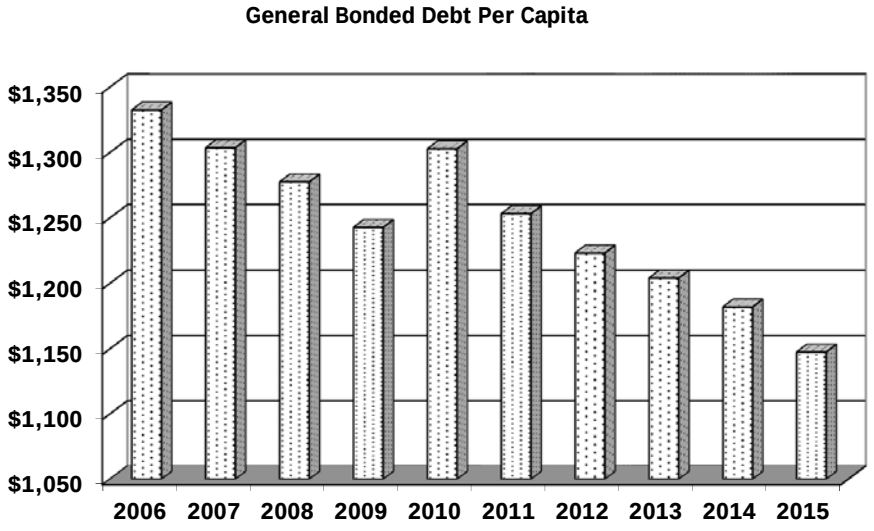
CITY OF JACKSON, MICHIGAN

Schedule 10b
Unaudited

Ratios of Net General Bonded Debt Outstanding
Last Ten Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principle	Total	% of Personal Income	% of Ad Valorem Taxable Value of Property	Per Capita
2006	$ 48,263,577	$ -	$ 48,263,577	4.77%	6.51%	$ 1,332.59
2007	47,220,094	-	47,220,094	4.51%	6.17%	1,303.77
2008	46,272,114	-	46,272,114	4.28%	6.02%	1,277.60
2009	45,014,094	-	45,014,094	4.22%	5.98%	1,242.87
2010	43,576,074	-	43,576,074	4.30%	6.01%	1,302.92
2011	41,918,054	-	41,918,054	3.93%	6.06%	1,253.34
2012	40,913,561	-	40,913,561	3.75%	6.37%	1,223.31
2013	40,274,525	-	40,274,525	3.51%	6.46%	1,204.20
2014	39,535,749	-	39,535,749	n/a	6.51%	1,182.11
2015	38,383,577	-	38,383,577	n/a	6.36%	1,147.66

Source: City of Jackson Finance Department & U.S. Bureau of Economic Analysis.
Personal Income statistics not available for the City of Jackson. Data used is for Jackson County.
Personal Income statistics not available for 2014 and 2015.



CITY OF JACKSON, MICHIGAN

Schedule 11
Unaudited

Computation of Net Direct and Overlapping Debt

June 30, 2015

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Government	Net Amount Outstanding
Direct debt			
Unlimited tax general obligation debt:			
2013 City hall refunding bonds	$ 8,046,054	$ -	$ 8,046,054
Limited tax general obligation debt:			
Downtown development authority bonds	8,839,426	8,839,426	-
2011 Downtown development authority refunding bonds	5,395,000	5,395,000	-
2007 Brownfield redevelopment authority refunding bonds	9,006,397	9,006,397	-
2012 Brownfield redevelopment authority refunding bonds	7,265,096	7,265,096	-
Building authority bonds	190,000	-	190,000
Revenue Bonds:			
Sewer revenue bonds	100,000	-	200,000
Net direct debt	$ 38,841,973	$ 30,505,919	8,436,054

	Gross	City Share	
Overlapping debt			
School Districts:			
Jackson School District	$ 44,245,000	49.77%	22,020,737
East Jackson School District	22,819,945	0.09%	20,538
Northwest School District	41,770,000	0.26%	108,602
			22,149,876
Jackson County at large	26,020,000	13.74%	3,575,148
Jackson College	41,380,000	13.74%	5,685,612
Jackson County Intermediate School District	790,000	13.54%	106,966
Net overlapping debt			31,517,602
Net direct and overlapping debt			$ 39,953,656

Per capita debt: (33,445 population)	
Gross direct debt	$ 1,161.37
Net direct debt	252.24
Net overlapping debt	942.37
Total net direct & overlapping debt	1,194.61
Percent of taxable valuation: ($ 603,793,360 ad valorem taxable valuation at 6/30/15)	
Net direct debt	1.39%
Net overlapping debt	5.19%
Total net debt	6.58%

Source: City of Jackson Finance Department and Municipal Advisory Council of Michigan.

Legal Debt Margin
Last Ten Years

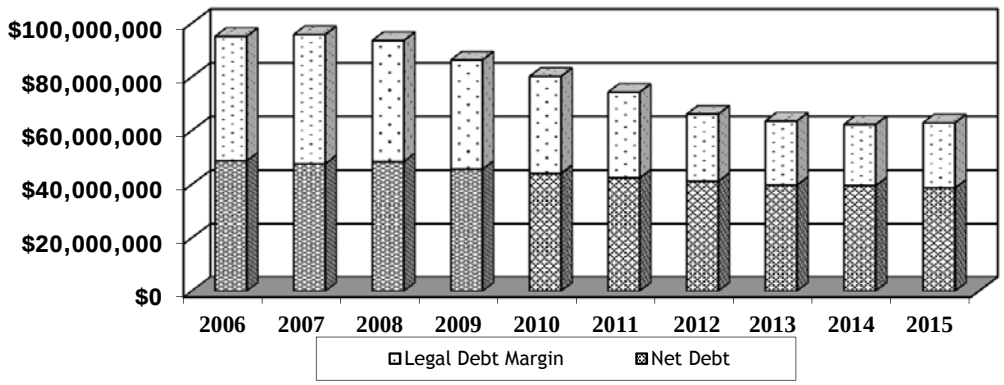
Legal debt margin calculation for 2015

State equalized value as of December 31, 2014 (for taxes levied by the City on July 1, 2015)		$ 629,426,000
Debt limit (10% of state equalized value)		$ 62,942,600
Total debt - (See Schedule 11)	$ 38,841,973	
Less excluded debt:		
Revenue bonds	(100,000)	38,741,973
Legal debt margin		$ 24,200,627

For Taxes Levied July 1	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit As % of Debt Limit Ratio
2006	$ 95,180,701	$ 48,821,577	$ 46,359,124	51.29%
2007	95,841,305	47,782,577	48,058,728	49.86%
2008	93,622,301	48,566,077	45,056,224	51.87%
2009	86,354,230	45,754,577	40,599,653	52.98%
2010	80,238,220	44,205,577	36,032,643	55.09%
2011	74,359,325	42,533,577	31,825,748	57.20%
2012	66,168,810	41,298,577	24,870,233	62.41%
2013	63,611,180	39,858,577	23,752,603	62.66%
2014	62,316,855	39,641,429	22,675,426	63.61%
2015	62,942,600	38,741,973	24,200,627	61.55%

Source: City of Jackson Finance Department.

Components of Debt Limit



CITY OF JACKSON, MICHIGAN

Schedule 13
Unaudited

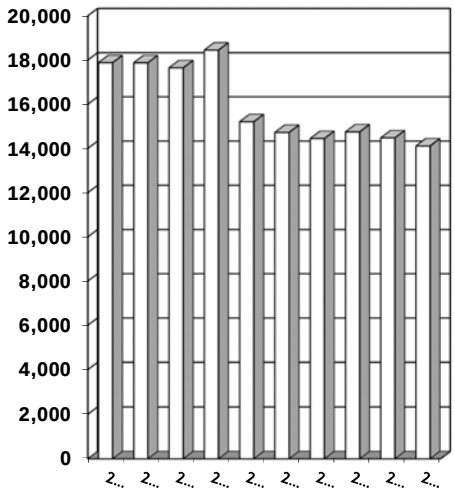
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	(1) Population	(2) Labor Force	(2) Employment	(2) Unemployment	(2) Unemployment Rate	(3) Total Personal Income (000's)	(3) Per Capita Income
2006	36,218	17,876	15,897	1,979	11.1%	$ 4,561,058	$ 27,974
2007	36,218	17,873	15,761	2,112	11.8%	4,717,870	28,875
2008	36,218	17,643	15,507	2,136	12.1%	4,803,077	29,410
2009	36,218	18,446	14,589	3,857	20.9%	4,718,335	29,338
2010	33,445	15,203	12,246	2,957	19.5%	4,855,064	30,323
2011	33,445	14,721	12,201	2,520	17.1%	5,098,226	31,819
2012	33,445	14,444	12,265	2,179	15.1%	5,237,323	32,772
2013	33,445	14,746	12,535	2,211	15.0%	5,505,580	34,344
2014	33,445	14,473	12,840	1,633	11.3%	n/a	n/a
2015	33,445	14,107	12,775	1,332	9.4%	n/a	n/a

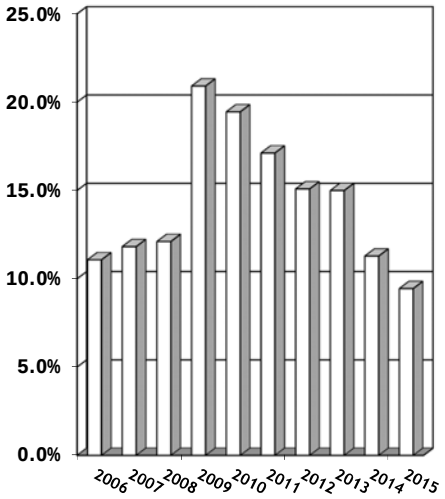
All labor force statistics are as of June of the fiscal year shown, i.e. fiscal year 2015 represents June, 2015.

(1) Population shown is based on the most recent preceding year's actual.
(2) Source: Michigan Department of Technology, Management and Budget, Labor Market Information.
(3) Source: Bureau of Economic Analysis. Data shown is for the Jackson County. Data is not yet available for 2014 or 2015.

Labor Force



Unemployment Rate



CITY OF JACKSON, MICHIGAN

Schedule 14
Unaudited

Principal Employers

Current Year and Nine Years Ago

	2015			2006			
Employer	(1) Total Employees	Rank	% of Total City Labor Force	Employees		Rank	% of Workforce
Allegiance Health System	3,620	1	21.27%	3,146	(a)	1	16.78%
Consumers Energy	2,400	2	9.22%	2,000	(b)	2	7.27%
Great Lakes Home Health/Hospice	1,118	3	7.93%	400		6	2.24%
Local Government	870	4	6.17%	870		3	4.87%
Jackson Public Schools	782	5	5.54%	782		4	4.37%
Eaton Corporation	636	6	4.51%	598		5	3.35%
Anesthesia Business Consultants	284	7	2.01%	284		8	1.59%
Lifeways/Community Connections	275	8	1.95%	-			-
Alro Steel Corporation	271	9	1.92%	325		7	1.82%
Center for Family Health	219	10	1.55%	-			-
Certainteed / Wolverine Vinyl Siding	-		-	250		9	1.40%
Edscha (Jackson Automotive Group)	-		-	250		10	1.40%
	10,475		62.06%	8,905			45.08%

(1) Total employees in Jackson County. Most of the employees shown are within the City of Jackson unless noted below.

(a) Approximately 3,000 in 2015 and 2,500 in 2006 of total shown work in the City…percentage adjusted to reflect.
(b) Approximately 1300 of total shown work in the City…percentage adjusted to reflect.

Source: The Enterprise Group, Jackson County.

Full-time Equivalent City Government Employees by Function/Program

By Function/Program
Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government:										
City manager	4	4	2	2	2	2	2	2	3	3
Finance	5	5	5	5	4	4	4	4	4	4
City assessor	4	5	5	5	3	3	3	3	3	3
City attorney	5	5	5	5	3	2	3	3	4	5
City clerk/elections	4	4	4	4	3	3	3	1	1	1
Personnel	4	4	3	4	3	1	1	1	1	2
Purchasing/city hall	3	3	3	2	2	2	2	1	1	1
City treasurer/income tax	7	7	7	6	4	4	4	4	3	3
Mgt. information services	2	2	3	3	3	2	2	3	3	2
Public safety:										
Police - civilian	22	20	20	18	14	13	13	13	10	10
Police - enforcement	66	64	64	64	60	47	44	46	47	42
Fire - civilian	2	2	2	2	2	1	1	1	-	-
Fire - protection	43	43	42	36	33	23	17	26	26	26
Emergency measures	1	1	1	1	1	1	1	1	-	
Public works:										
Public works	31	29	31	28	26	26	25	24	15	16
Engineering	13	13	12	11	11	10	11	10	8	8
Culture & recreation:										
Parks, recreation & grounds	25	24	24	24	22	18	18	16	15	13
Neighborhood Economic Operations:										
Public safety/community										
Enrichment & development	10	11	11	11	11	8	9	10	11	9
Building inspection	7	5	5	4	4	4	4	6	5	6
Enterprise funds:										
Sewer	19	19	19	17	19	18	17	15	11	12
Water	34	33	34	30	26	26	25	24	26	26
Total	311	303	302	282	256	218	209	214	197	192

Source: City of Jackson Personnel Department (EEO Reports as of June 30) and Finance Department.
Note: EEO Reports exclude City Treasurer (elected position).

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Police:										
Physical arrests	3,562	3,206	3,314	3,660	3,523	2,928	2,253	2,649	2,645	2,514
Traffic violations	11,003	9,796	7,666	7,815	8,649	6,108	6,683	6,784	5,578	3,976
Parking violations	3,722	3,668	3,410	3,476	2,605	2,085	2,303	2,490	2,123	1,966
Fire:										
Calls answered	4,419	4,521	4,685	4,454	4,469	4,835	4,214	4,345	4,540	4,662
Inspections conducted	762	341	452	450	178	53	10	122	97	172
Sewer system										
Service connections	12,755	12,758	12,758	12,844	12,800	12,860	12,860	12,860	11,620	11,449
Daily average treatment (mg)	12.5	13.6	13.6	12.8	12.1	11.9	11.9	10.2	11.2	9.3
Maximum daily capacity (mg)	19	19	19	19	19	19	19	19	19	19
Township service (bulk metering)	5	5	5	5	5	5	5	5	5	5
Water system										
Service connections	15,324	15,509	15,697	15,709	15,726	15,769	15,778	15,654	14,314	14,307
Daily average consumption (mg)	5.49	5.43	5.43	5.22	5.49	5.98	6.30	6.57	6.64	6.47
Maximum daily capacity (mg)	24	24	24	24	24	24	24	24	24	24

mg = million gallons

Source: Various City Departments.

Capital Assets Statistics by Function/Program

Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	39	38	36	36	37	33	31	30	30	29
Fire:										
Stations (1)	3	3	3	3	3	3	3	3	3	3
Response vehicles	10	10	10	10	10	10	10	11	11	11
Culture and recreation										
Parks:										
Number	24	26	26	27	27	27	27	27	26	26
Acreage	636	637	637	638	638	638	638	638	639	639
Community centers	2	2	2	2	2	2	2	2	2	2
Golf courses:										
18 hole	1	1	1	1	1	1	1	1	1	1
Mini	1	1	1	1	1	1	1	1	1	1
Inline skate rink	1	1	1	1	1	1	1	1	1	1
Swimming pools	2	2	2	2	2	2	2	1	1	1
Tennis courts	14	14	14	14	14	14	14	14	14	14
Public works										
Miles of streets	165	171	171	171	171	171	171	171	171	171
Street lights	2,440	2,458	2,458	2,458	2,697	2,724	2,724	2,719	2,719	2,719
Sewer system										
Miles of sanitary sewers	160	160	165	165	165	165	165	165	165	165
Miles of storm sewers	108	108	110	110	110	110	110	110	110	110
Treatment plants	1	1	1	1	1	1	1	1	1	1
Water system										
Miles of water mains	244	244	244	244	244	244	244	244	244	244
Treatment plants	1	1	1	1	1	1	1	1	1	1
Fire hydrants	2,064	2,064	2,111	2,111	2,111	2,105	2,197	2,197	2,197	2,197

(1) Only one station actively in use since June 30, 2011.
Source: City of Jackson Finance Department.

Schedule of Insurance

As of June 30, 2015

Type of Coverage Name of Company	Policy Period	Premium	Description
Building and Contents *Michigan Municipal Liability and Property Pool*	7/1/14-6/30/15	$ 152,316	All risk coverage on buildings and contents. $162,485,886 limit with $2,500 deductible per occurrence.
Automobile *Michigan Municipal Liability and Property Pool*	7/1/14-6/30/15	81,527	$5,000,000 liability limit per occurrence, $1,000,000 property protection, $100,000 uninsured motorist protection. $1,000 comprehensive and collision deductibles.
Liability *Michigan Municipal Liability and Property Pool*	7/1/14-6/30/15	190,878	Law Enforcement, Public Officials, Municipal General and Employee Benefit Liability coverages. $5,000,000 limit per occurrence with a $2,500 deductible.
Crime/Bonds *Michigan Municipal Liability and Property Pool*	7/1/14-6/30/15	Included	Employee dishonesty and faithful performance blanket, loss inside/outside premises, depositors forgery, money order/ counterfeit paper coverages. $100,000 liability limit.
Workers Compensation			
Midwest Employers Casualty	9/1/14-8/31/15	47,122	Excess insurance above $450,000 retention.
Broadspire Services	9/1/14-8/31/15	14,389	TPA for claims service.
Community Blue-PPO **Health & Prescription Drug Coverage** *Blue Cross / Blue Shield*	Monthly	Varies	City's self-insured PPO offers primary care physicians, network hospitals, affiliated laboratories and other providers within the particular PPO network. Employee is responsible for co-pay amounts at time of service. Available to all full-time and substantially all retired City personnel.
Life *Hartford Life Insurance Company*	Monthly	Varies	Covers death of employee and/or AD&D. City pays for coverage of 1X annual salary. All full-time employees are covered.
Long-term Disability *Hartford Life Insurance Company*	Monthly	Varies	60% of monthly salary with various elimination periods. All full-time employees are covered.

Source: City of Jackson Finance Department.

CITY OF JACKSON, MICHIGAN

Schedule 19
Unaudited

State Equalized Valuation/Taxable Valuation

Fiscal Years Ended June 30, 2011 Through 2015

Assessed Value as of December 31	Year of State Equalization and Tax Levy	Fiscal Year Ended June 30	State Equalized Valuation (1)	Ad Valorem Taxable Value	Total Taxable Valuation (1)
2010	2011	2012	$ 743,593,250	$ 691,668,992	$ 696,405,935
2011	2012	2013	661,688,100	642,428,545	651,634,810
2012	2013	2014	636,111,800	623,249,773	631,760,110
2013	2014	2015	623,168,550	607,235,756	615,976,761
2014	2015	2016	629,426,000	603,793,360	611,997,165

Per capita 2014 ad valorem taxable valuation is $ 18,053 and per capita 2014 total taxable valuation is $18,299 based on the City's 2010 U. S. census population of 33,445.

(1) Includes tax abatements under Act 198 and renaissance zones.

	Breakdown of Taxable Value by Use and Class Year of State Equalization and Tax Levy				
	2011	2012	2013	2014	2015
Use:					
Commercial	31.90%	33.84%	34.35%	29.79%	29.88%
Industrial	22.88%	23.11%	23.20%	27.84%	27.65%
Residential	45.22%	43.05%	42.45%	42.37%	42.47%
	100.00%	100.00%	100.00%	100.00%	100.00%
Class:					
Real	87.62%	86.69%	85.59%	76.64%	76.89%
Personal	12.38%	13.31%	14.41%	23.36%	23.11%
	100.00%	100.00%	100.00%	100.00%	100.00%

Source: City of Jackson - Forms L-4022.

CITY OF JACKSON, MICHIGAN

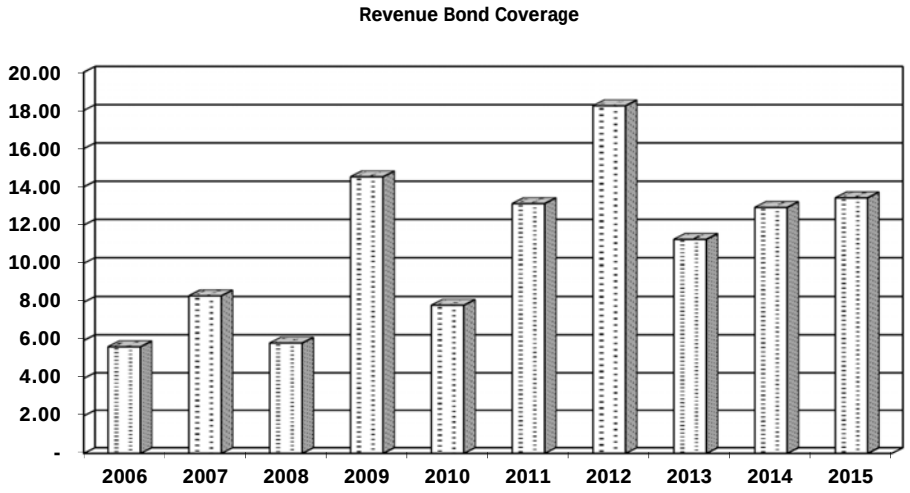
Schedule 20
Unaudited

Revenue Bonds Coverage - Sewer Enterprise Fund

Last Ten Fiscal Years

				Debt Service Requirements (3)			
Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest and Fiscal Charges	Total	Coverage
2006	$ 4,933,612	$ 3,591,992	$ 1,341,620	$ 175,000	$ 61,775	$ 236,775	5.67
2007	5,934,576	3,829,760	2,104,816	200,000	52,725	252,725	8.33
2008	5,766,209	4,200,485	1,565,724	225,000	42,063	267,063	5.86
2009	5,457,382	3,868,200	1,589,182	75,000	34,425	109,425	14.52
2010	4,763,799	3,933,923	829,876	75,000	30,851	105,851	7.84
2011	5,256,618	3,918,974	1,337,644	75,000	26,944	101,944	13.12
2012	6,558,187	4,770,680	1,787,507	75,000	23,001	98,001	18.24
2013	4,906,631	3,571,289	1,335,342	100,000	18,650	118,650	11.25
2014	4,892,681	3,426,285	1,466,396	100,000	13,475	113,475	12.92
2015	4,628,308	3,168,719	1,459,589	100,000	8,725	108,725	13.42

(1) Total revenues including interest.
(2) Total operating expenses exclusive of depreciation.
(3) Includes principal, interest and fiscal charges of revenue bonds only. It does not include general obligation debt reported in debt service funds to which operating transfers are made or debt defeasance transactions.



CITY OF JACKSON, MICHIGAN

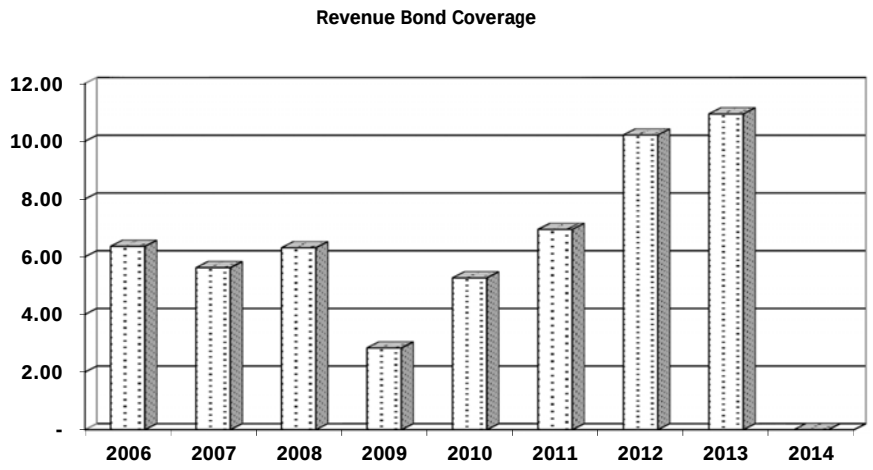
Schedule 21
Unaudited

Revenue Bonds Coverage - Water Enterprise Fund

Last Ten Fiscal Years

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest and Fiscal Charges	Total	
2006	$ 6,602,311	$ 4,601,362	$ 2,000,949	$ 195,000	$ 119,718	$ 314,718	6.36
2007	6,345,440	4,593,068	1,752,372	200,000	111,723	311,723	5.62
2008	7,021,941	5,044,892	1,977,049	210,000	103,323	313,323	6.31
2009	6,392,887	5,463,828	929,059	220,000	107,610	327,610	2.84
2010	6,188,397	4,580,963	1,607,434	253,000	52,218	305,218	5.27
2011	7,010,430	4,940,145	2,070,285	259,000	39,089	298,089	6.95
2012	8,088,240	5,187,421	2,900,819	266,000	17,927	283,927	10.22
2013	8,416,601	5,326,058	3,090,543	273,000	9,282	282,282	10.95
2014	7,965,592	5,571,764	2,393,828	-	-	-	-
2015	7,711,143	5,729,201	1,981,942	-	-	-	-

(1) Total revenues including interest.
(2) Total operating expenses exclusive of depreciation.
(3) Includes principal, interest and fiscal charges of revenue bonds only. It does not include general obligation debt reported in debt service funds to which operating transfers are made or debt defeasance transactions.



CITY OF JACKSON, MICHIGAN

Schedule 22
Unaudited

Water Supply System

Last Five Fiscal Years

	Fiscal Year Ended June 30				
	2011	2012	2013	2014	2015
Water pumped vs. water sold: (in million gallons)					
Pumped	2,594	2,703	2,665	2,425	2,363
Sold	2,181	2,299	2,397	2,115	2,036
Sold as a % of pumped	84.08%	85.06%	89.94%	87.22%	86.16%
Number of customers:					
Residential	12,393	12,368	12,254	12,231	12,166
Commercial	2,191	2,160	1,951	1,982	1,958
Industrial	240	239	176	174	172
Total	14,824	14,767	14,381	14,387	14,296
Percent of water consumption by category:					
Residential	29.60%	30.00%	27.00%	31.67%	30.00%
Commercial	47.10%	42.80%	46.00%	54.95%	49.00%
Industrial	23.30%	27.20%	27.00%	13.38%	21.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%
History of water rates					
(average consumption - 22 HCF / average 5/8 inch meter)					
Metered per quarter	$ 63.77	$ 70.65	$ 72.48	$ 72.48	$ 72.48
% Change (in average consumption)	0.00%	10.79%	2.59%	0.00%	0.00%
Water supply system annual revenues:					
Metered revenue	$ 6,721,459	$ 7,739,709	$ 8,014,367	$ 7,584,137	$ 7,348,461
% increase (decrease)	12.76%	15.15%	3.55%	-5.37%	-3.11%
Water supply system revenues by user class:					
Residential	$ 2,922,890	$ 3,170,632	$ 3,190,253	$ 3,361,445	$ 3,116,062
Commercial	2,909,895	3,270,748	3,535,986	3,547,818	3,332,473
Industrial	888,674	1,298,329	1,288,128	674,874	899,926
Sewer - billing & collection charges	182,978	197,639	252,768	248,499	264,581
Total	$ 6,904,437	$ 7,937,348	$ 8,267,135	$ 7,832,636	$ 7,613,042
Water supply revenues by user class as a % of total revenues:					
Residential	42.33%	39.95%	38.59%	42.92%	40.93%
Commercial	42.15%	41.21%	42.77%	45.30%	43.77%
Industrial	12.87%	16.36%	15.58%	8.62%	11.82%
Sewer - billing & collection charges	2.65%	2.49%	3.06%	3.17%	3.48%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Source: City Water Department.

CITY OF JACKSON, MICHIGAN

Schedule 23
Unaudited

Water Supply System

Ten Largest Water Customers - By Usage
For the Fiscal Year Ended June 30, 2015

	Customer	(1) Usage	(2) % of Total		Revenue	(3) % of Total
*	Michigan Department of Corrections	351,700	17.27%	$	412,084	5.41%
	Alphagen Power, LLC (Jackson Power)	282,281	13.86%		315,899	4.15%
	Allegiance Health/Health Center	97,130	4.77%		146,357	1.92%
	Elm Plating	66,637	3.27%		117,333	1.54%
	Certainteed/Wolverine Technologies	41,572	2.04%		39,914	0.52%
	Commonwealth Commerce Center	35,640	1.75%		58,867	0.77%
	Eaton Aerospace	31,264	1.54%		66,426	0.87%
	Jackson Tumble Finish	30,550	1.50%		50,225	0.66%
**	Consumers Energy	21,973	1.08%		62,473	0.82%
*	JSP International, LLC (Texas Konica)	21,500	1.06%		45,021	0.59%

(1) Unit = million gallons (MG)
(2) Based on June 30, 2015 total water sold (Schedule 22) of 2,036 MG's.
(3) Based on June 30, 2015 water supply system revenues by user class (Schedule 22) of $ 7,613,042.
* Located outside of City limits.
** Located both inside and outside of City limits

Source: City Water Department.

Industrial Facilities Tax Roll

For the Fiscal Year Ended June 30, 2015

Year of Transfer To Ad Valorem Tax Roll	(1) I.F.T. S.E.V. Amount
2016	$ 347,065
2017	145,237
2018	543,001
2019	-
2020	-
2021	-
2022	1,524
2023	-
2024	-
2025	149,301
2026	240,995
2027	13,450
2028	-
	$ 1,440,573

(1) Represents current assessed value of abated property at time of assessment.
Personal property is excluded due to changes in the personal property exemptions.

Source: City Assessors Department.

Tax Increment Revenues, Debt Service and Debt Service Coverage

Downtown Development Authority Bonds

Fiscal Year	Tax Increment Revenues	Debt Service	(1) Capitalized Interest	(2) DDA Budgetary Commitments	Excess Tax Increment Revenues	Debt Service Coverage
2004	$ 847,306	$ 672,905	$ -	$ 28,285	$ 146,116	1.26
2005	869,006	746,790	-	28,992	93,224	1.16
2006	872,740	815,790	-	29,717	27,233	1.07
2007	972,179	891,945	-	30,460	49,774	1.09
2008	1,014,339	968,923	-	31,220	14,196	1.05
2009	1,056,990	1,051,513	-	32,002	(26,525)	1.01
2010	984,502	1,139,263	-	32,802	(187,563)	0.86
2011	1,010,638	1,244,100	-	-	(233,462)	0.81
2012	1,038,602	166,366	-	-	872,236	6.24
2013	830,014	247,250	-	-	582,764	3.36
2014	834,327	246,825	-	-	587,502	3.38
2015	832,239	248,325	-	-	583,914	3.35

(1) Tax increment revenues include state grant amounts under Act 86 effective with fiscal year 2015.
(2) DDA budgetary commitments were existing prior to the sale of the bonds and are subordinate to the bonds.

Brownfield Redevelopment Authority Bonds

Fiscal Year	Tax Increment Revenues (1)	Debt Service	(2) Capitalized Interest	Excess Tax Increment Revenues	Debt Service Coverage
2004	$ 845,825	$ 955,220	$ 955,220	$ 845,825	-
2005	1,063,299	955,721	79,602	187,180	-
2006	1,074,376	955,469	-	118,907	1.12
2007	1,113,451	980,470	-	132,981	1.14
2008	1,153,851	979,017	-	174,834	1.18
2009	1,180,434	1,015,277	-	165,157	1.16
2010	1,161,198	1,039,777	-	121,421	1.12
2011	1,099,927	1,067,896	-	32,031	1.03
2012	1,087,348	864,875	-	222,473	1.26
2012	1,087,348	864,875	-	222,473	1.26
2013	996,467	1,100,123	-	(103,656)	0.91
2014	963,588	1,069,023	-	(105,435)	0.90
2015	943,683	1,025,273	-	(81,590)	0.92

(1) Includes only those amounts captured for the bonds.
(2) Capitalized interest was used to pay debt service in fiscal years 2003, 2004 and 2005 (partial).

Miscellaneous Supplemental Disclosures

General Fund - State Shared Revenues - Sales Tax (State of Michigan)

Fiscal Year	Constitutional Component	Statutory/ E.V.I.P. (1) Component	Total Revenue Sharing Payments
2010	$ 2,300,271	$ 2,174,594	$ 4,474,865
2011	2,214,124	2,260,741	4,474,865
2012	2,401,665	1,475,187	3,876,852
2013	2,451,389	1,580,556	4,031,945
2014	2,508,877	1,656,705	4,165,582
2015	2,548,282	1,707,283	4,255,565

(1) EVIP payments began in FY 2012 and are based on Michigan PA 63 of 2011.

General Fund - Income Tax Net Revenues

Fiscal Year	Net Revenues	Increase (Decrease) From Prior Year
2010	$ 6,519,574	(14.73%)
2011	6,977,923	7.03%
2012	7,297,281	4.58%
2013	8,017,633	9.87%
2014	8,080,526	0.78%
2015	8,806,662	8.99%

Gas and Weight Tax Revenues, Maximum Annual Debt Service and Historical Debt Service Coverage

Fiscal Year	Gas & Weight Tax Revenues	(2) Maximum Annual Debt Service	Historical Debt Service Coverage
2010	$ 2,366,767	$ 284,480	8.32
2011	2,401,143	284,480	8.44
2012	2,427,571	284,480	8.53
2013	2,439,876	284,480	8.58
2014	2,514,518	-	n/a
2015	2,566,625	-	n/a

(2) Includes maximum debt service on all debt payable from major and local street funds.
Note: As of June 30, 2013 there was no longer any debt payable from major and local street funds.

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SINGLE AUDIT
ACT COMPLIANCE

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Rehmann

Rehmann Robson

675 Robinson Rd.
Jackson, MI 49203
Ph: 517.787.6503
Fx: 517.788.8111
rehmann.com

INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AS REQUIRED BY OMB CIRCULAR A-133

December 22, 2015

Honorable Mayor and
Members of the City Council
City of Jackson, Michigan

We have audited the 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 *City of Jackson, Michigan* (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements. We issued our report thereon dated December 22, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations,* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Rehmann Robson LLC

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Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2015

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through Grantor Number	Federal Expenditures
U.S. Department of Housing and Urban Development				
Community Development Block Grant - Entitlement Grants Cluster:				
Community Development Block Grant	14.218	Direct	B12MC260021	$ 357,390
Community Development Block Grant	14.218	Direct	B13MC260021	1,280,995
				1,638,385
Home Investment Partnership Programs	14.239	Direct	M12MC260214	209,044
Home Investment Partnership Programs	14.239	Direct	M13MC260214	255,261
Home Investment Partnership Programs	14.239	Direct	M14MC260214	45,078
				509,383
Total U.S. Department of Housing and Urban Development				2,147,768
U.S. Department of Treasury				
Passed-Through Michigan State Housing Development Authority - H4HH Blight Elimination Grant	21.XXX	MSHDA	n/a	1,516,110
U.S. Department of Justice				
Bulletproof Vest Partnership	16.607	Direct	n/a	5,896
Justice Assistance Grant Program Cluster:				
Byrne Recovery Act Grant	16.738	Direct	2013-DJ-BX-0397	24,383
Byrne Recovery Act Grant	16.738	Direct	2014-DJ-BX-0579	34,790
Byrne Formula Grant - JNET Enhancement Project	16.738	MSP	72239-9-14-B	15,666
				74,839
Total U.S. Department of Justice				80,735
U.S. Department of Transportation				
Safe Communities Traffic Programs	20.602	JTSPO	n/a	23,572
U.S. Department of Homeland Security				
Assistance to Fire Fighters - SAFER	97.044	Direct	n/a	650,518
Passed-Through Jackson County Emergency Management - Homeland Security Grant Programs	97.067	JCO	n/a	4,754
Total U.S. Department of Homeland Security				655,272
Total expenditures of federal awards				$ 4,423,457

See notes to schedule of expenditures of federal awards.

Notes to the Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the *City of Jackson, Michigan* (the "City") under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in note 1 to the City's financial statements. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows:

Program Title	CFDA Number	Amount Provided to Subrecipient
Community Development Block Grant	14.218	$ 48,301
Home Investment Partnership Programs	14.239	111,095
		$ 159,396

4. PASS-THROUGH AGENCIES

The City receives certain federal grants as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Pass-through Agency Abbreviation	Pass-through Agency Name
MSHDA	Michigan State Housing Development Authority
MSP	Michigan State Police
JTSPO	Jackson Traffic Safety Program Office
JCO	Jackson County

Rehmann

Rehmann Robson

675 Robinson Rd.
Jackson, MI 49203
Ph: 517.787.6503
Fx: 517.788.8111
rehmann.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

December 22, 2015

Honorable Mayor and
Members of the City Council
City of Jackson, Michigan

We have audited, in accordance with the 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, the 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 *City of Jackson, Michigan* (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rehmann Robson LLC

Rehmann

Rehmann Robson

675 Robinson Rd.
Jackson, MI 49203
Ph: 517.787.6503
Fx: 517.788.8111
rehmann.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

December 22, 2015

Honorable Mayor and
Members of the City Council
City of Jackson, Michigan

Report on Compliance for Each Major Federal Program

We have audited the compliance of the *City of Jackson, Michigan* (the "City") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Independent Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on its Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe that a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Rehmann Lohan LLC

CITY OF JACKSON, MICHIGAN

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	_____	yes	X	no
Significant deficiency(ies) identified?	_____	yes	X	none reported
Noncompliance material to financial statements noted?	_____	yes	X	no

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?	_____	yes	X	no
Significant deficiency(ies) identified?	_____	yes	X	none reported
Type of auditors' report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	_____	yes	X	no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
14.218	Community Development Block Grant
14.239	HOME Investment Partnership Program
21.xxx	H4HH Blight Elimination Grant

Dollar threshold used to distinguish between Type A and Type B programs:	300,000			
Auditee qualified as low-risk auditee?	X	yes	_____	no

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2015

SECTION III - FEDERAL AWARD FINDING AND QUESTIONED COSTS

None reported.

Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2015

None reported.

JACKSON CITY COUNCIL MEETING
MINUTES

December 15, 2015

CALL TO ORDER:

The Jackson City Council met in regular session in the City Hall and was called to order at 6:30 p.m. by Mayor Bill Jors.

PLEDGE OF ALLEGIANCE – INVOCATION:

The Council joined in the Pledge of Allegiance. The Invocation was given by Daniel P. Greer, 3rd Ward City Councilmember.

ROLL CALL:

Present: Mayor Bill Jors, Councilmembers Arlene Robinson, Freddie Dancy, Daniel P. Greer, Craig Pappin, and Derek J. Dobies. Absent: Councilmember Andrew R. Frounfelker.

Also present: City Manager Patrick Burtch, City Attorney Bethany Smith, City Clerk/Treasurer Andrew J. Wrozek, Jr., City Assessor David Taylor, and Deputy Director of Police and Fire Elmer Hitt.

ADOPTION OF AGENDA:

Motion was made to adopt the Agenda with an amendment adding Item 11- P, Jackson Young Professionals as a non-profit organization by Councilmember Dobies, seconded by Councilmember Greer. Motion carried.

CITIZEN COMMENTS:

Public comment time was opened. Comments were heard and the meeting resumed.

PRESENTATIONS/PROCLAMATIONS: none.

PETITIONS & COMMUNICATION:

A. City of Jackson Public Arts Commission Bylaws:
Accept and place on file the City of Jackson Public Arts Commission Bylaws.

Motion was made to approve the Petitions and Communications by Councilmember Dobies, seconded by Councilmember Greer. Motion carried.

CONSENT CALENDAR:

A. Minutes of the Regular Meeting on November 17, 2015:
Approve the minutes of the regular City Council meeting of November 17, 2015.

B. Minutes for the Regular Meeting on December 1, 2015:
Approve the minutes of the City Council meeting of December 1, 2015.

C. Human Relations Commission Resignation:
Receipt with regret the resignation of Barb Shelton from the Human Relations Commission.

D. Human Relations Commission Reappointment:
Mayor's recommendation to reappoint Rev. John Clemons to the Human Relations Commission for a three-year term, beginning January 1, 2016, and ending December 31, 2018, in accordance with the Human Relations Commission recommendation.

E. Jackson Area Transportation Authority Reappointments:
Approve and confirm the Mayor's recommendation to the Jackson Area Transportation Authority Board of Directors the reappointment of Robert F. Cole, and Scott TenBrink to the Jackson Area Transportation Authority for a three-year term each, beginning April 1, 2016, and ending March 31, 2019.

F. CDBG and HOME Financial Statements through October 31, 2015:
Receive the Community Development Block Grant (CDBG) and HOME Financial Summaries through October 31, 2015.

G. Eve on the Ave:
Approve the request from the Downtown Development Authority to conduct their annual Eve on the Ave celebration on December 31, 2015, at 10:00 p.m. on Michigan Avenue. (Proper insurance coverage has been received.)

H. MHCF "I Can Fight Cancer" 5k Run/Walk:
Approve the request from the Mission of Hope Cancer Fund to conduct their first MHCF "I Can Fight Cancer" 5k run/walk on April 30, 2016, at 9:00 a.m. in downtown Jackson. (Proper insurance coverage has been received.)

Motion was made to approve the Consent Calendar by Councilmember Dobies, seconded by Councilmember Robinson. Motion carried.

PUBLIC HEARINGS:

A. Request to Rezone Property Located at 1530 Locust Street:
Public hearing to consider a request to rezone property located at 1530 Locust St. from I-2 (General Industrial District) to R-1 (One-Family Residential District).

Mayor Jors opened the Public Hearing. No comments were heard and the Public Hearing was closed.

1. Consider an Ordinance Amending Chapter 28, Section 28-32 (First Reading):
Consider an ordinance amending Chapter 28, Section 28-32, City Code to rezone property located at 1530 Locust Street from I-2 to R-1. (City Planning Commission and its staff recommend approval)

Motion to concur with City Planning Commission, approve the first reading, advance to second and final adoption by Councilmember Greer, seconded by Councilmember Dobies. Discussion occurred. Roll call vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

OTHER BUSINESS:

A. Ordinance Amendment to the Non-Owner Occupied Residential Property Registry (Second/Final Reading):
Recommendation: Final adoption of Ordinance No. 2015-19, amending Chapter 14, Article 1, City Code, to clarify provisions contained in Section 14-3 and Section 14-13.

Motion to adopt by Councilmember Dobies, seconded by Councilmember Greer. Voice vote. Yeas: Mayor Jors, Councilmembers Dancy, Greer, Pappin, and Dobies – 5. Nays: Councilmember Robinson - 1. Absent: Councilmember Frounfelker. Motion carried.

B. Ordinance Amendment - Refuse and Discarded Items in the Right-of-Way (Second/Final Reading):
Recommendation: Final adoption of Ordinance No. 2015-20, amending Chapter 12, City Code, to add provisions to limit the placement of refuse and discarded items in the right-of-way for not more than forty-eight (48)

hours after dispossession of the occupant due to landlord-tenant or foreclosure proceeding.

Motion to adopt by Councilmember Dobies, seconded by Councilmember Greer. Voice vote. Yeas: Mayor Jors, Councilmembers Dancy, Greer, Pappin, and Dobies – 5. Nays: Councilmember Robinson - 1. Absent: Councilmember Frounfelker. Motion carried.

C. Ordinance Amendment to Chapter 14, Article II, Division 2, Sections 14-47 and 14-50 (Second/Final Reading):

Recommendation: Final adoption of Ordinance No. 2015-21, amending Chapter 14, Article II, Division 2, Sections 14-47 and 14-50 to establish the penalty for a person or persons who refuse to vacate a dwelling that has been declared unfit for human habitation.

Motion to adopt by Councilmember Greer, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

D. Ordinance Amendment – Chapter 18, Article 2 (Second/Final Reading):

Recommendation: Final adoption of Ordinance No. 2015-22, amending Chapter 18, Article 2, City Code, to include more individuals acting on behalf of the City to be protected from obstruction and false information.

Motion to adopt by Councilmember Greer, seconded by Councilmember Pappin. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

E. Amendment to the 2014 Major Street Design and Construction Engineering Contract – Edward-Wildwood to Winthrop, Winthrop-Edwards to East End, City Parking Lot 6, Lot 8 and Lot 9:

Recommendation: Approve the amendment to the 2014 Major Street Design and Construction Engineering contract for 2016 design and construction engineering to Hubbell, Roth & Clark, Inc., Bloomfield Hills, MI, for $113,860.30, and authorize the City Manager and City Engineer to execute the appropriate document(s) in accordance with the Purchasing Agent.

Motion to approve by Councilmember Greer, seconded by Councilmember Pappin. Roll call vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

NEW BUSINESS:

A. Ordinance Amendment – Prohibit Solicitation in Streets (First Reading):
Recommendation: Consider an ordinance amending Chapter 16, City Code, to add provisions to limit solicitation on any public street.

Motion to approve and move to second reading and final adoption by Councilmember Dobies, seconded by Councilmember Greer. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

B. Resolution – 2016 City Council Meeting Dates:
Recommendation: Approve a resolution establishing the 2016 City Council meeting dates.

Motion to approve by Councilmember Greer, seconded by Councilmember Robison. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

C. Resolution – Fee Resolution for Registration of Lobbyists:
Recommendation: Approve a Fee Resolution for registration of lobbyists as defined in Section 2-555, City Code.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

D. Resolution in Support of Senate Bill 524 and House Bill 4909:
Recommendation: Approve a resolution in support of Senate Bill 524 and House Bill 4909, and authorize the City Attorney to submit the Resolution to the Michigan Legislature.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

E. Resolution – Drive Michigan Safely Task Force Grant:
Recommendation: Approve a resolution amending the 2015/2016 Budget to reflect receipt of the Drive Michigan Safely Task Force Grant in the amount of $15,000.00.

Motion to approve by Councilmember Dancy, seconded by

Councilmember Greer. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

F. Resolution – MDOT Cost Agreement for Signal Modernization I-94 BL and Laurence Avenue:

Recommendation: Approve a resolution for a cost agreement with the Michigan Department of Transportation (MDOT) and Jackson County for signal modernization, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate contract documents.

Motion to approve by Councilmember Pappin, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

G. Corrective Resolution for Special Assessment Roll No. 4253:

Recommendation: Approve a corrective resolution for Special Assessment Roll No. 4253 for Delinquent Miscellaneous Code Enforcement Fund, confirmed at the April 14, 2015, City Council meeting.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

H. Corrective Resolution for Special Assessment Roll No. 4260:

Recommendation: Approve a corrective resolution for Special Assessment Roll No. 4260 for Delinquent Miscellaneous Code Enforcement Fund, confirmed at the November 17, 2015, City Council meeting.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

I. Corrective Resolution for Special Assessment Roll No. 4261:

Recommendation: Approve a corrective resolution for Special Assessment Roll No. 4261 for Delinquent Miscellaneous CDBG Fund, confirmed at the November 17, 2015, City Council meeting.

Motion to approve by Councilmember Dancy, seconded by Councilmember Greer. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

J. Corrective Resolution for Special Assessment Roll No. 4262:
Recommendation: Approve a corrective resolution for Special Assessment Roll No. 4262 for Delinquent Miscellaneous Public Works Fund, confirmed at the November 17, 2015, City Council meeting.

Motion to approve by Councilmember Pappin, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

K. Resolution – Ella Sharp Park Deer Harvest:
Recommendation:

1. Approve a resolution suspending enforcement of ordinances that prohibit the possession and use of the fire arms within the City as it applies to employees and agents of Aaron's Nuisance Animal Control, Rives Junction, during said deer harvest within Ella Sharp Park during the months of January and/or February 2016.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

2. Approve the fourth year of a five year renewal contract with Aaron's Nuisance Animal Control, Rives Junction, and authorize the Mayor and City Clerk to execute the appropriate document(s), and to authorize the City Attorney to make minor modifications, if needed, to approve the necessary street closures and operational requirements of the MDNR permit, in accordance with the recommendation of the Ella Sharp Park Board.

Motion to approve by Councilmember Greer, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

L. Southern Michigan Criminal Justice Training Consortium Agreement:
Recommendation: Authorize the Mayor and City Treasurer/Clerk to execute the Southern Michigan Criminal Justice Training Consortium Agreement.

Motion to approve by Councilmember Pappin, seconded by Councilmember Dobies. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6.

Nays: none. Absent: Councilmember Frounfelker. Motion carried.

M. CDBG and HOME Investment Partnerships Program Timetable and Establish Public Hearings:

Recommendation: Approve the 2016-2017 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program timetable and establish public hearings on January 26, 2016, and September 27, 2016.

Motion to approve by Councilmember Dobies, seconded by Councilmember Pappin. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

N. Confirmation, Appointment and Reappointment of Mayor and Council to Various Committees, Boards & Commissions:

Approve and confirm of the appointment and reappointment of the Mayor and City Councilmembers to various boards, commissions and committees:

JACT's Policy Committee – Appointment of Mayor Bill Jors with a term end date of November 30, 2017;

Local Development Finance Authority – Appointment of Mayor Bill Jors filling a current vacancy with a term end date of June 3, 2018;

City Employee Retirement Board – Reappointment of Councilmember Andrew Frounfelker with a term end date of November 30, 2017;

City Planning Commission – Reappointment of Councilmember Derek Dobies (ex-officio) with a term end date of November 30, 2017;

Ella Sharp Park Board – Reappointment of Councilmember Derek Dobies with a term end date of November 30, 2017;

Emergency Management Advisory Council – Appointment of Councilmember Craig T. Pappin with a term end date of November 30, 2017;

Local Emergency Planning Committee – Appointment of Councilmember Craig T. Pappin with a term end date of November 30, 2017.

Parks and Recreation Commission – Appointment of Mayor Bill Jors, and reappointment of Councilmember Derek Dobies (Ella Sharp Park Board) with a term end date of November 30, 2017;

Cradle to Career Coordinating Council – Appointment of Councilmember Freddie Dancy with a term end date of November 30, 2017;

Confirmation of the Boards and Commissions the Mayor serves on by virtue of the office with a term end date of November 30, 2017:

City Employees Retirement Board of Trustees
City Planning Commission
Downtown Development Authority
Police & Fire Pension Board of Trustees – Original Charter Plan
Police & Fire Pension Board of Trustees – Act 345

Motion to approve by Councilmember Dobies, seconded by Councilmember Greer. Roll call vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

O. Personnel Policy Revision:
Recommendation: Approve the Personnel Policy revision(s).

Motion to approve by Councilmember Dobies, seconded by Councilmember Greer. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Dancy, Greer, Pappin, and Dobies – 5. Nays: Councilmember Robison - 1. Absent: Councilmember Frounfelker. Motion carried.

P. Consideration of a resolution recognizing the Jackson Youth Professionals as a non-profit organization operating in the community for purpose of obtaining a charitable gaming license:

Motion to approve for discussion by Councilmember Dobies, seconded by Councilmember Greer. Discussion occurred. Voice vote. Yeas: Mayor Jors, Councilmembers Robinson, Dancy, Greer, Pappin, and Dobies – 6. Nays: none. Absent: Councilmember Frounfelker. Motion carried.

CITY COUNCILMEMBERS' COMMENTS.

MANAGER'S COMMENTS.

ADJOURNMENT:

No further business being presented, Councilmember Greer, seconded by Councilmember Dancy made the motion to adjourn the meeting. Motion carried. Mayor Bill Jors closed the meeting at 7:30 p.m.

CITY OF JACKSON

MICHIGAN

Office of Mayor
Bill Jors

161 W. Michigan Ave.
Jackson, MI 49201
Phone: (517) 788-4028
Facsimile (866) 384-1772

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: City Councilmembers

FROM: Bill Jors, Mayor

DATE: January 6, 2016

SUBJECT: Board of Review

RECOMMENDATION:

Approve the Mayor's recommendation to reappoint Ken Stapleton, to the Board of Review for a three-year term beginning February 1, 2016, and ending January 31, 2019.

In accordance with City Charter, Sec. 14.5 (MCLA 211.107) Three members, all City residents, appointed by the Mayor subject to Council confirmation. One board member shall be appointed each January for three-year terms.

It is my desire, therefore, to reappoint Ken Stapleton, to the Board of Review for a three-year term, beginning February 1, 2016, and ending January 31, 2019.

BJ:skh

APP-CC

City of Jackson Board/Commission Application

Name: Ken STAPLETON

Address: 1826 N. GROVEDALE Ave Zip: 49203

Home Phone: 517-782-4355 Other Phone: 517-414-8535

e-mail address: KLS1947@gmail.com Occupation: Retired

Community Involvement/Activity

City BOARD OF TAX REVIEW Since 2010

Are you a registered voter? Yes Ward? #6

Which Board or Commission(s) are you interested in?

1. BOARD of TAX REVIEW 2.

3.

List additional information you feel may be pertinent to board or commission

Former Realtor w/ Surovell Realtors

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

Ken Stapleton 11/20/2015

Signature of Applicant Date

Please return to Mayor's Office, City of Jackson, 161 W. Michigan Avenue, Jackson, MI 49201

CITY OF JACKSON
MICHIGAN

Office of Mayor
Bill Jors

161 W. Michigan Ave.
Jackson, MI 49201
Phone: (517) 788-4028
Facsimile (866) 384-1772

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: City Councilmembers

FROM: Bill Jors, Mayor

DATE: January 6, 2016

SUBJECT: Ella W. Sharp Park Board of Trustees

RECOMMENDATION:

Approval of the Mayor's recommendation to reappoint Michelle Woods to the Ella W. Sharp Park Board of Trustees for three year term, beginning February 1, 2016, and ending January 31, 2019.

In accordance with City Code, Chapter 19, Ordinance No. 2012.21, five (5) members, one (1) of whom is a member of the City Council selected by the City Council and four (4) citizen members and two (2) alternate citizen members, all of whom shall be appointed by the Mayor and confirmed by City Council. Three-year terms, may be reappointed. Citizen members shall not serve more than three (3) consecutive three-year terms after effective date of the Article without at least a one-year gap in service. Terms shall be staggered with existing board members holding office for remainder of current term and with new appointments made so no more than two members' terms expire in any year.

It is my recommendation to approve the reappointment of Michelle Woods to the Ella Sharp Park Board of Trustees for a three year term, beginning February 1, 2016, and ending January 31, 2019.

BJ:skh

City of Jackson Board/Commission Application

Name: Michelle L. Woods

Address: 1108 Greenwood Ave Zip: 49203

Home Phone: 517-784-4124 Other Phone: cell 517-206-1974

e-mail address: fitdiva410@sbcglobal.net Occupation: Fitness Professional Personal Trainer

MICHELLE.WOODS29@yahoo.com

Community Involvement/Activity

Jackson City Rec Commission Ella Sharp Bd. Park Trustee

Are you a registered voter? yes Ward? 1st

Which Board or Commission(s) are you interested in?

1. Jackson City Rec. Comm. 2. Ella Sharp Park Bd Trustee

3.

List additional information you feel may be pertinent to board or commission

Currently serve on the above Boards. Would like to continue.

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

Michelle L. Woods 11/5/15

Signature of Applicant Date

Please return to Mayor's Office, City of Jackson, 161 W. Michigan Avenue, Jackson, MI 49201

CITY OF JACKSON

MICHIGAN

Office of Mayor
Bill Jors

161 W. Michigan Ave.
Jackson, MI 49201
Phone: (517) 788-4028
Facsimile (866) 384-1772

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: City Councilmembers

FROM: Bill Jors, Mayor

DATE: January 6, 2016

SUBJECT: Human Relations Commission

RECOMMENDATION:

Approve the Mayor's recommendation to appoint Simon Foster and Suzanne Mure to the Human Relations Commission filling current vacancies beginning immediately, and ending December 31, 2018, in accordance with the Human Relations Commission recommendation.

In accordance with City Code, Chapter 15, Section 15-33. The HRC shall consist of nine citizens; at least five must be City residents. Nominations to fill vacancies shall be made by City Council or HRC to Mayor; at least one for each appointment. Mayor appoints subject to Council confirmation. HRC may appoint up to three ex-officio citizen members for indefinite terms; in addition, one City Councilmember shall be an ex-officio member. Three appointments made annually for three-year terms upon expiration of appointments ending December 31, 1999.

It is my recommendation to appoint Simon Foster and Suzanne Mure to the Human Relations Commission filling current vacancies beginning immediately, and ending December 31, 2018.

BJ:skh

CITY OF JACKSON
HUMAN RELATIONS COMMISSION
161 W. MICHIGAN AVENUE – JACKSON, MICHIGAN 49201 – PHONE: (517)788-4167
FAX: (517) 768-5820

MEMO TO: Honorable Mayor Bill Jors

FROM: Alice Lewis, Nominating Committee Chairman

DATE: January 6, 2016

SUBJECT: Recommendation for Appointment to the Human Relations Commission

In accordance with the City Code, Chapter 15, there are nine members to be appointed by the Mayor, with the approval of the City Council. The Human Relations Commission will submit one nominee to the Mayor for each vacancy as it occurs. At least 5 of the 9 must be City residents. Commissioners serve 3-year terms.

The HRC currently has three vacancies. At its December 16, 2015, meeting the HRC voted to recommend the following candidates to fill current HRC vacancies. The application is attached.

Simon Foster
607 Garfield St.
Jackson, MI 49203

Suzanne Mure
702 Center St.
Jackson, MI 49202

Both Simon and Suzanne have served on the HRC as ex-officio members and are residents of the City of Jackson.

AL:skh

Attachment

cc: HRC Members

City of Jackson Board/Commission Application

Name: Suzanne Muse

Address: 702 Center St Zip: 49202

Home Phone: (517) 782-4383 Other Phone: (517) 990-5090

e-mail address: Suzy1968@yahoo.com Occupation: Cust Advocate Service Representative - AT&T

Community Involvement/Activity

Are you a registered voter? yes Ward? 4

Which Board or Commission(s) are you interested in?

1. Zoning Board of Appeals 2. Jackson Human Relations Commission

3. Civil Service Commission

List additional information you feel may be pertinent to board or commission

I have been a resident all my life and am looking to be further involved in our community

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

Suzanne Muse 2/10/2013

Signature of Applicant Date

Please return to Mayor's Office, City of Jackson, 161 W. Michigan Avenue, Jackson, MI 49201

Office of the Mayor

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4028 — Facsimile: (517) 768-5820

CITY OF JACKSON BOARD/COMMISSION APPLICATION

NAME: Simon P. Foster

ADDRESS: 607 Garfield St. ZIP: 49203

HOME PHONE: (315) 744-7198 OTHER PHONE: _____

E-MAIL ADDRESS: Simon.Foster@jacksontransit.com

OCCUPATION: Government & Community Relations Manager

COMMUNITY INVOLVEMENT

Jackson College Mentor _____

Meals on Wheels (Washtenaw County)

Are you a registered voter? Yes Ward? 6th

Which Board or Commission(s) are you interested in?

1. Human Relations Commission 2. _____

3. _____

List additional information you feel may be pertinent to board or commission

Served on four (4) boards, spanning from arts, education, and social services.

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR.

Signature of Applicant

2/24/2015
Date

Neighborhood & Economic Operations

Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303• Facsimile (517) 780-4781

Building Inspection	Code Enforcement	Engineering	Planning & Economic Development
(517) 788-4012	(517) 788-4060	(517) 788-4160	(517) 768-6433

CITY COUNCIL MEETING
January 12, 2016

TO: Patrick Burtch, City Manager

FROM: **Frank Donovan, Assistant Director** F.D.

SUBJECT: **CDBG and HOME Financial Summaries through November 30, 2015**

RECOMMENDATION

To accept and place on file the CDBG and HOME Financial Summaries through November, 2015.

Attached please find the Financial Summaries for the CDBG and HOME funds for the five months ended November, 2015.

Cc: Laurie Huff, Grant Coordinator

City of Jackson
Community Development Block Grant
Monthly Financial Summary
For the Five Months Ended November 30, 2015

	Budgeted	Expended Prior Year	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended-to-Date	Balance	Percent Spent
Public Services							
1 King Center Summer Program							
FY 2014/2015	45,000	29,905	-	15,095	45,000	-	100.0%
FY 2015/2016	35,000		-	31,242	31,242	3,758	89.3%
Administration							
2 Administration & Planning							
FY 2014/2015	139,000	7,615	4,718	13,270	20,885	118,115	15.0%
FY 2015/2016	166,500	-	-	-	-	166,500	0.0%
Code Enforcement							
3 City Code Enforcement - Inspection							
FY 2013/2014	258,220	212,320	-	45,900	258,220	-	100.0%
FY 2014/2015	131,500	-	12,049	29,240	29,240	102,260	22.2%
FY 2015/2016	46,000	-	-	-	-	46,000	0.0%
4 City Code Enforcement - Rehabilitation							
FY 2014/2015	172,000	70,810	5,667	60,408	131,218	40,782	76.3%
FY 2015/2016	89,000	-	-	-	-	89,000	0.0%
5 City Attorney Office							
FY 2012/2013	52,000	44,390	842	4,036	48,426	3,574	93.1%
FY 2013/2014	20,000	-	-	-	-	20,000	0.0%
Housing Rehabilitation Projects							
6 Homeowner Rehabilitation							
FY 2013/2014	221,358	177,427	-	(270)	177,157	44,201	80.0%
FY 2014/2015	77,284	-	-	-	-	77,284	0.0%
FY 2015/2016	98,886	-	-	-	-	98,886	0.0%
7 City Emergency Hazard Repair Program							
FY 2014/2015	150,000	92,769	-	53,212	145,981	4,019	97.3%
FY 2015/2016	150,000	-	-	-	-	150,000	0.0%

		Budgeted	Expended Prior Year	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended-to-Date	Balance	Percent Spent
8	City Residential Rental Rehabilitations	110,000	-	-	-	-	110,000	0.0%
9	John George Home	35,000	-	-	-	-	35,000	0.0%
10	City Rehab Administration (Denied Loans)							
	FY 2014/2015	8,000	5,180	450	(1,050)	4,130	3,870	51.6%
	FY 2015/2016	3,000	-	-	-	-	3,000	0.0%
	Street Projects							
11	Hamilton (FY 2014/2015)	174,483	24,608	-	20,691	45,299	129,184	26.0%
12	VanBuren: Steward to Blackstone (FY 2014/2015)	303,017	28,472	-	120,990	149,462	153,555	49.3%
13	Edward & Winthrop (FY 2015/2016)	97,890	-	-	-	-	97,890	0.0%
14	Mechanic: Morrell to Washington (FY 2015/2016)	39,600	-	-	-	-	39,600	0.0%
	Other Projects							
15	Tree Removal/Replacement (FY 2013/2014)	4,000	-	-	-	-	4,000	0.0%
16	Park Improvements							
	FY 2014/2015	524,985	449,168	-	65,799	514,967	10,018	98.1%
	FY 2015/2016	80,000	-	-	-	-	80,000	0.0%
	Public Improvements							
17	Demolition - Neighborhood Economic Stabilization							
	FY 2013/2014	155,000	155,000	(1,569)	(12,634)	142,366	12,634	91.8%
	FY 2014/2015	185,000	165,746	10,464	(23,710)	142,036	42,964	76.8%
	FY 2015/2016	320,000	-	-	-	-	320,000	0.0%
18	Residential Historic Preservation (2013/2014)	80,129	69,954	-	-	69,954	10,175	87.3%

NOTE: All funds are FY 2015/2016 allocations unless otherwise indicated

City of Jackson
HOME
Monthly Financial Summary
For the Five Months Ended November 30, 2015

	Budgeted	Total Prior Year Funds Expended	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended-to-Date	Balance	Percent Spent
1 Rehabilitation Assistance Program							
FY 2014/2015	413,346	283,055	-	130,231	413,286	60	100.0%
FY 2015/2016	187,129	-	27,604	142,451	142,451	44,678	76.1%
2 HOME Administration							
FY 2015/2016	24,000	-	-	-	-	24,000	0.0%
3 CAA - CHDO Operting Expenses							
FY 2012/2013	12,500	4,973	-	-	4,973	7,527	39.8%
FY 2013/2014	12,500	-	-	-	-	12,500	0.0%
4 CAA - CHDO Acq/Rehab/Resale							
FY 2013/2014	40,000	24,763	-	-	24,763	15,237	61.9%
FY 2014/2015	42,000	-	-	-	-	42,000	0.0%
FY 2015/2016	52,000	-	-	-	-	52,000	0.0%
5 City - Acq/Rehab/Resale							
FY 2013/2014	41,968	40,138	-	1,830	41,968	-	100.0%

Andrew J. Wrozek, Jr.
City Treasurer/City Clerk
161 W. Michigan Avenue - Jackson, MI 49201
Treasurer (517)788-4043 • Income Tax Office (517)788-4044 • Clerk (517) 788-4025

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Andrew J. Wrozek, Jr., City Treasurer/City Clerk

SUBJECT: Adoption of Ordinance No. 2016-01 (Second/final)

RECOMMENDATION:

To adopt Ordinance No. 2016-01 amending Chapter 28, Section 28-32, City Code, to Rezone Parcel ID #6-1702, 1530 Locust St., from I-2 to R-1.

Attached please find information regarding Ordinance 2016-01 approved by the Council at the December 15, 2015 meeting.

C:City Manager

Neighborhood & Economic Operations
Building a Stronger Community

161 W. Michigan Avenue • Jackson, MI 49201-1303
Phone (517) 788-4060 • Facsimile (517) 780-4781

CITY COUNCIL MEETING
DECEMBER 15, 2015

MEMO TO: Honorable Mayor and City Council Members

FROM: City of Jackson Planning Commission
Chris Atkin, Planning Director

DATE: December 03, 2015

SUBJECT: Consideration of an Ordinance Amending Chapter 28, Section 28-32, City Code, to Rezone Parcel ID #6-1702 from I-2 to R-1.

RECOMMENDATION: Open a Public Hearing on the Request Rezone Parcel #6-1702 from I-2 to R-1.

- Approve Ordinance Amending Chapter 28, Section 28-32, City Code, to Rezone Parcel #6-1702 from I-2 to R-1. *(City Planning Commission Recommends Approval)*

The City Planning Commission considered a request to rezone Parcel #6-1702 located at 1530 Locust St. from I-2 (General Industrial) to R-1 (One-Family Residential). A Public Hearing held during the Wednesday, December 02, 2015 Planning Commission Meeting. The Planning Commission recommended Approval of the applicant's request to rezone the property as follows:

*Commissioner Polaczyk motioned to follow staff's recommendation, Commissioner Kubish seconded, to recommend City Council **APPROVE** the applicant's request to rezone Parcel #6-1702 from I-2 to R-1.*

Yeas- 7(Dobies, Burtch, Mauldin, Kubish, Polaczyk, Jors and Troxel); Nays- 0; Abstain- 0; Absent- 1(Stark)

Neighborhood & Economic Operations

Building a Stronger Community

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PLANNING COMMISSION MEETING
December 02, 2015

TO: City of Jackson Planning Commission

FROM: Chris Atkin, Planning Director

SUBJECT: Staff Report for 1530 Locust St., Jackson, MI 49202, Rezoning request from I-2 (general industrial) to R-1 (one-family residential).

MOTION 1: Receive the Staff Report

HEARING: Conduct a Public Hearing on the Request for rezoning

MOTION 2: Consideration of a request to rezone the parcel located at 1530 Locust St. as provided for in Sec. 28-183 of the City's Zoning Ordinance

Overview and Applicable Zoning Criteria

Applicant: Curtis and Michelle Williams

Location: 1530 Locust St.; Parcel ID# 6-1702

Received Date: November 12, 2015

Latest Revisions: N/A

Zoning: I-2 - General industrial District

Applicant Request: The applicant is requesting the parcel located at 1530 Locust St. (Parcel ID# 6-1702), to be rezoned from I-2 (general industrial) to R-1 (one-family residential).

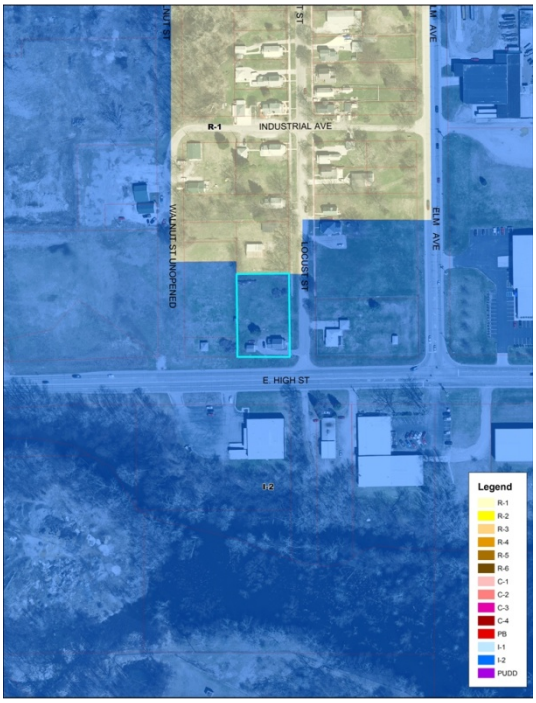
Recommendation: **Approval of request**

District Changes
Sec. 28-183(1). Procedure for change

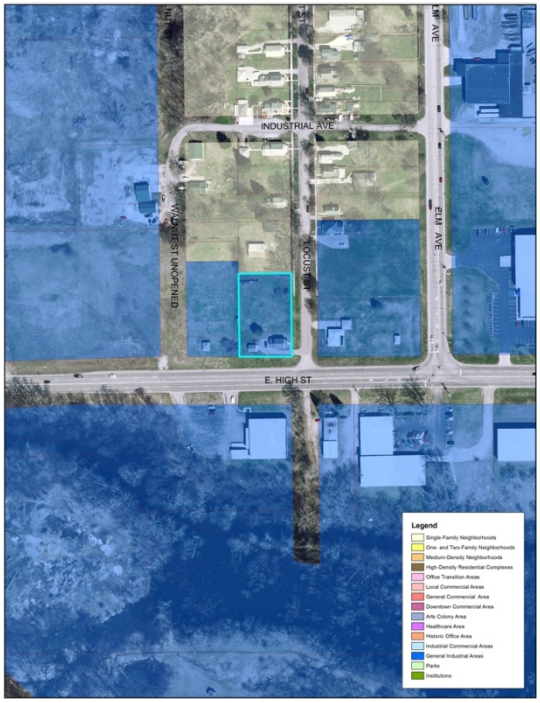
> *By application.* Any person, firm or corporation desiring a change in the zoning classification of property shall file with planning staff an application for zoning change. When the application for zoning change appears to be in accordance with public necessity, convenience, safety and the general welfare of the city, planning staff shall refer such application to the city planning commission

Maps & Aerial Photos

Subject Area Zoning Map



Subject Area Future Land Use Map



Site Description

The property is located on a major city street, Elm St., that is serviced primarily by collector roads, the closest being Locust St. The property is a 29,000 square foot parcel was purchased occupied by a single family home and a detached garage.

Ordinance & Future Land Use

Whereas the City's ordinance describes the R-1 district "is established for low to medium density single-family residential neighborhoods. The regulations are intended to stabilize, protect and encourage the residential character of the district and prohibit all activities of a commercial nature. Development is limited to single unit dwellings and home occupations as well as certain conditional uses that are compatible and convenient to the residents in the district." (Sec. 28-36)

The City's ordinance describes the I-2 district as a "suitable space for industrial operations of all types and adult entertainment enterprises that can comply with all provisions of this chapter and can assure protection of the public interest and surrounding property and persons. The City of Jackson, in adopting this section, recognizes, the secondary blighting effects caused by concentration of adult entertainment uses proven in other areas of the state and nation. Any use allowed as a permitted or conditional use in the I-1 district, except those expressly listed in the C-4 district, shall be considered a valid permitted or conditional use in this district." (Sec. 28-47)

The current future land use map shows this parcel to remain zoned as industrial, as it shows for all other residential use parcels to the east and the west.

Conclusion: The property is located within a block where there is a mix of industrial zoned residential uses and residentially zoned residential uses. Rezoning this property may be a conflict with the current future land use map but it would not be considered a spot zone nor would it prevent the property from returning to an I-2 designation at a future date.

Neighboring Zoning and Land Use

The subject parcel is zoned I-2, general industrial district, while the surrounding parcels are zoned as follows:

North:	R-1, One-family residential	**South**:	I-2, General Industrial
East:	I-2, General Industrial	**West:**	I-2, General Industrial

The existing land uses within the area are one-family residential and general industrial.

North: Residential **South:** Industrial **East:** Residential **West:** Vacant

Development Potential

Per the City of Jackson zoning ordinance, the parcel meets the requirements and may be developed with either zoning designation.

Traffic Impact and Site Access

Use of the parcel in its current state will not have any measurable traffic impact.

Essential Facilities and Services

Municipal water and sewer services are available at this site.

Conclusion: There will be no significant impact to essential facilities and services.

Recommendations

Although the requested rezoning is inconsistent with the general outline of the Master Plan and Future Land Use map, the applicant, who currently resides on the property, will be allowed to make changes to the property that will not be of a nonconforming nature to the designated district. Additionally, here is abutting property the is zoned R-1, same as the applicants proposed zoning change, and the vast majority of the other parcels in the block, both side of Locust St. are zoned R-1 and used for single family homes.

Staff recommends approval of the request to rezoning the property from I-2 to R-1.

Christopher M. Atkin, Planning Director

Cc: Applicant

RECEIVED
NOV 12 2015
BY:

Application for District Change (Rezoning)

Before the City Planning Commission
City of Jackson, Michigan

1. Application PDC 150004 (To be filled out by N&EO Staff) Date Filed: 11/12/15 (To be filled out by N&EO Staff)

2. Curtis and Michelle Williams (Name(s))
1530 Locust Jackson, MI 49202 (Street Address) williams_michelleann@yahoo.com (Email)
Jackson (City) MI (State) 49202 (Zip) (616) 337-9122 (Phone Number) Owners / Occupants Buyers (Status of the Applicant* (Circle One))

of the property located at: 1530 Locust Jackson (Street Address) 49202 (Zip Code)

property identification #: 6-170200000

I (we) respectfully request a determination be made by the City Planning Commission on the following change of zoning as provided in §28-183 of the Zoning Ordinance:

3. Current zoning: R-1 R-2 R-3 R-4 R-5 R-6 C-1 C-2 C-3 C-4 I-1 I-2 PUDD (Circle One)

Proposed zoning: R-1 R-2 R-3 R-4 R-5 R-6 C-1 C-2 C-3 C-4 I-1 I-2 (Circle One)

The proposed use is: Primary residence

5. I certify that the information provided above is correct to the best of my belief and knowledge.

Name & Title: Curtis Williams
Signature: Curtis Williams

Name & Title:
Signature:

6. City Clerk Use Only:
Date: 11/12/15 Fee: $ 230.- Receipt #: 90798352

* *If the applicant is not the owner of the property, a letter of consent from the property owner must accompany this application.*

CITY OF JACKSON

161 W. MICHIGAN AVENUE
ATTN: CITY TREASURER

JACKSON, MI 49201
(517) 788-4043

WWW.CITYOFJACKSON.ORG

Receipt: 90798352 11/12/15

Cashier: SFoster

Received Of: WILLIAMS CURTIS J & MICHELLE A

1530 LOCUST ST
JACKSON MI 49203

The sum of: 230.00

BDINV	00036817			230.00
		101-401-000-484.000	230.00	
			Total	230.00

TENDERED: CASH 230.00

Neighborhood & Economic Operations
Building a Stronger Jackson

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Phone (517) 788-4060 • Facsimile (517) 780-4781

Administrative Services (517) 788-4060
Building Inspection (517) 788-4012
Rehabilitation Services & Information (517) 788-4070

PDC 150004
Notice of Public Hearing

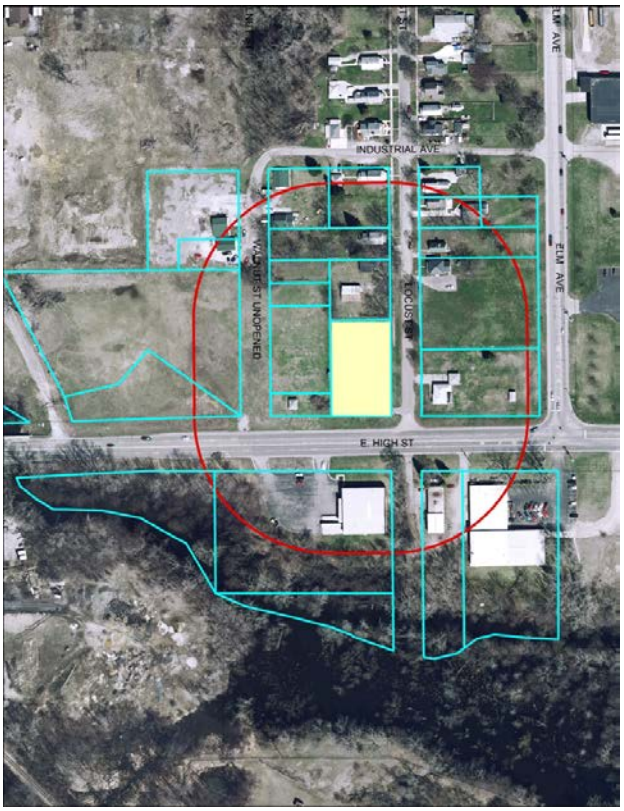
Jackson's City Planning Commission will hold a public hearing on a rezoning request (as provided for in Sec. 28-183 of the City's Zoning Ordinance).

The request was made by:
Curtis and Michelle Williams
1530 Locust St.
Jackson, MI 49202

The location of the properties is:
1530 Locust St. (ID# 6-1702)

The Rezoning Request:
Rezone the site from I-2 (general industrial district) to R-1 (one-family residential district).

The Effect of the Rezoning Request:
Rezoning the property from I-2 to R-1 will be harmonious with the zoning of the surrounding properties will bring the current use of a single family home into conformity.



You are invited to attend the public hearings before the Planning Commission and City Council to be held on:

Planning Commission - Wednesday, December 02, 2015 at 6:30 pm
City Council – Tuesday, December 15, 2015 at 6:30 pm

The meeting will be held in the

City Hall Council Chambers, 2nd floor
161 W. Michigan Avenue

You received this notice because you own property or reside within the general area of the properties listed above. **Unless you are the applicant, you are not required to attend the public hearing or respond to this notice.** However, if you are interested in this request, please attend the hearing and/or contact Chris Atkin at (517) 768-6433 or catkin@cityofjackson.org. Written comments can also be sent to his office, which is located at 161 W. Michigan Avenue, Jackson, MI 49201.

By: Chris Atkin
Planning Director

Andrew J. Wrozek, Jr.
City Treasurer/City Clerk
161 W. Michigan Avenue - Jackson, MI 49201
Treasurer (517)788-4043 • Income Tax Office (517)788-4044 • Clerk (517) 788-4025

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Andrew J. Wrozek, Jr., City Treasurer/City Clerk

SUBJECT: Adoption of Ordinance No. 2016-02 (Second/final)

RECOMMENDATION:

To adopt Ordinance No. 2016-02 amending Chapter 16 of the City of Jackson Code of Ordinances to add provisions to limit solicitation on any public street for the health, safety, and welfare of the citizens of the City of Jackson, Michigan.

Attached please find information regarding Ordinance 2016-02 approved by the Council at the December 15, 2015 meeting.

C:City Manager

ORDINANCE 2016 - 02

An Ordinance amending Chapter 16 of the City of Jackson Code of Ordinances to add provisions to limit solicitation on any public street for the health, safety, and welfare of the citizens of the City of Jackson, Michigan.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. Purpose.

The City Council adopts this ordinance to prohibit the solicitation on any public street. The Council finds that this ordinance is necessary to protect the public health, safety and welfare of the citizens of the City of Jackson, Michigan.

Section 2.

That Chapter 16, of the City of Jackson Code of Ordinances, be amended to read as follows:

Sec. 16-127. - Duties of persons, groups or entities wishing to solicit.

No person shall engage in any act of solicitation in any public place within the city without first contacting the office of the city clerk at least twenty-four (24) hours in advance of the date or dates proposed for such solicitation, and providing in writing to the clerk and the director of police and fire services (or designee) all of the following:

(1) The name, address and telephone number of the person, group or entity on whose behalf such solicitation will take place.
(2) The names and business addresses of all those persons who will engage in such solicitation.
(3) The date or dates upon which such solicitation will take place.
(4) The general locations within the city where such solicitation will take place.

No solicitation is permitted on any public street at any time.

Section 3. This ordinance shall become effective thirty (30) days from final adoption.

Department of Public Works

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4170 — Facsimile: (877) 396-6309

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Todd Knepper, Department of Public Works TSK

SUBJECT: Request a contract renewal with Woody's Tree Service of Stockbridge, Michigan for as needed tree trimming and removals in the amount of $75,725.00, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate contract documents.

RECOMMENDATION:
Approve a contract renewal with Woody's Tree Service of Stockbridge, Michigan in the amount of $75,725.00 for as needed tree trimming and removals, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate documents.

City of Jackson forestry contracts include the trimming and removal of trees throughout the City, typically trees located in street right-of-way, City parks and other City owned properties. This contract allows for maintenance trimming and removals, emergency trimming and removals, and grinding of the tree stumps that remain following tree removals.

Woody's Tree Service has sufficiently performed this work since 2014, and have requested a renewal of the contract.

In concurrence with the Purchasing Department, the recommendation is to award the 2016 tree trimming and removal bid to Woody's Tree Service. These activities are included in the approved 2015-2016 budget, line 101-690-000-818.000

Thank you.

Neighborhood & Economic Operations

Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303• Facsimile (517) 780-4781

Building Inspection	Code Enforcement	Engineering	Planning & Economic Development
(517) 788-4012	(517) 788-4060	(517) 788-4160	(517) 768-6433

CITY COUNCIL MEETING
January 12, 2016

TO: **Honorable Mayor and City Councilmembers**

FROM: **Jon H. Dowling, P.E., City Engineer**

SUBJECT: **Final Balancing Change Order 2 –2013 Local Street Construction Contract**

RECOMMENDATION: To approve Final Balancing Change Order 2 to the contract with Concord Excavating and Grading, Inc., in the decreased amount of $1,400.00, to reduce the watering and cultivating contract item to reflect the work for this item completed in the field, and authorization for the City Manager and City Engineer to execute the appropriate document.

On May 21, 2013, City Council approved the award of the 2013 Local Street Construction contract to Concord Excavating and Grading, Inc., of Concord, Michigan in the amount of $489,823.40. This contract provided for 1) replacement of the water main on Argyle between Walker and Cooper, 2) construction of a sanitary sewer, replacement of the water main and repaving on Rockwell Street from Jackson to Williams, and 3) replacement of the water main and sanitary sewer and reconstruction of the roadway with new asphalt pavement and concrete curb and gutter on Webster from Oakdale to Elmwood. On December 17, 2013, City Council approved Change Order 1 to balance contract quantities with quantities placed to date.

The attached Change Order Number 2 is to reduce the watering and cultivating contract item to reflect the work for this item completed in the field.

This change order represents a decrease of $1,400.00 bringing the final contract amount to $481,669.17.

We request approval of Final Balancing Change Order 2 and authorization for the City Manager and the City Engineer to sign the document.

JHD/sms

C: Patrick H. Burtch, City Manager
Troy R. White, P.E., Assistant City Engineer
Phil Hones, Purchasing Agent
Shelly Allard, Purchasing Coordinator

FINAL BALANCING CHANGE ORDER NO. 2
To Contract for
2013 Local Street Construction
City of Jackson, Michigan

Notice is hereby given that the following additional information and changes shall become a part of the Contract Documents, Plans and Specifications of the above-named contract.

ORIGINAL CONTRACT AMOUNT	**$ 489,823.40**
APPROVED CHANGE ORDER NO. 1	**($ 6,754.23)**
CURRENT CONTRACT AMOUNT AS SET BY CHANGE ORDER NO. 1	**$ 483,069.17**
CHANGE ORDER NO. 2	**($ 1,400.00)**

REASON FOR CHANGE:

To reduce the watering and cultivating contract item to reflect the work for this item completed in the field.

NEW CONTRACT AMOUNT AS SET BY CHANGE ORDER NO. 2	**$ 481,669.17**

CONTRACT COMPLETION:

The contract completion time remains unchanged.

Prepared by Troy R. White, P.E.
Senior Civil Engineer

ACCEPTED BY:

Concord Excavating

Date: 12·11·15

ACCEPTED BY:

Jon H. Dowling, P.E., City Engineer

Date:

ACCEPTED BY:

Patrick H. Burtch, City Manager

Date:

Department of Public Works

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4170 — Facsimile: (877) 396-6309

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Todd Knepper, Director of Public Works TBK

SUBJECT: Consideration of a request to approve a biosolids hauling and land application contract with BioTech Agronomics Inc., Beulah, Michigan, for work at the wastewater treatment plant (WWTP).

RECOMMENDATION: Award a biosolids hauling and land application contract to BioTech Agronomics Inc., Beulah, Michigan, at a unit price of $0.0311 per gallon, and authorize the Mayor and City Treasurer/Clerk to execute the appropriate contracts documents.

During the wastewater treatment process, biosolids are produced, treated through an anaerobic digestion process, then stored in liquid form or dried in open air drying beds. These biosolids are then used as fertilizer and soil enhancement on agricultural lands. Approximately 4-million gallons of liquid biosolids are produced and land applied annually in accordance with State and Federal regulations.

On February 11, 2015, the City of Jackson Purchasing Department accepted bids for the hauling and land application of these biosolids, and three bidders responded accordingly. The lowest responsible bidder at the time was Synagro Central, LLC at the bid price of $0.0305 per gallon, but the service provided in 2015 has been deemed insufficient according to our quality standards. The second qualified bidder in 2015 was BioTech Agronomics Inc., who held the hauling contract for five years prior to 2015. In an effort to reduce time and effort of rebidding the contract, I recommend awarding the 2016 biosolids hauling and land application contract to BioTech Agronomics Inc. at their 2015 bid price of $0.0311 per gallon for a total expected cost of approximately $155,500.00. The total expense for 2015 was $168,055.00.

This project is included in the approved 2015-2016 wastewater treatment plant contract services budget, line item 590-553-000-818.000.

Neighborhood & Economic Operations

Building a Stronger Jackson

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Building Inspection (517) 788-4012 | Code Enforcement (517) 788-4060 | Engineering (517) 788-4160 | Planning & Economic Development (517) 768-6433

CITY COUNCIL MEETING
January 12, 2016

TO: Patrick Burtch, City Manager

FROM: Jennifer L. Morris, Director

SUBJECT: **Award Five (5) Demolition Contracts in the Total Amount of $761,469.80 under the Help for Hardest Hit Blight Program**

RECOMMENDATION:

Award five (5) demolition contracts under the Help for Hardest Hit Blight Program as follows:

Contractor	Amount
Lester Brothers	$30,929.00
RA Baker Excavating	$231,438.00
Rickman Enterprise Group	$51,790.00
Salenbien Trucking & Excavating	$55,907.80
Smalley Construction	$391,405.00
Total:	**$761,469.80**

and authorize the City Manager to approve any and all change orders required to complete the demolitions.

On January 4, 2016, sealed bids to demolish 57 properties meeting the criteria of the Help for Hardest Hit (H4HH) Blight program were opened and processed. When bidding for demolition contracts, contractors are required to submit pricing for the entire package and individual units (cost to demolish an individual structure); contractors also have the option to submit an alternate, discounted bid if awarded the entire package.

Six (6) contractors submitted sealed bids. Results of the analysis determined the City would realize the greatest cost savings by awarding multiple contracts based on individual unit prices:

Bid Type	Contractor	Total Amount	Savings to City
Overall Low Bid	Smalley Construction	$798,560.00	
Individual Pricing	**Various***	**$761,469.80**	**$37,090.20 or 4.6%**
Low Alternate Bid	Salenbien Trucking	$848,000.00	

It is recommended that five (5) separate contracts be awarded to the following contractors for the stated amounts:

Contractor	No. of Properties	Amount
Lester Brothers	3	$30,929.00
RA Baker Excavating	19	$231,438.00
Rickman Enterprise Group	5	$51,790.00
Salenbien Trucking & Excavating	2	$55,907.80
Smalley Construction	28	$391,405.00
	Total:	**$761,469.80**

Attached to this memorandum is a complete list of properties with corresponding demolition costs as shown on the Bid Tabulation created by the Purchasing Department, and the low bid cost analysis conducted by staff in the Department of Neighborhood & Economic Operations.

cc: Shelly Allard, Purchasing Coordinator
Brian Taylor, Chief Building Official
Sheila Prater, Records Management Coordinator
Michelle L. Pultz-Orthaus, Records Management Coordinator

BID TABULATION FOR
HELP FOR HARDEST HIT
BLIGHT ELIMINATION PROGRAM - PACKAGE F
MONDAY, JANUARY 4, 2016, 10:00 AM

		Dunigan Brothers 911 E. South St. Jackson, MI 49203	Salenbien Trucking & Excavating, Inc. 9217 Ann Arbor Rd. Dundee, MI 48131	Smalley Construction 131 S. Main St. Scottville, MI 49454	Lester Brothers 5405 E. Michigan Ave. Jackson, MI 49201	Rickman Enterprise Group LLC 15533 Woodrow Wilson Street Detroit, MI 48238	RA Baker Excavating 1421 D drive South East Leroy, MI 49051
Item No.	**Address**	**Bid Amount**	**Bid Amount**	**Bid Amount**	**Bid Amount**	**Bid Amount**	**Bid Amount**
1	325 Adams Street	$ 23,136.00	$ 20,980.00	$ 19,280.00	$ 20,428.00	$ 22,250.00	NB
2	111 E. Addison Street	$ 14,126.40	$ 13,101.00	$ 11,825.00	$ 14,603.00	$ 16,300.00	$ 11,420.00
3	327 E. Addison Street	$ 9,676.80	$ 11,118.00	$ 8,300.00	$ 13,340.00	$ 12,680.00	$ 8,210.00
4	1007 Adrian Avenue	$ 19,660.20	$ 14,667.00	$ 14,700.00	$ 21,502.00	$ 22,100.00	$ 14,568.00
5	503 Bates Street	$ 11,661.60	$ 11,774.00	$ 9,850.00	$ 14,467.00	$ 11,770.00	$ 10,800.00
6	804 N. Blackstone Street	$ 16,438.80	$ 16,211.00	$ 12,200.00	$ 19,361.00	$ 17,880.00	$ 13,890.00
7	1310 Chittock Avenue	$ 16,941.60	$ 15,900.00	$ 12,800.00	$ 18,162.00	$ 13,410.00	NB
8	1138 Cooper Street	$ 12,551.70	$ 12,326.00	$ 10,850.00	NB	$ 14,180.00	$ 10,909.00
9	603 Detroit Street	$ 19,180.80	$ 16,661.00	$ 15,625.00	$ 22,257.00	$ 19,040.00	$ 14,460.00
10	224 N. Durand Street	$ 19,337.50	$ 16,862.50	$ 16,350.00	$ 17,800.00	$ 17,550.00	$ 14,733.00
11	316 S. Dwight Street	$ 13,729.30	$ 12,166.00	$ 10,270.00	$ 13,941.00	$ 12,220.00	$ 10,225.00
12	804 N. Elm Avenue	$ 17,296.00	$ 14,894.00	$ 13,275.00	$ 16,738.00	$ 12,610.00	$ 12,696.00
13	206 S. Elm Avenue	$ 21,859.20	$ 18,107.80	$ 18,450.00	$ 26,102.00	$ 21,770.00	NB
14	116 W. Euclid Avenue	$ 18,042.00	$ 16,052.50	$ 14,425.00	$ 26,025.00	$ 15,830.00	$ 13,252.00
15	918 Everhard Street	$ 17,617.20	$ 16,083.00	$ 14,275.00	$ 23,589.00	$ 16,700.00	NB
16	116 N. Forbes Street	$ 14,976.80	$ 14,696.00	$ 12,100.00	$ 27,364.00	$ 14,350.00	$ 14,094.00
17	219 N. Forbes Street	$ 12,594.40	$ 13,190.00	$ 9,825.00	$ 19,594.00	$ 12,390.00	$ 10,240.00
18	920 Francis Street	$ 35,159.60	$ 34,711.00	$ 33,535.00	NB	$ 40,560.00	NB
19	1221 Francis Street	$ 17,919.60	$ 17,152.00	$ 15,350.00	NB	$ 19,710.00	$ 13,330.00
20	2107 Francis Street	$ 41,760.00	$ 37,800.00	$ 38,300.00	$ 42,932.00	$ 44,740.00	NB
21	603 N. Francis Street	$ 14,060.00	$ 15,040.00	$ 10,600.00	$ 15,340.00	$ 7,920.00	$ 10,850.00
22	1202 E. Ganson Street	$ 16,864.40	$ 16,450.00	$ 12,950.00	$ 20,068.00	$ 15,770.00	$ 13,100.00
23	1905 E. Ganson Street	$ 23,441.60	$ 19,526.00	$ 19,450.00	$ 33,206.00	$ 25,370.00	NB
24	2207 E. Ganson Street	$ 15,915.50	$ 15,260.00	$ 13,275.00	$ 14,779.00	$ 12,040.00	$ 11,192.00
25	411 Garfield Street	$ 12,661.60	$ 14,212.00	$ 11,050.00	$ 17,626.00	$ 14,240.00	$ 11,160.00
26	1123 Hamilton Street	$ 24,200.00	$ 26,200.00	$ 21,125.00	$ 26,075.00	$ 24,940.00	NB
27	821 Hibbard Avenue	$ 16,561.50	$ 16,600.00	$ 12,825.00	$ 18,693.00	$ 13,050.00	$ 13,020.00
28	121 W. High Street	$ 12,841.20	$ 14,236.00	$ 12,035.00	$ 19,860.00	$ 14,570.00	NB
29	715 Homewild Avenue	$ 24,578.40	$ 21,908.20	$ 20,225.00	$ 32,535.00	$ 21,200.00	NB
30	334 N. Horton Street	$ 13,874.40	$ 16,304.00	$ 9,725.00	$ 13,960.00	$ 12,330.00	$ 11,415.00
31	1109 S. Jackson Street	$ 13,300.80	$ 13,011.00	$ 11,100.00	$ 23,054.00	$ 13,550.00	$ 12,486.00

BID TABULATION FOR
HELP FOR HARDEST HIT
BLIGHT ELIMINATION PROGRAM - PACKAGE F
MONDAY, JANUARY 4, 2016, 10:00 AM

32	814 James R	$ 17,556.00	$ 17,476.00	$ 18,035.00	$ 16,024.00	$ 22,710.00	NB
33	825 Maltby Street	$ 13,464.00	$ 14,270.00	$ 11,235.00	$ 16,690.00	$ 14,130.00	$ 12,365.00
34	1002 Maple Avenue	$ 16,072.00	$ 15,990.00	$ 13,350.00	$ 18,253.00	$ 7,350.00	$ 13,690.00
35	1233 Maple Avenue	$ 13,098.00	$ 13,080.00	$ 9,075.00	$ 26,632.00	$ 18,400.00	$ 10,080.00
36	220 W. Mason Street	$ 18,732.00	$ 16,756.00	$ 15,500.00	$ 17,800.00	$ 18,920.00	NB
37	124-26 Mitchell Street	$ 17,184.30	$ 14,218.50	$ 12,275.00	$ 18,531.00	$ 11,910.00	$ 13,721.00
38	401 W. North Street	$ 15,859.20	$ 14,962.00	$ 13,125.00	$ 17,720.00	$ 14,940.00	$ 13,550.00
39	557 Orange Street	$ 10,454.40	$ 11,418.00	$ 8,500.00	$ 13,365.00	$ 13,040.00	$ 9,972.00
40	929 Orchard Place	$ 14,878.50	$ 13,667.50	$ 13,275.00	$ 25,389.00	$ 16,130.00	$ 12,320.00
41	764 S. Pleasant Street	$ 12,442.40	$ 11,038.00	$ 8,850.00	$ 19,086.00	$ 12,110.00	$ 8,630.00
42	512 N. Pleasant Street	$ 18,328.00	$ 14,530.00	$ 15,525.00	$ 23,882.00	$ 18,800.00	$ 13,690.00
43	1907 Plymouth Street	$ 20,736.00	$ 20,050.00	$ 19,835.00	$ 28,743.00	$ 23,020.00	NB
44	214 E. Porter Street	$ 15,458.40	$ 17,016.00	$ 13,025.00	$ 21,113.00	$ 14,930.00	$ 13,440.00
45	119 Ridgeway Street	$ 15,039.60	$ 13,598.00	$ 13,275.00	$ 18,190.00	$ 12,000.00	$ 12,570.00
46	120 E. Robinson Street	$ 15,552.40	$ 13,839.00	$ 13,200.00	$ 17,576.00	$ 16,880.00	$ 11,370.00
47	310 E. South Street	$ 10,118.40	$ 13,464.00	$ 9,000.00	$ 7,865.00	$ 10,400.00	$ 9,345.00
48	704 Third Street	$ 13,237.00	$ 13,177.50	$ 10,875.00	$ 15,458.00	$ 13,480.00	$ 10,703.00
49	214 N. VanDorn Street	$ 14,260.40	$ 13,645.50	$ 14,200.00	$ 15,840.00	$ 11,780.00	$ 11,360.00
50	128 Wall Street	$ 17,635.20	$ 16,867.00	$ 13,125.00	$ 14,947.00	$ 15,200.00	$ 12,600.00
51	519 N. Waterloo Avenue	$ 15,394.00	$ 16,006.75	$ 10,435.00	$ 13,810.00	$ 15,860.00	NB
52	710 N. Waterloo Avenue	$ 17,655.20	$ 15,589.50	$ 15,625.00	$ 17,701.00	$ 16,750.00	$ 13,895.00
53	913 N. Waterloo Avenue	$ 15,762.60	$ 17,093.00	$ 13,975.00	$ 17,476.00	$ 13,340.00	$ 11,530.00
54	616 Webb Street	$ 14,016.00	$ 14,545.00	$ 8,350.00	$ 11,225.00	$ 12,220.00	$ 10,050.00
55	239 Wesley Street	$ 18,207.00	$ 16,233.75	$ 14,325.00	$ 16,617.00	$ 16,290.00	$ 13,950.00
56	1401 Woodbridge Street	$ 20,764.40	$ 17,520.00	$ 17,125.00	$ 21,718.00	$ 17,880.00	NB
57	520 Woodruff	$ 9,408.00	$ 9,120.00	$ 7,500.00	$ 7,040.00	$ 14,090.00	$ 8,900.00
	Total Bid	**$ 963,278.30**	**$ 918,371.00**	**$ 798,560.00**	**$ 1,052,092.00**	**$ 945,580.00**	**$ 503,781.00**
Discount if awarded all 57		**$ -**	**$ 848,000.00**	**$ -**	**$ -**	**$ -**	**$ -**

H4HH - Bid Package F

Cost Analysis Conducted January 4, 2016

PIN	Address	Ward	Dunigan Bros	Salenbien T&E	Smalley Construction	Lester Bros	Rickman Ent Grp	RA Baker Excavating	Low Unit Price
000-13-11-301-031-05	2107 Francis St	n/a	$ 41,760.00	$ 37,800.00	$ 38,300.00	$ 42,932.00	$ 44,740.00	NB	$ 37,800.00
1-042700000	804 N Blackstone St	5	$ 16,438.80	$ 16,211.00	$ 12,200.00	$ 19,361.00	$ 17,880.00	$ 13,890.00	$ 12,200.00
1-043200000	401 W North St	5	$ 15,859.20	$ 14,962.00	$ 13,125.00	$ 17,720.00	$ 14,940.00	$ 13,550.00	$ 13,125.00
1-059000000	325 Adams St	3	$ 23,136.00	$ 20,980.00	$ 19,280.00	$ 20,428.00	$ 22,250.00	NB	$ 19,280.00
2-045100000	224 N Durand St	4	$ 19,337.50	$ 16,862.50	$ 16,350.00	$ 17,800.00	$ 17,550.00	$ 14,733.00	$ 14,733.00
2-092800000	520 Woodruff Pl	5	$ 9,408.00	$ 9,120.00	$ 7,500.00	$ 7,040.00	$ 14,090.00	$ 8,900.00	$ 7,040.00
2-154300000	616 Webb St	4	$ 14,016.00	$ 14,545.00	$ 8,350.00	$ 11,225.00	$ 12,220.00	$ 10,050.00	$ 8,350.00
2-161600000	821 Hibbard Ave	4	$ 16,561.50	$ 16,600.00	$ 12,825.00	$ 18,693.00	$ 13,050.00	$ 13,020.00	$ 12,825.00
3-022800000	704 Third St	5	$ 13,237.00	$ 13,177.50	$ 10,875.00	$ 15,458.00	$ 13,480.00	$ 10,703.00	$ 10,703.00
3-216100000	411 Garfield St	6	$ 12,661.60	$ 14,212.00	$ 11,050.00	$ 17,626.00	$ 14,240.00	$ 11,160.00	$ 11,050.00
4-0231.3000	239 W Wesley St	5	$ 18,207.00	$ 16,233.75	$ 14,325.00	$ 16,617.00	$ 16,290.00	$ 13,950.00	$ 13,950.00
4-024900000	220 W Mason St	5	$ 18,732.00	$ 16,756.00	$ 15,500.00	$ 17,800.00	$ 18,920.00	NB	$ 15,500.00
4-089800000	1002 Maple Ave	1	$ 16,072.00	$ 15,990.00	$ 13,350.00	$ 18,253.00	$ 7,350.00	$ 13,690.00	$ 7,350.00
4-094400000	1233 Maple Ave	1	$ 13,098.00	$ 13,080.00	$ 9,075.00	$ 26,632.00	$ 18,400.00	$ 10,080.00	$ 9,075.00
4-097900000	1109 S Jackson St	1	$ 13,300.80	$ 13,011.00	$ 11,100.00	$ 23,054.00	$ 13,550.00	$ 12,486.00	$ 11,100.00
4-140800000	1401 Woodbridge St	1	$ 20,764.40	$ 17,520.00	$ 17,125.00	$ 21,718.00	$ 17,880.00	NB	$ 17,125.00
4-150000000	121 W High St	1	$ 12,841.20	$ 14,236.00	$ 12,035.00	$ 19,860.00	$ 14,570.00	NB	$ 12,035.00
4-151200000	1310 Chittock Ave	1	$ 16,941.60	$ 15,900.00	$ 12,800.00	$ 18,162.00	$ 13,410.00	NB	$ 12,800.00
5-051100000	918 Everhard St	1	$ 17,617.20	$ 16,083.00	$ 14,275.00	$ 23,589.00	$ 16,700.00	NB	$ 14,275.00
5-0513.1000	124 Mitchell St	1	$ 17,184.30	$ 14,218.50	$ 12,275.00	$ 18,531.00	$ 11,910.00	$ 13,721.00	$ 11,910.00
5-056700000	929 Orchard Pl	1	$ 14,878.50	$ 13,667.50	$ 13,275.00	$ 25,389.00	$ 16,130.00	$ 12,320.00	$ 12,320.00
5-063200000	920 Francis St	1	$ 35,159.60	$ 34,711.00	$ 33,535.00	NB	$ 40,560.00	NB	$ 33,535.00
5-077500000	1007 Adrian Ave	1	$ 19,660.20	$ 14,667.00	$ 14,700.00	$ 21,502.00	$ 22,100.00	$ 14,568.00	$ 14,568.00
5-110900000	119 Ridgeway St	1	$ 15,039.60	$ 13,598.00	$ 13,275.00	$ 18,190.00	$ 12,000.00	$ 12,570.00	$ 12,000.00
5-123800000	1221 Francis St	1	$ 17,919.60	$ 17,152.00	$ 15,350.00	NB	$ 19,710.00	$ 13,330.00	$ 13,330.00
5-135500000	128 Wall St	1	$ 17,635.20	$ 16,867.00	$ 13,125.00	$ 14,947.00	$ 15,200.00	$ 12,600.00	$ 12,600.00
5-143300000	120 E Robinson St	1	$ 15,552.40	$ 13,839.00	$ 13,200.00	$ 17,576.00	$ 16,880.00	$ 11,370.00	$ 11,370.00
5-149600000	116 W Euclid Ave	1	$ 18,042.00	$ 16,052.50	$ 14,425.00	$ 26,025.00	$ 15,830.00	$ 13,252.00	$ 13,252.00
5-187700000	111 E Addison St	1	$ 14,126.40	$ 13,101.00	$ 11,825.00	$ 14,603.00	$ 16,300.00	$ 11,420.00	$ 11,420.00
5-194800000	310 E South St	1	$ 10,118.40	$ 13,464.00	$ 9,000.00	$ 7,865.00	$ 10,400.00	$ 9,345.00	$ 7,865.00
5-200600000	327 E Addison St	1	$ 9,676.80	$ 11,118.00	$ 8,300.00	$ 13,340.00	$ 12,680.00	$ 8,210.00	$ 8,210.00
6-065900000	206 S Elm Ave	2	$ 21,859.20	$ 18,107.80	$ 18,450.00	$ 26,102.00	$ 21,770.00	NB	$ 18,107.80
6-1072.1000	316 S Dwight St	2	$ 13,729.30	$ 12,166.00	$ 10,270.00	$ 13,941.00	$ 12,220.00	$ 10,225.00	$ 10,225.00
6-126100000	1907 Plymouth St	2	$ 20,736.00	$ 20,050.00	$ 19,835.00	$ 28,743.00	$ 23,020.00	NB	$ 19,835.00
6-140800000	764 S Pleasant St	2	$ 12,442.40	$ 11,038.00	$ 8,850.00	$ 19,086.00	$ 12,110.00	$ 8,630.00	$ 8,630.00
7-036400000	715 Homewild Ave	2	$ 24,578.40	$ 21,908.20	$ 20,225.00	$ 32,535.00	$ 21,200.00	NB	$ 20,225.00
7-043500000	603 Detroit St	2	$ 19,180.80	$ 16,661.00	$ 15,625.00	$ 22,257.00	$ 19,040.00	$ 14,460.00	$ 14,460.00

PIN	Address	Ward	Dunigan Bros	Salenbien T&E	Smalley Construction	Lester Bros	Rickman Ent Grp	RA Baker Excavating	Low Unit Price
7-044200000	214 N VanDorn St	2	$ 14,260.40	$ 13,645.50	$ 14,200.00	$ 15,840.00	$ 11,780.00	$ 11,360.00	$ 11,360.00
7-060300000	603 N Francis St	5	$ 14,060.00	$ 15,040.00	$ 10,600.00	$ 15,340.00	$ 7,920.00	$ 10,850.00	$ 7,920.00
7-076100000	519 N Waterloo Ave	2	$ 15,394.00	$ 16,006.75	$ 10,435.00	$ 13,810.00	$ 15,860.00	NB	$ 10,435.00
7-1191.1000	1905 E Ganson St	2	$ 23,441.60	$ 19,526.00	$ 19,450.00	$ 33,206.00	$ 25,370.00	NB	$ 19,450.00
7-126100000	116 N Forbes St	2	$ 14,976.80	$ 14,696.00	$ 12,100.00	$ 27,364.00	$ 14,350.00	$ 14,094.00	$ 12,100.00
7-127900000	2207 E Ganson St	2	$ 15,915.50	$ 15,260.00	$ 13,275.00	$ 14,779.00	$ 12,040.00	$ 11,192.00	$ 11,192.00
8-003300000	219 N Forbes St	2	$ 12,594.40	$ 13,190.00	$ 9,825.00	$ 19,594.00	$ 12,390.00	$ 10,240.00	$ 9,825.00
8-016300000	334 N Horton St	3	$ 13,874.40	$ 16,304.00	$ 9,725.00	$ 13,960.00	$ 12,330.00	$ 11,415.00	$ 9,725.00
8-036700000	512 N Pleasant St	3	$ 18,328.00	$ 14,530.00	$ 15,525.00	$ 23,882.00	$ 18,800.00	$ 13,690.00	$ 13,690.00
8-050800000	557 Orange St	3	$ 10,454.40	$ 11,418.00	$ 8,500.00	$ 13,365.00	$ 13,040.00	$ 9,972.00	$ 8,500.00
8-106100000	804 N Elm Ave	3	$ 17,296.00	$ 14,894.00	$ 13,275.00	$ 16,738.00	$ 12,610.00	$ 12,696.00	$ 12,610.00
8-118200000	503 Bates St	3	$ 11,661.60	$ 11,774.00	$ 9,850.00	$ 14,467.00	$ 11,770.00	$ 10,800.00	$ 9,850.00
8-134400000	1202 E Ganson St	2	$ 16,864.40	$ 16,450.00	$ 12,950.00	$ 20,068.00	$ 15,770.00	$ 13,100.00	$ 12,950.00
8-1621.1000	710 N Waterloo Ave	3	$ 17,655.20	$ 15,589.50	$ 15,625.00	$ 17,701.00	$ 16,750.00	$ 13,895.00	$ 13,895.00
8-185200000	814 James R St	3	$ 17,556.00	$ 17,476.00	$ 18,035.00	$ 16,024.00	$ 22,710.00	NB	$ 16,024.00
8-1881.1000	913 N Waterloo Ave	3	$ 15,762.60	$ 17,093.00	$ 13,975.00	$ 17,476.00	$ 13,340.00	$ 11,530.00	$ 11,530.00
8-196500000	214 E Porter St	3	$ 15,458.40	$ 17,016.00	$ 13,025.00	$ 21,113.00	$ 14,930.00	$ 13,440.00	$ 13,025.00
8-233400000	825 Maltby St	3	$ 13,464.00	$ 14,270.00	$ 11,235.00	$ 16,690.00	$ 14,130.00	$ 12,365.00	$ 11,235.00
8-249800000	1138 Cooper St	3	$ 12,551.70	$ 12,326.00	$ 10,850.00	NB	$ 14,180.00	$ 10,909.00	$ 10,850.00
8-250500000	1123 Hamilton St	3	$ 24,200.00	$ 26,200.00	$ 21,125.00	$ 26,075.00	$ 24,940.00	NB	$ 21,125.00
	Bid Package Total:		**$ 963,278.30**	**$ 918,371.00**	**$ 798,560.00**	**$ 1,052,092.00**	**$ 945,580.00**	**$ 503,781.00**	**$ 761,469.80**
	Low Alternate Bid:		**$ -**	**$ 848,000.00**	**$ -**	**$ -**	**$ -**	**$ -**	
				-7.7%		3 no bid		15 no bid	
	Number of Low Bids:		0	2	28	3	5	19	
	% of Package:		0.00%	3.51%	49.12%	5.26%	8.77%	33.33%	
			$ -	**$ 55,907.80**	**$ 391,405.00**	**$ 30,929.00**	**$ 51,790.00**	**$ 231,438.00**	**$ 761,469.80**

H4HH - Bid Package F
Contract Award Recommendations by Contractor

Lester Brothers

	PIN	Address	Ward	Lester Bros
1	2-092800000	520 Woodruff Pl	5	$ 7,040.00
2	5-194800000	310 E South St	1	$ 7,865.00
3	8-185200000	814 James R St	3	$ 16,024.00
			Total Award:	**$ 30,929.00**

RA Baker Excavating

	PIN	Address	Ward	RA Baker Excavating
1	2-045100000	224 N Durand St	4	$ 14,733.00
2	3-022800000	704 Third St	5	$ 10,703.00
3	4-0231.3000	239 W Wesley St	5	$ 13,950.00
4	5-056700000	929 Orchard Pl	1	$ 12,320.00
5	5-077500000	1007 Adrian Ave	1	$ 14,568.00
6	5-123800000	1221 Francis St	1	$ 13,330.00
7	5-135500000	128 Wall St	1	$ 12,600.00
8	5-143300000	120 E Robinson St	1	$ 11,370.00
9	5-149600000	116 W Euclid Ave	1	$ 13,252.00
10	5-187700000	111 E Addison St	1	$ 11,420.00
11	5-200600000	327 E Addison St	1	$ 8,210.00
12	6-1072.1000	316 S Dwight St	2	$ 10,225.00
13	6-140800000	764 S Pleasant St	2	$ 8,630.00
14	7-043500000	603 Detroit St	2	$ 14,460.00
15	7-044200000	214 N VanDorn St	2	$ 11,360.00
16	7-127900000	2207 E Ganson St	2	$ 11,192.00
17	8-036700000	512 N Pleasant St	3	$ 13,690.00
18	8-1621.1000	710 N Waterloo Ave	3	$ 13,895.00
19	8-1881.1000	913 N Waterloo Ave	3	$ 11,530.00
			Total Award:	**$ 231,438.00**

Rickman Enterprise Group

	PIN	Address	Ward	Rickman Ent Grp
1	4-089800000	1002 Maple Ave	1	$ 7,350.00
2	5-0513.1000	124 Mitchell St	1	$ 11,910.00
3	5-110900000	119 Ridgeway St	1	$ 12,000.00
4	7-060300000	603 N Francis St	5	$ 7,920.00
5	8-106100000	804 N Elm Ave	3	$ 12,610.00
			Total Award:	**$ 51,790.00**

Smalley Construction

	PIN	Address	Ward	Smalley Construction
1	1-042700000	804 N Blackstone St	5	$ 12,200.00
2	1-043200000	401 W North St	5	$ 13,125.00
3	1-059000000	325 Adams St	3	$ 19,280.00
4	2-154300000	616 Webb St	4	$ 8,350.00
5	2-161600000	821 Hibbard Ave	4	$ 12,825.00
6	3-216100000	411 Garfield St	6	$ 11,050.00
7	4-024900000	220 W Mason St	5	$ 15,500.00
8	4-094400000	1233 Maple Ave	1	$ 9,075.00
9	4-097900000	1109 S Jackson St	1	$ 11,100.00
10	4-140800000	1401 Woodbridge St	1	$ 17,125.00
11	4-150000000	121 W High St	1	$ 12,035.00
12	4-151200000	1310 Chittock Ave	1	$ 12,800.00
13	5-051100000	918 Everhard St	1	$ 14,275.00
14	5-063200000	920 Francis St	1	$ 33,535.00
15	6-126100000	1907 Plymouth St	2	$ 19,835.00
16	7-036400000	715 Homewild Ave	2	$ 20,225.00
17	7-076100000	519 N Waterloo Ave	2	$ 10,435.00
18	7-1191.1000	1905 E Ganson St	2	$ 19,450.00
19	7-126100000	116 N Forbes St	2	$ 12,100.00
20	8-003300000	219 N Forbes St	2	$ 9,825.00
21	8-016300000	334 N Horton St	3	$ 9,725.00
22	8-050800000	557 Orange St	3	$ 8,500.00
23	8-118200000	503 Bates St	3	$ 9,850.00
24	8-134400000	1202 E Ganson St	2	$ 12,950.00
25	8-196500000	214 E Porter St	3	$ 13,025.00
26	8-233400000	825 Maltby St	3	$ 11,235.00
27	8-249800000	1138 Cooper St	3	$ 10,850.00
28	8-250500000	1123 Hamilton St	3	$ 21,125.00
			Total Award:	**$ 391,405.00**

Salenbien Trucking & Excavating

	PIN	Address	Ward	Salenbien T&E
1	000-13-11-301-031-05	2107 Francis St	n/a	$ 37,800.00
2	6-065900000	206 S Elm Ave	2	$ 18,107.80
			Total Award:	**$ 55,907.80**

Neighborhood & Economic Operations

Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303• Facsimile (517) 780-4781

Building Inspection	Code Enforcement	Engineering	Planning & Economic Development
(517) 788-4012	(517) 788-4060	(517) 788-4160	(517) 768-6433

CITY COUNCIL MEETING
January 12, 2016

TO: **Honorable Mayor and City Councilmembers**

FROM: **Jennifer Morris, Director of Neighborhood and Economic Operations**
Robert T. Dietz, Parking Manager and Engineering Assistant

SUBJECT: **Approval of the Resolution Adjusting the Parking Permit Rates**

RECOMMENDATION: Approval of the resolution adjusting the parking permit rates, and authorization for the Mayor and City Treasurer/Clerk to sign the resolution.

City of Jackson staff has reviewed the existing parking permit rates and request a new rate for parking permits.

We are requesting the attached resolution to adjust the parking permit rates be approved by the City Council, and the Mayor and City Treasurer/Clerk be authorized to sign the resolution.

Please do not hesitate to contact us if you should have any questions.

RTD:sms

c Patrick H. Burtch, City Manager
Andrew J. Wrozek, Jr., City Treasurer/Clerk
Jon H. Dowling, P.E. City Engineer

T:\Parking\Parking System\Request to approve resolution for parking rate adjs Jan 16 2016.doc

RESOLUTION

BY CITY COUNCIL:

WHEREAS, Section 25.52 of the Code of the City of Jackson provides that fees, rates and charges for parking the automobile parking system of the City of Jackson may be established by Resolution of the City Council on recommendation of the City Manager.

NOW, THEREFORE, BE IT RESOLVED that three hours of free parking shall be permitted in Lots 5, 6, 7, 8, 9, 9a and 14, and

BE IT FURTHER RESOLVED, that the hours of operation are 8:00 a.m. to 5:00 p.m. Monday-Friday, except on City holidays; and

BE IT FURTHER RESOLVED, that daily parking permits for all surface parking lots, except as noted, shall remain at a cost of $4.00 per day; and

BE IT FURTHER RESOLVED, that daily pay to park fee in lot 3 shall remain at $2.00 per day; and

BE IT FURTHER RESOLVED that, beginning January 13, 2016, monthly and annual permits, which permits do not provide a reserved parking space nor guarantee availability of a parking space, will be available as follows:

	Time Limit	Existing Parking Permit Costs			New Parking Permit Costs			
Lot	Without Permit	Monthly	Annual	Color	Monthly	Annual	Color	Lots Permit Valid in
3	3 hours	$40	$480	Red	$40	$480	Red	Lots 3, 5, 9 and 9a
5	3 hours	$40	$480	Red	$40	$480	Red	Lots 5, 3, 9 and 9a
6	3 hours	$50	$600	Green	$50	$600	Green	Lots 6, 7, 8 and 14
7	3 hours	$50	$600	Green	$60	$720	Black	Lots 7, 6, 8, 14 and 18
8	3 hours	$50	$600	Green	$50	$600	Green	Lots 8, 6, 7 and 14
9	3 hours	$40	$480	Red	$40	$480	Red	Lots 9, 9a, 3 and 5
9a	3 hours	$40	$480	Red	$40	$480	Red	Lots 9a, 9, 3 and 5
14	3 hours	$50	$600	Green	$50	$600	Green	Lots 14, 6, 7 and 8
15	n/a	$16.93	$203.16	Lt. Blue	$16.93	$203.16	Yellow	Lots 15, 16 and 17
16	n/a	$16.93	$203.16	Lt. Blue	$16.93	$203.16	Yellow	Lots 16, 15 and 17
17	n/a	$16.93	$203.16	Lt. Blue	$16.93	$203.16	Yellow	Lots 17, 15 and 16
18	n/a	$50	$600	Black	$60	$720	Black	Lots 18 and 7
19	n/a	$40	$480	Brown	$50	$600	Green	Lots 19, 20 and 21
20	n/a	$40	$480	Brown	$50	$600	Green	Lots 20, 19 and 21
21	n/a	$40	$480	Brown	$40	$480	Brown	Lot 21

* * * *

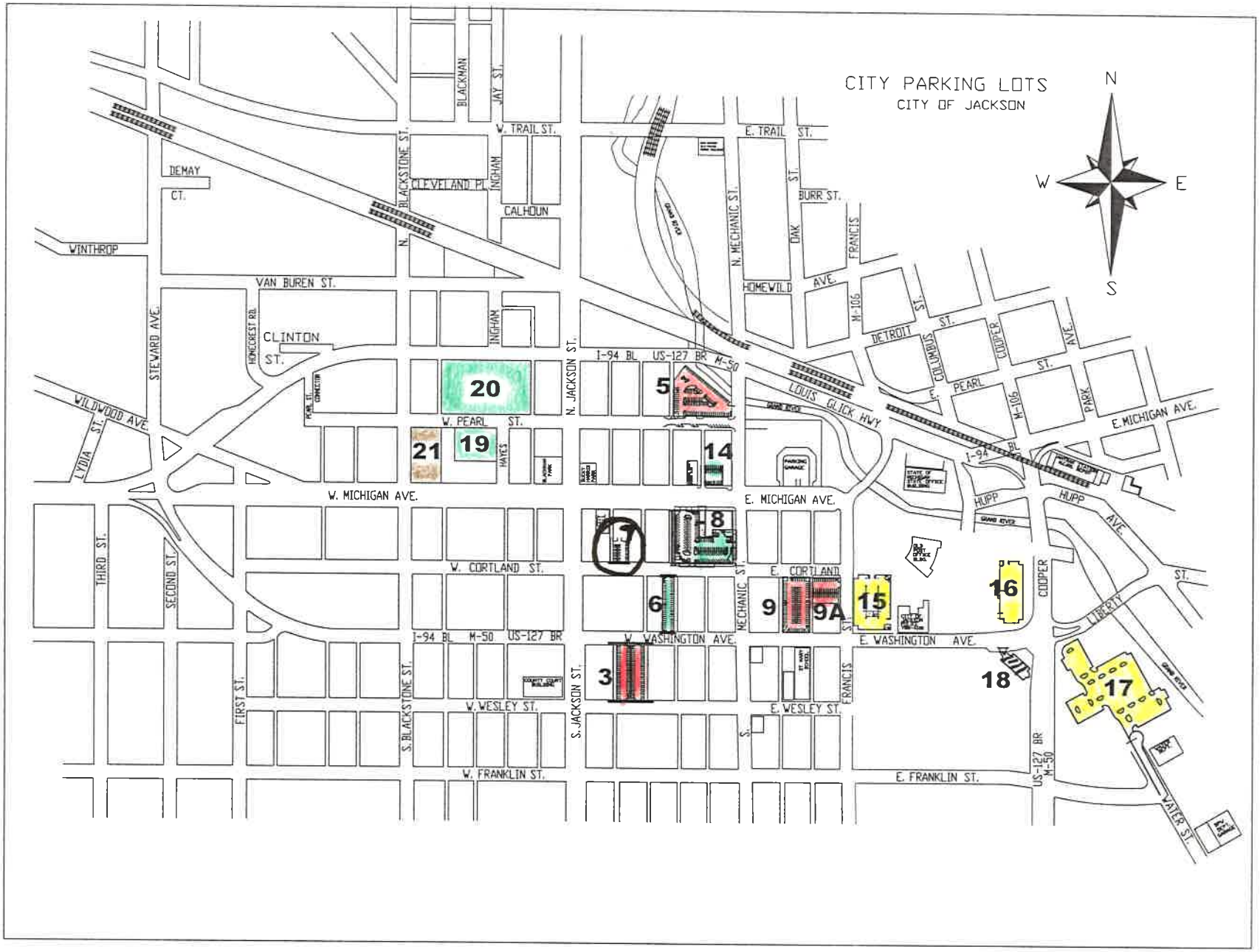
State of Michigan)
County of Jackson)ss
City of Jackson)

I, Andrew J. Wrozek, Jr., City Treasurer/Clerk in and for the City of Jackson, County and State aforesaid, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Jackson City Council on the 12th day of January, 2016.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 13th day of January, 2016.

_____
William C. Jors, Mayor

_____
Andrew J. Wrozek, Jr., City Treasurer/Clerk


CITY PARKING LOTS
CITY OF JACKSON
N
W
E
S
BLACKMAN
JAY ST.
W. TRAIL ST.
E. TRAIL ST.
DEMAY
CT.
CLEVELAND PL.
BLACKSTONE ST.
INGHAM
CALHOUN
BURR ST.
N. MECHANIC ST.
DAK
FRANCIS
WINTHROP
VAN BUREN ST.
HOMEWILD
AVE.
M-106
DETROIT
ST.
COLUMBUS
COOPER
AVE.
STEWARD AVE.
HONCREST RD.
CLINTON
ST.
INGHAN
N. JACKSON ST.
I-94 BL
US-127 BR
M-50
LOUIS GLICK HWY
PEARL
PARK
E. MICHIGAN AVE.
WILDWOOD AVE.
LYDIA ST.
W. PEARL ST.
HAYES
W. MICHIGAN AVE.
E. MICHIGAN AVE.
HUPP
HUPP AVE.
THIRD ST.
SECOND ST.
W. CORTLAND ST.
E. CORTLAND
MECHANIC ST.
COOPER
LIBERTY
ST.
W. WASHINGTON AVE.
E. WASHINGTON AVE.
FIRST ST.
S. BLACKSTONE ST.
S. JACKSON ST.
W. WESLEY ST.
E. WESLEY ST.
FRANCIS
W. FRANKLIN ST.
E. FRANKLIN ST.
US-127 BR
M-50
VALER ST.
1
3
5
6
8
9
9A
14
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21

City Council

161 W. Michigan Ave. • Jackson, MI 49201
(517) 788-4028 • Facsimile (517) 768-5820

CITY COUNCIL MEETING
January 12, 2016

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Daniel P. Greer, 3rd Ward City Councilmember DPG

SUBJECT: **Resolution – Opposition to PA 269/SB 571**

Recommendation: Approve a resolution in opposition to Public Act 269 (Senate Bill 571).

Attached you will find an information piece from the Michigan Municipal League regarding the passage of SB571 and a Resolution urging the repeal of this Bill. I plan to ask that consideration of the Resolution be added to the City Council's agenda for Tuesday, January 12, 2016. I would be happy to answer any questions that you may have.

DPG:skh

Attachments

A RESOLUTION IN OPPOSITION TO
PUBLIC ACT 269/SB 571

BY THE CITY COUNCIL:

WHEREAS, Governor Snyder signed into law, with immediate effect, Public Act 269 (Senate Bill 571) despite wide spread calls for a veto of this bill, including from members of his own party; and

WHEREAS, both the Michigan Senate and the Michigan House of Representatives passed Senate Bill 571 late into the night of December 16, 2015, just prior to recessing for the year; and

WHEREAS, one of the last minute amendments made to Senate Bill 571, without the knowledge of the Michigan Municipal League or other local government organizations, and approved without any public testimony or awareness, was the new language inserted into Section 57, subsection (3); and

WHEREAS, this new law prohibits a public body, or a person acting for a public body, from using public funds or resources for the purpose of communicating any information to the electorate regarding a local ballot question that is to appear on the ballot, within 60 days of an election; and

WHEREAS, this law places an immediate gag order on entities with ballot questions on the March 8 ballot and every election thereafter; and

WHEREAS, municipal elected and appointed officials have a civic and legal duty to the residents of their communities to fully inform them regarding the issues placed before them, upon which they may exercise their constitutional right to vote; and

WHEREAS, existing laws, including the former language in Section 57, and decades of guidance from the Michigan Secretary of State, already prohibit the use of public funds to advocate for or against ballot issues; and

WHEREAS, existing laws already prohibit for an allowance for elected and appointed officials to express their views without fear of violating the act; and

WHEREAS, because the new law bans only communication on *local* ballot issues, it creates inconsistent treatment of statewide ballot questions versus local initiatives; and

WHEREAS, there are substantial questions regarding the constitutionality and legality of the new law, including a possible ban on freedom of speech.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Jackson, Michigan, calls for an immediate repeal of the new language in Section 57, subsection (3) of PA 269 of 2016; and

NOW, THEREFORE, BE IT FINALLY RESOLVED, that a copy of this Resolution be forwarded to the City of Jackson's state representatives in the Michigan House of Representatives and the Michigan Senate.

* * * * * * * * * *

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Andrew J. Wrozek, Jr., City Clerk in and for the City of Jackson, County and State aforesaid do hereby certify that the foregoing is true and complete copy of a resolution adopted by the Jackson City Council on the 12th day of January, 2016.

IN WITNESS WHEREOF, I have hereunto affixed my signature and the seal of the City of Jackson, Michigan, on this 12th day of January, 2016.

_____

Andrew J. Wrozek, Jr., City Clerk

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PA 269/SB 571

Sample Resolution

Explanation and Talking Points

History

SB 571 was initially a non-controversial 12-page bill that had bipartisan support. But on late Wednesday night (Dec. 17, 2015) the House brought the bill up for consideration and a substitute version was adopted that increased the 12-page bill to 53 pages in length. This included inserting new language into Section 57 of the existing act that deals with permissible and prohibited activities by public bodies on election-related issues. This language was inserted without any notice to the League or other local government organizations and moved without any public testimony, let alone public awareness of what was in the new version of the bill. The bill was passed around 10:30 pm Dec. 17 largely along party lines and sent to Governor Snyder for his signature.

The new language in Section 57 states:

(3) EXCEPT FOR AN ELECTION OFFICIAL IN THE PERFORMANCE OF HIS OR HER DUTIES UNDER THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.1 TO 168.992, A PUBLIC BODY, OR A PERSON ACTING FOR A PUBLIC BODY, SHALL NOT, DURING THE PERIOD 60 DAYS BEFORE AN ELECTION IN WHICH A LOCAL BALLOT QUESTION APPEARS ON A BALLOT, USE PUBLIC FUNDS OR RESOURCES FOR A COMMUNICATION BY MEANS OF RADIO, TELEVISION, MASS MAILING, OR PRERECORDED TELEPHONE MESSAGE IF THAT COMMUNICATION REFERENCES A LOCAL BALLOT QUESTION AND IS TARGETED TO THE RELEVANT ELECTORATE WHERE THE LOCAL BALLOT QUESTION APPEARS ON THE BALLOT.

In the days and weeks following approval of SB 571, many legislators—both Republicans and Democrats—said they did not fully read or know what was in the amended language. Some Republicans, after reading the bill and learning of its full negative implications and many unanswered questions, even said they encouraged the governor to veto the bill.

Despite the many concerns raised about the bill, Governor Snyder signed it into law Wednesday, Jan. 6, 2016. The governor, in a somewhat unusual move, sent out a letter explaining why he signed the legislation despite the many unknowns and questions about the bill.

In his letter, the governor also called on the Legislature to enact new legislation to address the many concerns raised by the Michigan Municipal League and other organizations. Here is an excerpt from that letter:

> *However, recognizing that many local governmental entities and schools have raised concerns regarding confusion with the new language in section 57, I am calling on the Legislature to enact new legislation to address those concerns, and clarify that the new language does not impact the expression of personal views by a public official, the use of resources or facilities in the ordinary course of business, and that it is intended only to prohibit the use of targeted, advertisement style mass communications that are reasonably interpreted as an attempt to influence the electorate using taxpayer dollars. Local governmental entities and schools should still be allowed to distribute basic information about an election including the proposed or final ballot language and the date of the election. This is keeping within the spirit of the existing restrictions in the Act. The Senate Majority Leader and the Speaker of the House have agreed to work together on follow-up legislation clarifying the provision in section 57 of the Act in time for the March 2016 election.*

New legislation to "fix" PA 269/SB 571 could be dropped in the Legislature as early as next week (week of Jan 11, 2016).

The League and several other organizations, including the Michigan Association of Counties, Michigan Townships Association, Michigan Association of School Boards, Michigan Association of School Administrators, believe there are significant constitutional and legal questions regarding PA 269, including a potential ban on freedom of speech. Repealing the provision is the only way to guarantee officials will be able to continue to give voters the facts. Ironically, Section 57, prior to the new language in SB 571, already provided the controls lawmakers were seeking.

Specific concerns with the new language:

- The previous language in Section 57 (prior to the amendments) appropriately provided an allowance of elected and appointed officials to express their views without fear of violating the act. This new subsection does not appear to account for that allowance and could be read as a ban on freedom of speech.
- The prohibition on any communication by television that references a local ballot question would seem to put every public access broadcast of a city council meeting at

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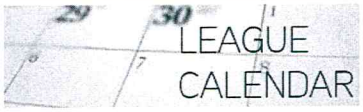

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risk for violating this new provision. There is also no allowance for a public broadcast of a debate or voter forum, even if that forum is hosted by a third party.

- Community newsletters, and potentially even election-day reminders, that are mailed to residents could be banned under this language.
- Because this language specifically bans communication on only local ballot questions, the provision creates inconsistent treatment between communicating with residents on statewide ballot questions versus local questions.
- Any violation of this section puts a community at risk for a state fine of up to $20,000 and for an individual a fine of up to $1,000 and/or a year in jail.
- Because the law took immediate effect, it places an immediate gag order on local government entities with issues on the March 8, 2016 ballot and all subsequent elections. This impacts more than 100 cities, villages, townships, school districts, counties, and other entities that have ballot questions before the voters in the March 8 election.

In summary, this language puts an undue burden on communities and their residents, blocking access to unbiased, objective communication on the local issues that matter most to the residents in every community in Michigan. Please contact your lawmakers and tell them to repeal the new language in Section 57 of PA 269.

View a joint statement from the League and other organizations calling for a repeal of this new language.

Michigan Municipal League :: 1675 Green Road, Ann Arbor MI, 48105 :: 734.662.3246 | 800.653.2483