



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, 2010
7:00 p.m.

1. **Call to Order.**
2. **Pledge of Allegiance** – Invocation by Daniel P. Greer, 3rd Ward City Councilmember.
3. **Roll Call.**
4. **Adoption of Agenda.**
5. **Presentations/Proclamations.**
 - A. Presentation by Mark Kettner, Rehmann Robson, of the City of Jackson’s audit report for fiscal year 2008/09.
 1. Review of Management Letter comments and suggestions and receipt of City responses.
6. **Citizen Comments. (3-Minute Limit)**
7. **Consent Calendar.**
 - A. Approval of the minutes of the regular City Council meetings of December 15, 2009.
 - B. Approval of the payment of the Region 2 Planning Commission Invoices, in the amount of \$8,982.32 and \$10,411.13, for planning services for the months of October and November 2009, respectively, in accordance with the recommendation of the Interim City Manager.
 - C. Approval of the request of Jackson Right to Life to conduct their annual memorial motorcade on city streets, Saturday, January 16, 2010, beginning at 10:30 a.m. (Recommended approval received from the Police, Fire, Traffic Engineering and Public Services Departments. Proper insurance coverage received.)
 - D. Approval of the request from the Jackson National Day of Prayer Task Force to conduct the National Day of Prayer service at 12:00 p.m. on Thursday, May 6, 2010, at Bucky Harris Park. (Recommended approval received from the Police, Fire, Traffic Engineering, Public Services, and Parks/Forestry Departments, and the Downtown Development Authority. Hold Harmless Agreement executed in lieu of insurance coverage.)
 - E. Receipt of CDBG Financial Summary Report through November 30, 2009.
 - F. Receipt of the 2010-2011 CDBG Proposal Book (already distributed), and reaffirmation of the establishment of the January 26, 2010, City Council meeting as the date and time to hold a Public Hearing to receive comments on housing and community development needs and allow applicants to present their proposals.
 - G. Establishment of the January 26, 2010, City Council meeting as the date and time to hold a Public Hearing to consider an amendment to a Brownfield Plan for MiraMed Revenue Group, for property located at 249-269 W. Michigan Avenue, to include property located at 230 W. Cortland Street, as recommended by the Jackson Brownfield Redevelopment Authority (JBRA), and the Community Development Director.

- H. Establishment of the January 26, 2010, City Council meeting as the date and time to hold a Public Hearing to consider an Obsolete Property Rehabilitation District (OPRD #7) at property located at 230 W. Cortland Street.
- I. Establishment of the January 26, 2010, City Council meeting as the date and time to hold a Public Hearing to consider an Obsolete Property Rehabilitation Act (OPRA) Tax Exemption Certificate for property located at 230 W. Cortland Street.
- J. Establishment of the January 26, 2010, City Council meeting as the date and time to hold a Public Hearing to consider a Personal Property Act Tax Exemption Certificate (PA 328) for property located at 230 W. Cortland Street.

8. **Committee Reports.**

9. **Appointments.**

- A. Approval of the Mayor's recommendation to appoint Steven Duke to the Local Development Finance Authority/Brownfield Redevelopment Authority filling a current vacancy, beginning immediately and ending June 3, 2011.

10. **Public Hearings.**

Recess as a City Council and convene as a Board of Review:

- A. Public hearing on Special Assessment Roll No. 3355 for street construction on Daniel Road from Higby Street to Wildwood Avenue.
 - 1. Resolution confirming Roll No. 3355.
- B. Public hearing on Special Assessment Roll No. 3356 for street construction on Wildwood Avenue from Daniel Road to Wisner Street.
 - 1. Resolution confirming Roll No. 3356.
- C. Public hearing on Special Assessment Roll No. 3357 for street construction on Wildwood Avenue from Wisner Street to West Avenue.
 - 1. Resolution confirming Roll No. 3357.

Adjourn as a Board of Review and reconvene as City Council.

11. **Resolutions.**

- A. Consideration of a resolution approving the cost-participation agreement and contract between the City and the Michigan Department of Transportation (MDOT) for the non-motorized path project along the Grand River between Louis Glick Highway and North Street, and the watermain replacement on Mechanic Street north of Ganson Street, with an estimated cost of \$1,671,000.00 (City's portion is \$694,400.00), and authorization for the Mayor and City Clerk to execute the appropriate contract document(s), in accordance with the recommendation of the City Engineer.
- B. Consideration of a resolution amending the 2009-2010 (Year 35) HOME budget reallocating funds from the HOME Administration account to the JAHC Administration in the amount of \$5,000.00.
- C. Consideration of a resolution amending the Fiscal Year 2008-2009 (Year 34) and 2009-2010 (Year 35) Community Development Block Grant (CDBG) budgets allocating additional CDBG program income in the amount of \$3,329.00 to the CDBG Cleanup.
- *D. Item deleted.**
- *E.** Consideration of a resolution honoring Charles Reisdorf, Executive Director of the Region 2 Planning Commission upon his retirement for his many years of dedicated service.

12. **Ordinances.**

- A. Consideration of an Ordinance amending Chapter 5, Section 5-3, City Code, to modify the requirements for building demolition.
- B. Final adoption of Ordinance No. 2010.01 amending Chapter 21, Article III, Subsection 21-56(c), City Code, amending age qualifications for the Police Reserve Unit.

13. **Other Business.**
 - A. Consideration of the request by the First Church of Christ, Scientist, for authorization to remain in the Christian Science Reading Room premises, Hayes Hotel, until February 28, 2010, and authorization for the City Attorney to execute the appropriate documents to effectuate the extension of time.
 - B. Consideration of the Mayor's request to establish work sessions for City Councilmembers one-hour prior (6:00 p.m.) to each regularly scheduled City Council meeting. (Item postponed at the December 15, 2009, Council meeting.)

14. **New Business.**
 - A. Consideration of the request to approve the purchase of a 2010 GMC Sierra 2500 HD Work Truck from Red Holman Pontiac - GMC, Westland, in the amount of \$35,304.00, through the Oakland County Co-Operative Purchasing Contract, document number USCTY-2457, and authorization for the Mayor and City Clerk to execute the appropriate document(s), in accordance with the recommendation of the City Engineer.
 - B. Consideration of the request to approve a Separation Agreement between Mr. Glenn Chinavare and the City, and authorization for the Mayor and Interim City Manager to execute the appropriate document(s), and for the City Attorney to take all other action necessary to effectuate the terms of the Separation Agreement.
 - C. Consideration of the request to approve a Separation Agreement between Mr. William Ross and the City, and authorization for the Mayor to execute the appropriate document(s), and for the City Attorney to take all other actions necessary to effectuate the execution and implementation of the Separation Agreement.
 - D. Consideration of matters related to the City Manager search.

15. **City Councilmembers' Comments.**

16. **Manager's Comments.**

17. **Adjournment.**

***Item deleted, added or changed.**

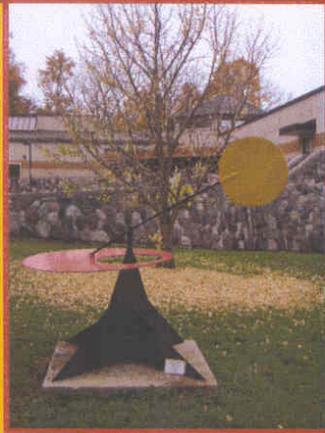
City of Jackson

Fiscal Year Ended
June 30, 2009

Comprehensive Annual Financial Report



Annual Financial Report



CITY OF JACKSON, MICHIGAN

Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2009

**Including
Single Audit Act Compliance**

Prepared by:

**Philip J. Hones, Finance Director
Steven P. Maga, Staff Accountant**

**City of Jackson, Michigan
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009**

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INTRODUCTORY SECTION



CITY MANAGER

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

December 8, 2009

**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, 2009.

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, P.C., 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, 2009 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 unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2009 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 36,218 based on the 2000 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.

The local economy in the City of Jackson continued to have successes throughout 2008 and into 2009 despite the sluggishness of the State's economy. Overall successes show that the area created 20 new jobs, retained 380, and generated \$22.5 million in new investment.

Within the City, EPA brownfield funds continue to be used to assist developers with the purchase and expansion of businesses. In the past year, the City has leveraged \$203,021 in Assessment Grant funding from the US EPA to complete 2 brownfield plans and assess environmental conditions at 15 sites. In addition, \$30,000 in Local Site Remediation Revolving Fund (LSRRF) dollars has been allocated to brownfield projects. The US EPA Assessment Grant and LSRRF dollars continues to support both private sector developers and public sector projects. The City was recently awarded a \$1 million revolving loan fund by the US EPA that will be utilized in the coming months to further assist business in the cost of cleanup activities for environmentally contaminated properties that would otherwise be left undeveloped.

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. The City's ad valorem taxable value has grown .26% annually, on average, since fiscal year 2006 to nearly \$753 million. The City has experienced, as have other communities in Michigan as well as across the country, a decline since the previous fiscal year, down from approximately \$768 million. State equalized values (50% of estimated true market values) have also declined – for the second year in a row - to \$864 million. Market values, especially in the residential sector, can be expected to continue to show minimal losses, in the future as the housing markets continue to suffer from the nation-wide mortgage crisis.

There are several important economic development projects that are either under construction or in the final approval stage that will have a major impact on the economy of the community.

The Armory Arts project opened in 2008 with 62 apartments, studio space for artists, display areas and national recognition. The plans for the second phase of the project have been approved and the developer is applying to the State of Michigan for funding assistance to create additional housing and retail space. Recently, the Michigan State Housing and Development Authority allocated \$375,000 in Neighborhood Stabilization Grant Funding to assist with the Demolition of the blighted Acme Building. In addition HUD allocated \$332,500 in Economic Development Initiative funding. The demolition of this structure will provide a safe and open entryway in to the Armory Arts Project. The first phase of the Armory Arts project attracted artists to Jackson from all over the United States.

The Grand River Arts Walk is a non-motorized path that connects downtown with the Armory Arts Village and neighborhoods on the north side of the City. \$605,000 in funding from various state grants and \$27,800 in local funding has been utilized for this project.

Allegiance Health Service opened a new neuromuscular specialty center on its campus. The new building is three stories and about 60,000 square feet in area. The cost of the facility is estimated to be \$20 million. The project is a partnership between Allegiance Health Service and Frauenshuh Healthcare Real Estate Services. The building will house rehabilitation, lab and diagnostic services as well as offices for numerous medical specialists.

Cox Brothers Machining (CBM) moved their operations from Spring Arbor Township to the City to occupy the former EDSCHA building. This project calls for the rehabilitation of a 203,000 square foot industrial building on a 9.3 acre site with an initial cost of \$700,000 with more investment anticipated in 2010. CBM employees are required to be highly skilled and certified in bridge construction techniques in accordance with Department of Transportation standards.

Full Spectrum Solutions continued construction on their new building that will be LEED certified. The County's Economic Development Corporation made a \$200,000 loan to assist the company.

The Pinson Urology and Continence Center moved from Summit Township to a new facility at the former Anesthesia Business Consultants Office Complex at 744 West Michigan Avenue. The renovation of this building is estimated to be \$300,000 initially with further investments anticipated over the next 10 years to completely rehab the complex and provide offices for more doctors.

These favorable trends are counterbalanced, in large measure, however, by other factors. The decrease in the assessed value of taxable property in the City has been further 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 under which the City must operate.

Another continuing financial challenge for the City is the escalating costs of insurance - both for employees/retirees as well as property and liability. Greater revenue growth together with cost containment measures will continue to be necessary to mitigate future stress on City finances. In addition, the State's continued decline - in both real and actual monetary terms - in the distribution of State shared revenues continues to produce a substantial amount of fiscal anxiety. 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.

Cash management policies and practices. The City is conservative in its approach to cash management. Generally, cash is deposited upon receipt in interest bearing accounts. Cash from various funds may then be transferred into a governmental pool in accordance with State statutes to maximize investment earnings. Investment income is allocated to the various funds based upon their respective participation. Cash that is temporarily in excess of meeting the daily cash flow demands of the City is invested in certificates of deposit with maturities ranging from 30 to 90 days, unless matched to a specific cash flow requirement, where the maturity may be longer. This is in conformity with the City's investment policy to provide the highest return with the maximum security. The City's permanent fund's cash are generally invested in U.S. government-backed securities while Pension and Other Employee Benefit Trust Fund assets are invested in corporate stocks and bonds, mutual funds, United States government-backed securities, cash and cash equivalents in conformance with state statute. These investments are consistent with the City's policy to minimize credit and market risk while maintaining a competitive yield on its portfolio.

Risk management Under a comprehensive plan of risk management, the City maintains property and liability insurance coverage through commercial carriers and the Michigan Municipal League insurance pools. The City currently has a self-insurance program for its workers compensation and also self-insures the deductible portion of certain health insurance providers as well as prescription coverage.

Pension and other postemployment benefits. The City administers three defined benefit pension plans - Employees' Retirement System, Policemen's and Firemen's Pension and Policemen's and Firemen's Pension-Act 345 - for its full-time employees. Each year, an independent actuary is engaged by each of the three employee retirement systems and calculates the amount of the annual contribution that the City must make to each pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the City fully funds each year's annual required contribution to each of the pension plans as determined by the actuary. The City had succeeded as of June 30, 2008, the date of the latest actuary reports, in funding 87.1 percent, 54.3 percent and 60.8 percent, respectively, of the present value of the projected benefits earned by employees in each of the plans. The surplus/unfunded amounts are being systematically amortized over varying time periods ranging from 10 to 30 years as part of the annual required contributions calculated for each plan by the actuary.

The City also provides postretirement health care benefits for retirees and their dependents in varying levels based, in most cases, on years of service and date of hire. As of the end of the current fiscal year, there were approximately 117 retired employees who have not reached age 65 receiving these benefits, which are funded as incurred. GAAP does not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits. Additional information on the City's retirement system and postemployment benefits can be found in Note 4-D in the notes to the financial statements.

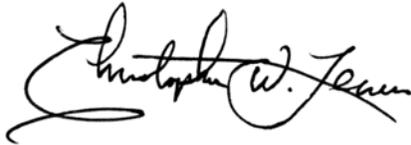
Awards and Acknowledgements

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, 2008. This was the eighteenth 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,

A handwritten signature in black ink, appearing to read "Christopher W. Lewis". The signature is fluid and cursive, with a large initial "C" and "L".

Christopher W. Lewis, Acting City Manager

A handwritten signature in black ink, appearing to read "Philip J. Hones". The signature is cursive and somewhat stylized.

Philip J. Hones, City Finance Director

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

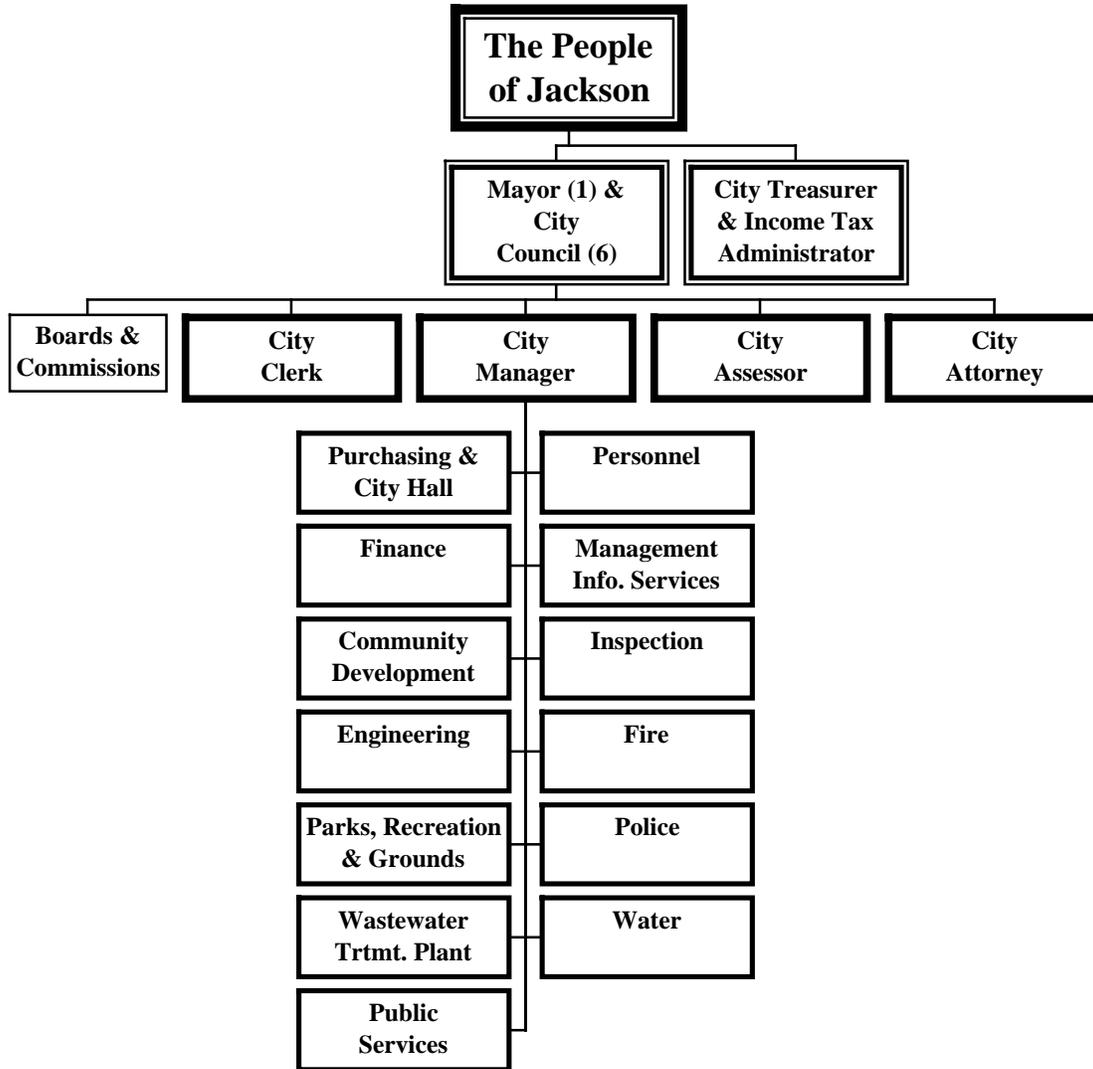


President

Executive Director



City of Jackson, Michigan Organizational Chart



**City of Jackson, Michigan
List of Principal Officials**



CITY COUNCIL

Karen F. Dunigan, Mayor

Carl L. Breeding	1st Ward
Robert B. Howe	2nd Ward
Daniel P. Greer	3rd Ward
Kenneth E. Gaiser	4th Ward
Andrew R. Frounfelker	5th Ward
John R. Polaczyk	6th Ward

CITY OFFICIALS

Christopher W. Lewis, Acting City Manager

Michael Beyerstedt	Acting Fire Chief
Jon Dowling	City Engineer/Acting Director of Public Services
Lynn Fessel	City Clerk
Julius Giglio	City Attorney
Matthew Heins	Police Chief
Philip J. Hones	Finance Director
Carol Konieczki	Community Development Director
Christopher W. Lewis	Director of Personnel
David Taylor	City Assessor
James Parrott	Director of Parks, Recreation & Grounds
Paul Vermaaten	Dir. of Sewage Trtmt. Serv. & Fac./Acting Water Supt.
Andrew J. Wrozek, Jr.	City Treasurer/Income Tax Administrator

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

December 8, 2009

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *City of Jackson, Michigan*, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Jackson's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3-14 and the GASB Statements 25 and 45 supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Jackson'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 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 Non-Profit Organizations*, and is also not a required part of the basic financial statements of the City of Jackson. The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

As discussed in Note 3-I to the financial statements, the beginning net assets of the governmental activities were decreased by \$288,690 to reflect the Employee Health Care Fund being properly classified as an other employee benefit trust fund in the current year, rather than as a special revenue fund as it had been in prior years.

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

MANAGEMENT'S DISCUSSION and ANALYSIS

Management's Discussion and Analysis

As management of the *City of Jackson, Michigan*, 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, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$104,645,363 (*net assets*). Of this amount, \$15,998,207 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$3,932,598.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$6,753,187, a decrease of \$1,357,450 in comparison with the prior year. Approximately 48% of this total amount, or \$3,244,667, is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$854,812 or 3.5 percent of total general fund expenditures. Related to this, the City's Budget Stabilization (special revenue) Fund, which is intended to support the General Fund, reported unreserved fund balance of \$1,603,500, or 6.6% of total general fund expenditures.
- The City's total bonded debt decreased by \$2,369,000 during the current fiscal year; The City defeased \$1,835,000 in existing Water Supply System Revenue Bonds by issuing \$1,051,000 in new Water Supply System Revenue Refunding Bonds and purchasing securities with \$852,900 in existing Water Fund cash, decreasing the overall bonded debt by \$784,000; existing debt of \$1,585,000 was retired.

Overview of the Financial Statements

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

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

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.

The government-wide financial statements can be found on pages 15-17 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 thirty-four 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, Community Development Block Grant and Special Assessment Capital Projects funds, each of which are considered to be major funds. Data from the other thirty-two 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.

The basic governmental fund financial statements can be found on pages 18-24 of this report.

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 and its remaining parking system 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 internal service funds are non-major and individual 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 and water operations, both of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 25-28 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial 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.

The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-60 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This includes a schedule concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 61-64 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 65-112 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Jackson, assets exceeded liabilities by \$104,645,363 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (79 percent) 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.

City's of Jackson's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$15,126,434	\$15,936,224	\$17,190,303	\$19,252,840	\$ 32,316,737	\$ 35,189,064
Capital assets, net	71,312,131	72,014,919	58,945,206	58,318,398	130,257,337	130,333,317
Total assets	86,438,565	87,951,143	76,135,509	76,571,238	162,574,074	165,522,381
Long-term liabilities outstanding	48,460,090	49,917,087	2,158,163	3,359,421	50,618,253	53,276,508
Other liabilities	6,449,419	2,440,044	861,039	1,227,868	7,310,458	3,667,912
Total liabilities	54,909,509	52,357,131	3,019,202	4,587,289	57,928,711	56,944,420
Net assets:						
Invested in capital assets, net of related debt	25,292,037	22,909,620	57,102,607	55,168,398	82,394,644	78,078,018
Restricted	6,084,912	5,250,943	167,600	1,447,009	6,252,512	6,697,952
Unrestricted	152,107	7,433,449	15,846,100	16,368,542	15,998,207	23,801,991
Total Net Assets	\$31,529,056	\$35,594,012	\$73,116,307	\$72,983,949	\$104,645,363	\$108,577,961

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

The government's net assets decreased by \$3,932,598 during the current fiscal year. Governmental activities decreased \$4,064,956, while business-type activities increased \$132,358. The decrease in the governmental activities is largely attributable to the initial reporting of the net other postemployment benefit obligation for health care which, by itself, contributed \$3,661,826 toward the decrease in net assets. The relatively small increase in net assets in the business-type activities resulted from increases in the Sewage and Water Funds totaling \$348,477 offset by small decreases in the Parking Deck and other nonmajor enterprise funds.

City of Jackson's Changes in Net Assets

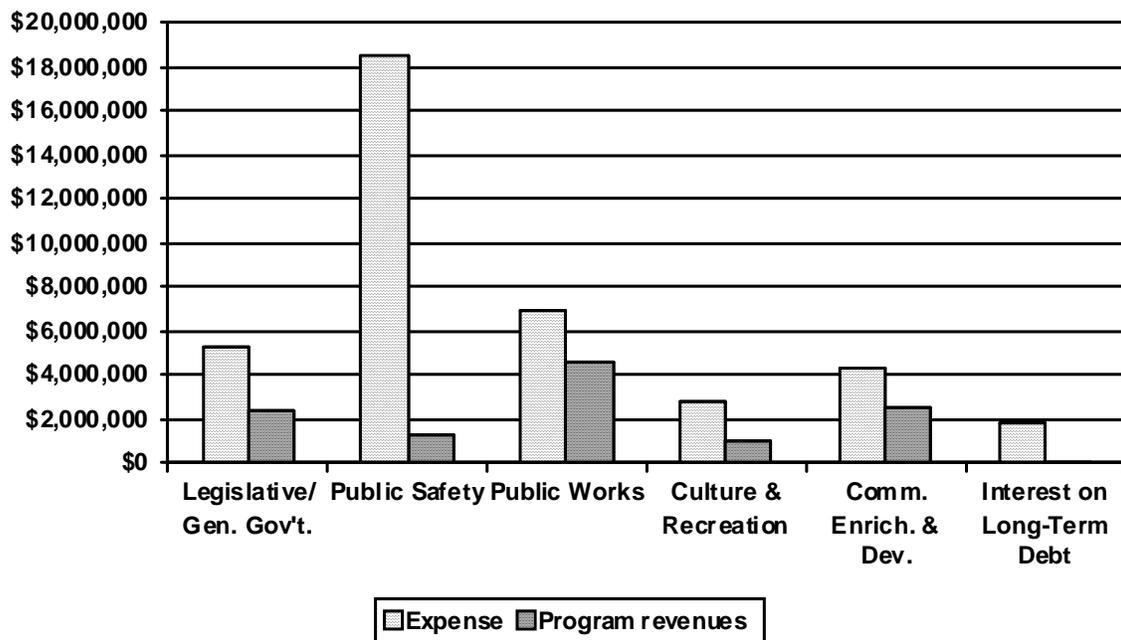
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue:						
Program revenues:						
Charges for services	\$ 4,545,223	\$ 4,576,960	\$11,741,153	\$11,987,813	\$16,286,376	\$16,564,773
Operating grants and contributions	5,964,746	5,954,457	-	-	5,964,746	5,954,457
Capital grants and contributions	1,444,563	1,119,751	-	-	1,444,563	1,119,751
General revenues:						
Property taxes	10,488,646	10,710,438	-	-	10,488,646	10,710,438
Income taxes	7,645,706	7,946,837	-	-	7,645,706	7,946,837
Grants and contributions not restricted to specific programs	5,730,532	5,390,450	225,628	527,454	5,956,160	5,917,904
Other	300,223	613,778	357,139	781,190	657,362	1,394,966
Total revenues	36,119,639	36,312,671	12,323,920	13,296,457	48,443,559	49,609,128
Expenses:						
Legislative	84,987	100,856	-	-	84,987	100,856
General government	5,590,322	5,106,778	-	-	5,590,322	5,106,778
Public safety	18,514,730	16,474,297	-	-	18,514,730	16,474,297
Public works	6,982,096	6,363,857	-	-	6,982,096	6,363,857
Culture and recreation	2,823,240	2,484,262	-	-	2,823,240	2,484,262
Community enrichment	4,276,212	3,836,177	-	-	4,276,212	3,836,177
Interest on long-term debt	1,823,284	1,767,307	-	-	1,823,284	1,767,307
Sewer	-	-	5,186,279	5,405,194	5,186,279	5,405,194
Water	-	-	6,315,543	5,896,097	6,315,543	5,896,097
Parking system	-	-	708,936	743,253	708,936	743,253
Golf practice center	-	-	70,528	71,092	70,528	71,092
Total expenses	40,094,871	36,133,534	12,281,286	12,115,636	52,376,157	48,249,170
Change in net assets before transfers	(3,975,232)	179,137	42,634	1,180,821	(3,932,598)	1,359,958
Transfers	(89,724)	(129,336)	89,724	129,336	-	-
Change in net assets	(4,064,956)	49,801	132,358	1,310,157	(3,932,598)	1,359,958
Net assets, beginning of year, as restated	35,594,012	35,544,211	72,983,949	71,673,792	108,577,961	107,218,003
Net assets, end of year	\$31,529,056	\$35,594,012	\$73,116,307	\$72,983,949	\$104,645,363	\$108,577,961

Governmental activities. Governmental activities decreased the City's net assets by \$4,064,956 during fiscal year 2009. As indicated earlier, the decrease in the governmental activities is largely attributed to the initial reporting of the postemployment benefit obligation for health care which, by itself, contributed \$ 3,661,826 toward the decrease in net assets.

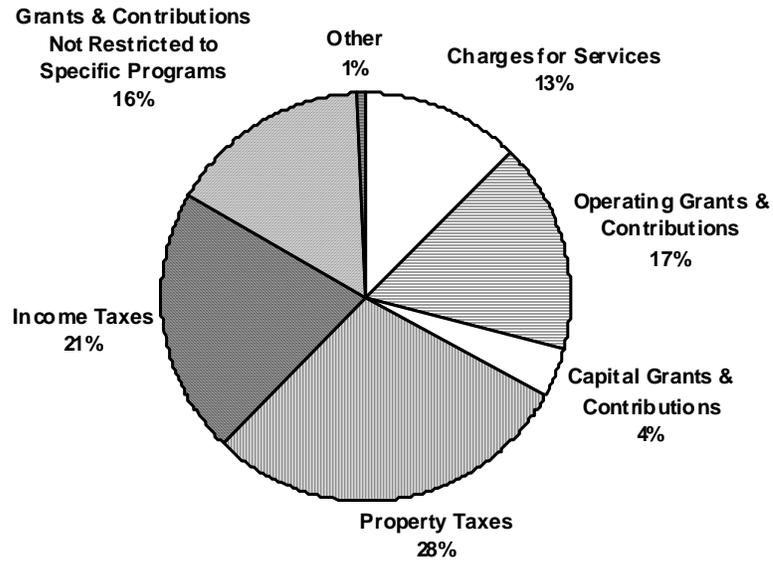
Other elements of this decrease are as follows:

- Property taxes declined nearly \$222,000 as total taxable value declined for the first time in recent memory.
- Capital grants and contributions increased nearly \$325,000 largely reflective of increases in federal highway grant funds utilized in the Major Street (special revenue) Fund.
- Income taxes declined by \$301,000, or 3.8% following a fiscal year (2008) that saw a 1.6 % increase. This decline is viewed as symbolic of the State's economic trend as a whole; however, the City is optimistic that income tax will again rise at a healthy rate with recent news of jobs growth within the City that should occur during the next few years.
- Other revenue and expenditure categories reflected smaller total changes from the prior fiscal year and were due to a wider variety of factors.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities

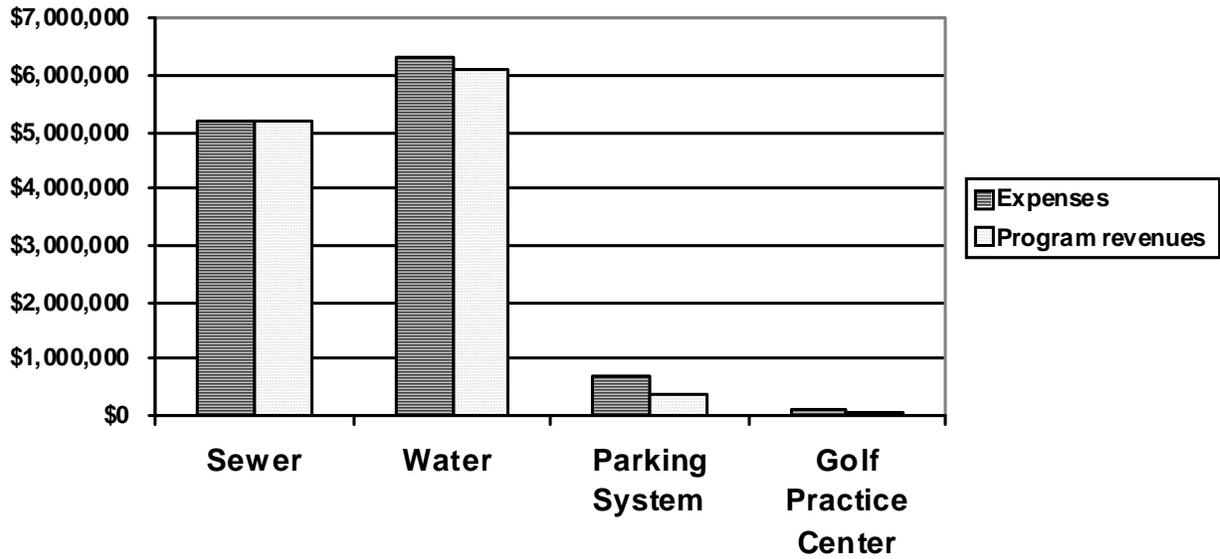


Business-type activities. Business-type activities increased the City’s net assets by \$132,358. This relatively small increase, as indicated previously, resulted from increases in the Sewage and Water Funds totaling \$348,477 offset by small decreases in the Parking Deck and other nonmajor enterprise funds.

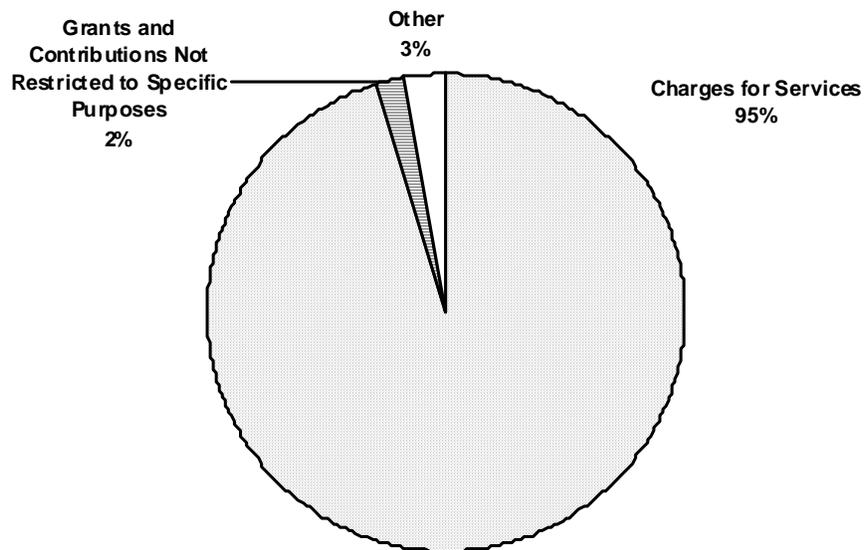
Key elements of this increase are as follows:

- During the fiscal year sewer rates were not increased. The Sewer Fund charges for services decreased \$64,727 (1.2%) from the previous fiscal year due largely to decreases in concentration/strength of the billable flow treated as well as slight variations in the volume.
- Water rates also remained unchanged from the prior fiscal year; however, charges for services decreased \$132,861, or 2.2% largely as a result of decreased water usage associated with the residential and industrial users somewhat offset by increases in the commercial users, more specifically the State Prison.
- Other income, which represents revenues not related to investment income or charges for services, decreased over \$308,000 largely as a result of the decline in the state grant of \$247,262 utilized for the well abandonment project.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$6,753,187, a decrease of \$1,357,450 in comparison with the prior year. Approximately 48% of this total amount, or \$3,244,667, is *available for spending* at the government's discretion (*unreserved fund balance*). The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) to generate income for cemetery perpetual care and endowments related to Ella Sharp Park and facilities (\$2,785,522), 2) for residential property rehabilitation programs (\$354,037), 3) for funds advanced on a long term basis (\$210,000), or 4) for inventory and prepaid expenditures (\$122,978 and \$35,983, respectively).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$854,812, while total fund balance was \$1,103,981. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 3.5 percent of total general fund expenditures while total fund balance represents 4.5 percent of total general fund expenditures. In addition, the City maintains a Budget Stabilization (special revenue) Fund which can be used to provide funding to the General Fund under certain circumstances (to avoid a deficit, prevent a reduction in the level of public services, etc.). This fund had unreserved and total fund balance of \$1,603,500 at June 30, 2009 which represents 6.6% of total general fund expenditures.

The fund balance of the City's General Fund decreased by \$1,353,753 during the current fiscal year. Decreases in property and income taxes as well as interest were offset by an increase in intergovernmental revenues. The decline in property and income taxes has been explained in a previous section regarding governmental activities while the decline in interest earnings reflects the reduction in market interest rates which have remained historically low through much of the year.

The Community Development Block Grant Fund had a small increase of \$47,655 in fund balance for the current year resulting in an ending total of \$354,037. This entire ending fund balance is reserved for the City's Residential Property Rehabilitation Programs.

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 \$115,520. This fund, which has a deficit by its nature, recorded \$269,082 in new assessment rolls receivable during the fiscal year while receiving collections on such receivables totaling \$384,602.

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

Unrestricted net assets of the Sewage Fund and Water Fund at the end of the year amounted to \$8,431,927 and \$6,290,932, respectively. The Sewage Fund had an increase in net assets for the year of \$271,103, whereas the Water Fund had an increase of \$77,344. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the original and final amended budgeted revenues were largely attributable the unexpected decrease in income taxes over that projected. Income tax revenues fell short of projections by \$354,294, or 4.4%. Most of this decrease had occurred in the final quarter of the fiscal year and appears to be largely associated with a larger number of tax refunds than anticipated. This unfavorable variance was further increased by the decline in interest revenue which fell short of budget projections by \$95,074 or 48%. As indicated earlier, market interest rates have been held to their lowest points in recent memory.

Expenditures were favorable when compared to budget in total by \$7,154. Those General Fund activity budgets that were exceeded were, in most instances, due to unanticipated year-end expenditures. The actual decrease in fund balance of \$1,353,753 exceeded the anticipated budgeted decrease of \$972,730 by \$381,023, or 1.6% of expenditures.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of June 30, 2009, amounted to \$130,257,337 (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 decrease in the City's investment in capital assets for the current fiscal year was \$75,980 or .06 percent (a .99 percent decrease for governmental activities and a 1.07 percent increase for business type activities).

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

- Infrastructure improvements of approximately \$1.9 million comprised largely of street and bridge construction.
- Various water and sewer system improvements totaling approximately \$4.2 million, including construction in progress of \$2.9 million for sewer plant improvements, water distribution mains of \$868,000 and sewer line replacements of approximately \$494,000.

City of Jackson's Capital Assets (net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 2,440,383	\$ 2,440,383	\$ 8,956,886	\$ 8,956,886	\$ 11,397,269	\$ 11,397,269
Systems	-	-	35,284,607	32,681,070	35,284,607	32,681,070
Land improvements	14,188,954	14,504,218	1,678,160	1,754,294	15,867,114	16,258,512
Infrastructure	35,630,383	35,998,871	-	-	35,630,383	35,998,871
Buildings and improvements	12,155,136	12,421,006	10,550,613	10,807,037	22,705,749	23,228,043
Park and recreation facilities	4,272,756	3,996,027	-	-	4,272,756	3,996,027
Machinery and equipment	2,624,519	2,654,414	2,474,940	2,686,593	5,099,459	5,341,007
Construction in progress	-	-	-	1,432,518	-	1,432,518
Total	\$71,312,131	\$72,014,919	\$58,945,206	\$58,318,398	\$130,257,337	\$130,333,317

Additional information on the City's capital assets can be found in note 3-C on pages 44-46 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$47,284,577. Of this amount, \$45,608,577 comprises debt backed by the full faith and credit of the government. The remainder of the City’s debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of Jackson’s Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 45,608,577	\$ 46,898,577	\$ -	\$ -	\$ 45,608,577	\$ 46,898,577
Revenue bonds	-	-	1,676,000	2,755,000	1,676,000	2,755,000
Total	<u>\$ 45,608,577</u>	<u>\$ 46,898,577</u>	<u>\$ 1,676,000</u>	<u>\$ 2,755,000</u>	<u>\$ 47,284,577</u>	<u>\$ 49,653,577</u>

The City’s total bonded debt decreased by \$2,369,000 (4.8 percent) during the current fiscal year. The City defeased \$1,835,000 in existing Water Supply System Revenue Bonds by issuing \$1,051,000 in new Water Supply System Revenue Refunding Bonds and purchasing securities with \$852,900 in existing Water Fund cash, decreasing the overall bonded debt by \$784,000. This defeasance shortened the remaining maturity by three years – from July 1, 2016 to July 1, 2013 – and resulted in a net present value savings of \$65,667. Existing bonded debt maturities that were retired during the fiscal year totaled \$1,585,000.

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 \$86,354,230, which is significantly in excess of the City’s outstanding general obligation debt.

Additional information on the City’s long-term debt can be found in note 3-F on pages 48-51 of this report.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered in preparing the City’s budget for the 2009/10 fiscal year:

- The unemployment rate for the City is currently 20.9 percent (9/09), which is an increase from a rate of 11.6 percent a year ago (9/08). This compares unfavorably to the state’s average unemployment rate of 15.3 percent and the national average rate of 9.8 percent. This decline in the employment levels will continue to have a negative effect on this year’s income tax revenues.
- Property tax revenues have decreased 2.0 percent over the prior fiscal year, which is the result of both the decline in taxable values of both the ad valorem roll as well the industrial facilities tax.
- Inflationary trends in the region compare favorably to national indices.

During the 2009 fiscal year, unreserved fund balance in the General Fund decreased to \$854,812. The City has appropriated \$459,254 of this amount for spending in the 2009/10 fiscal year budget. Such appropriation is intended to offset stagnant growth in state shared revenues while attempting to maintain current staffing levels and service commitments to the public.

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.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Jackson, Michigan
Statement of Net Assets
June 30, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Brownfield Redevelopment Authority	Downtown Development Authority
Assets					
Pooled cash and investments	\$ 5,252,024	\$ 14,204,138	\$ 19,456,162	\$ 3,018,672	\$ 298,993
Pooled cash and investments - restricted	2,847,728	167,600	3,015,328	-	-
Receivables, net	6,506,604	2,627,173	9,133,777	-	-
Interfund balances	110,000	(110,000)	-	-	-
Prepays and other assets	410,078	301,392	711,470	-	-
Capital assets not being depreciated	2,440,383	8,956,886	11,397,269	-	-
Capital assets being depreciated, net	68,871,748	49,988,320	118,860,068	-	-
Total assets	86,438,565	76,135,509	162,574,074	3,018,672	298,993
Liabilities					
Accounts payable and accrued liabilities	2,529,864	736,039	3,265,903	1,284	6,127
Accrued interest payable	257,729	-	257,729	-	-
Unearned revenue	-	125,000	125,000	-	-
Long-term debt:					
Due within one year	3,039,000	204,924	3,243,924	-	-
Due in more than one year	45,421,090	1,953,239	47,374,329	-	-
Other noncurrent liability - net other postemployment benefit obligation	3,661,826	-	3,661,826	-	-
Total liabilities	54,909,509	3,019,202	57,928,711	1,284	6,127
Net assets					
Invested in capital assets, net of related debt	25,292,037	57,102,607	82,394,644	-	-
Restricted for:					
Debt service	42,961	167,600	210,561	-	-
Capital projects	752,253	-	752,253	-	-
Endowments	2,895,522	-	2,895,522	-	-
Budget stabilization	1,603,500	-	1,603,500	-	-
Public improvement and recreation	436,639	-	436,639	-	-
Rehabilitation programs	354,037	-	354,037	-	-
Unrestricted	152,107	15,846,100	15,998,207	3,017,388	292,866
Total net assets	\$ 31,529,056	\$ 73,116,307	\$ 104,645,363	\$ 3,017,388	\$ 292,866

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

City of Jackson, Michigan
Statement of Activities
For the Fiscal Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenue			Net Revenue (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$ 84,987	\$ -	\$ -	\$ -	\$ (84,987)
General government	5,590,322	2,428,596	10,870	-	(3,150,856)
Public safety	18,514,730	834,882	416,212	-	(17,263,636)
Public works	6,982,096	210,631	2,981,312	1,443,999	(2,346,154)
Culture and recreation	2,823,240	958,743	5,000	-	(1,859,497)
Community enrichment and development	4,276,212	47,371	2,551,352	564	(1,676,925)
Interest on long-term debt	1,823,284	65,000	-	-	(1,758,284)
Total governmental activities	<u>40,094,871</u>	<u>4,545,223</u>	<u>5,964,746</u>	<u>1,444,563</u>	<u>(28,140,339)</u>
Business-type activities:					
Sewer	5,186,279	5,191,275	-	-	4,996
Water	6,315,543	6,107,970	-	-	(207,573)
Parking system	708,936	387,882	-	-	(321,054)
Golf practice center	70,528	54,026	-	-	(16,502)
Total business-type activities	<u>12,281,286</u>	<u>11,741,153</u>	<u>-</u>	<u>-</u>	<u>(540,133)</u>
Total primary government	<u>\$ 52,376,157</u>	<u>\$ 16,286,376</u>	<u>\$ 5,964,746</u>	<u>\$ 1,444,563</u>	<u>\$ (28,680,472)</u>
Component units					
Brownfield redevelopment	\$ 1,271,194	\$ -	\$ -	\$ -	\$ (1,271,194)
Downtown development	118,966	32,027	25,000	-	(61,939)
Total component units	<u>\$ 1,390,160</u>	<u>\$ 32,027</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ (1,333,133)</u>

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City of Jackson, Michigan
Statement of Activities (Concluded)
For the Fiscal Year Ended June 30, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Brownfield Redevelopment Authority	Downtown Development Authority
Net revenue (expense)	\$ (28,140,339)	\$ (540,133)	\$ (28,680,472)	\$ (1,271,194)	\$ (61,939)
General revenues					
Property taxes	10,488,646	-	10,488,646	1,436,799	92,692
Income taxes	7,645,706	-	7,645,706	-	-
Grants and contributions not restricted to specific purposes	5,730,532	225,628	5,956,160	-	6,360
Unrestricted interest earnings	300,223	357,139	657,362	61,847	8,246
Transfers - internal activities	(89,724)	89,724	-	-	-
Total general revenues and transfers	24,075,383	672,491	24,747,874	1,498,646	107,298
Change in net assets	(4,064,956)	132,358	(3,932,598)	227,452	45,359
Net assets					
Beginning of year, as restated	35,594,012	72,983,949	108,577,961	2,789,936	247,507
End of year	\$ 31,529,056	\$ 73,116,307	\$ 104,645,363	\$ 3,017,388	\$ 292,866

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

FUND FINANCIAL STATEMENTS

City of Jackson, Michigan
Governmental Funds Balance Sheet
June 30, 2009

	<u>General</u>	<u>Community Development Block Grant</u>	<u>Special Assessment Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Totals</u>
<u>ASSETS</u>					
Assets					
Pooled cash and investments	\$ -	\$ 320,113	\$ -	\$ 4,274,753	\$ 4,594,866
Accounts receivables, net	151,087	-	-	318,700	469,787
Taxes receivable	2,091,187	-	-	-	2,091,187
Other receivables	-	-	904,067	18,448	922,515
Due from other governments	608,103	308,439	-	718,613	1,635,155
Due from other funds	41,866	622	-	48,080	90,568
Interfund receivable	-	-	-	1,603,500	1,603,500
Inventories	113,186	-	-	9,792	122,978
Prepaid expenditures	35,983	-	-	-	35,983
Restricted assets - cash and cash equivalents	-	188,881	-	-	188,881
Loans receivable	-	1,126,125	-	-	1,126,125
Long-term advances to other funds	100,000	-	-	110,000	210,000
Total assets	\$ 3,141,412	\$ 1,944,180	\$ 904,067	\$ 7,101,886	\$ 13,091,545
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities					
Accounts payable	\$ 195,253	\$ 329,132	\$ -	\$ 270,747	\$ 795,132
Accrued payroll	591,927	34,886	-	102,250	729,063
Other liabilities	86,479	-	-	-	86,479
Due to other funds	9,292	-	-	81,276	90,568
Interfund payable	1,154,480	-	-	454,181	1,608,661
Deferred revenue	-	1,126,125	904,067	-	2,030,192
Long-term advances from other funds	-	100,000	898,263	-	998,263
Total liabilities	2,037,431	1,590,143	1,802,330	908,454	6,338,358
Fund balances					
Reserved for:					
Residential property rehabilitation programs	-	354,037	-	-	354,037
Inventories	113,186	-	-	9,792	122,978
Prepaid expenditures	35,983	-	-	-	35,983
Perpetual care and endowment	-	-	-	2,785,522	2,785,522
Advances	100,000	-	-	110,000	210,000
Unreserved:					
Designated:					
For subsequent year's expenditures	459,254	-	-	-	459,254
Reported in nonmajor special revenue funds	-	-	-	356,811	356,811
Undesignated (deficit)	395,558	-	(898,263)	-	(502,705)
Undesignated, reported in nonmajor :					
Special revenue funds	-	-	-	2,136,093	2,136,093
Debt service funds	-	-	-	42,961	42,961
Capital projects funds	-	-	-	752,253	752,253
Total fund balances (deficit)	<u>1,103,981</u>	<u>354,037</u>	<u>(898,263)</u>	<u>6,193,432</u>	<u>6,753,187</u>
Total liabilities and fund balances	\$ 3,141,412	\$ 1,944,180	\$ 904,067	\$ 7,101,886	\$ 13,091,545

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

City of Jackson, Michigan
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Assets
of Governmental Activities on the Statement of Net Assets
June 30, 2009

Fund balances - total governmental funds \$ 6,753,187

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

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

Add - capital assets	169,882,320
Subtract - accumulated depreciation	(100,068,791)

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

Add - deferred loans receivable	1,126,125
Add - deferred special assessments	904,067

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.

Add - net assets of governmental activities accounted for in internal service funds	5,106,676
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Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds.

Add - unamortized bond discount	200,436
Add - unamortized bond issuance costs	205,117
Subtract - bonds, contracts and loans payable	(46,220,530)
Subtract - other postemployment benefit obligation	(3,661,826)
Subtract - compensated absences	(2,439,996)
Subtract - accrued interest on long-term liabilities	(257,729)

Net assets of governmental activities	\$ 31,529,056
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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, 2009

	General	Community Development Block Grant	Special Assessment Capital Projects	Nonmajor Funds	Totals
Revenues					
Property taxes	\$ 7,770,119	\$ -	\$ -	\$ 2,834,048	\$ 10,604,167
Income taxes	7,645,706	-	-	-	7,645,706
Licenses and permits	247,399	-	-	-	247,399
Intergovernmental	5,474,154	1,572,891	-	4,838,881	11,885,926
Charges for services	1,299,376	-	-	2,571,501	3,870,877
Fines and forfeits	224,967	-	-	-	224,967
Special assessments	-	-	384,602	-	384,602
Investment income	101,926	3,333	-	301,086	406,345
Miscellaneous	370,730	201,080	-	426,421	998,231
Total revenues	23,134,377	1,777,304	384,602	10,971,937	36,268,220
Expenditures					
Current:					
Legislative	84,987	-	-	-	84,987
General government	4,778,604	-	-	-	4,778,604
Public safety	16,165,588	483,404	-	749,430	17,398,422
Public works	1,513,350	-	-	4,461,472	5,974,822
Culture and recreation	1,549,225	-	-	1,209,652	2,758,877
Community enrichment and development	259,488	1,246,245	-	1,037,949	2,543,682
Capital outlay	-	-	-	625,907	625,907
Debt service:					
Principal retirement	-	-	-	1,604,000	1,604,000
Interest and fiscal charges	-	-	-	1,789,183	1,789,183
Total expenditures	24,351,242	1,729,649	-	11,477,593	37,558,484
Revenues over (under) expenditures	(1,216,865)	47,655	384,602	(505,656)	(1,290,264)
Other financing sources (uses)					
Proceeds from sale of capital assets	9,979	-	-	12,559	22,538
Transfers in	152,291	-	-	3,400,021	3,552,312
Transfers out	(299,158)	-	(269,082)	(3,073,796)	(3,642,036)
Total other financing sources (uses)	(136,888)	-	(269,082)	338,784	(67,186)
Net change in fund balances	(1,353,753)	47,655	115,520	(166,872)	(1,357,450)
Fund balances (deficit), beginning of year, as restated	2,457,734	306,382	(1,013,783)	6,360,304	8,110,637
Fund balances (deficit), end of year	\$ 1,103,981	\$ 354,037	\$ (898,263)	\$ 6,193,432	\$ 6,753,187

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

City of Jackson, Michigan
Reconciliation of the Statement of Revenue, Expenditures
and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ (1,357,450)

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

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

Add - capital outlay	2,453,724
Add - gain on sale of capital assets	467
Subtract - proceeds from sale of capital assets	(22,538)
Subtract - depreciation expense	(3,331,535)

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

Subtract - current year special assessment revenue received greater than earned	(115,521)
Subtract - current year loan receivable receipts	(165,750)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Add - principal payments on long-term liabilities	1,604,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Add - decrease in accrued interest payable on bonds	8,675
Subtract - amortization of bond discount	(11,241)
Subtract - amortization of refunding loss	(20,739)
Subtract - amortization of bond issuance costs	(10,796)
Subtract - increase in net other postemployment benefit obligation	(3,661,826)
Subtract - increase in the accrual of compensated absences	(115,023)

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.

Add: interest revenue from governmental internal service funds	132,690
Add: net operating income from governmental activities accounted for in internal service funds	547,907

Change in net assets of governmental activities	\$ (4,064,956)
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The accompanying notes are an integral part of these financial statements.

City of Jackson, Michigan
Statement of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			Actual Over (Under) Final Budget	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Property taxes	\$ 7,718,516	\$ 7,707,966	\$ 7,770,119	\$ 62,153	\$ 7,847,791
Income taxes	8,575,000	8,000,000	7,645,706	(354,294)	7,946,837
Licenses and permits	237,850	235,150	247,399	12,249	228,671
Intergovernmental	5,377,212	5,398,205	5,474,154	75,949	5,204,759
Charges for services	1,313,030	1,314,003	1,299,376	(14,627)	1,305,095
Fines and forfeits	274,500	210,343	224,967	14,624	221,869
Investment income	300,000	197,000	101,926	(95,074)	307,193
Miscellaneous	491,720	377,557	370,730	(6,827)	151,284
Total revenues	<u>24,287,828</u>	<u>23,440,224</u>	<u>23,134,377</u>	<u>(305,847)</u>	<u>23,213,499</u>
Expenditures					
Current:					
Legislative - City Council	91,382	85,776	84,987	(789)	100,856
General government:					
City Manager	255,147	253,712	249,447	(4,265)	267,400
City Clerk - Elections	168,852	174,138	161,360	(12,778)	135,321
Finance	426,424	436,162	425,809	(10,353)	405,986
City Assessor	423,335	431,051	430,423	(628)	404,633
City Attorney	539,623	529,223	521,999	(7,224)	503,466
City Clerk	208,224	215,028	223,205	8,177	207,531
Charter Review Committee	15,000	3,150	77	(3,073)	214
Personnel	358,602	399,144	362,292	(36,852)	339,336
Purchasing	169,173	171,877	168,037	(3,840)	160,648
City Treasurer	341,120	324,051	316,152	(7,899)	314,541
City Income Tax Administration	280,016	280,016	246,788	(33,228)	236,949
Management Information Services	344,284	344,263	319,369	(24,894)	335,265
City Hall and Grounds	323,258	329,019	342,229	13,210	346,391
Cemeteries	487,796	490,143	493,676	3,533	456,858
Hearing Bureau	39,819	20,318	22,597	2,279	27,819
Unallocated	497,000	531,242	495,144	(36,098)	545,028
Total general government	<u>4,877,673</u>	<u>4,932,537</u>	<u>4,778,604</u>	<u>(153,933)</u>	<u>4,687,386</u>
Public safety:					
Police:					
General	8,999,923	8,799,923	8,702,526	(97,397)	8,492,888
Youth Services Unit	314,947	314,972	309,925	(5,047)	302,222
STEP Grant	-	20,733	20,733	-	20,733
JCCA Grant	-	18,491	14,346	(4,145)	8,416
MCOLES Training	-	39,805	28,837	(10,968)	34,617
In-Service Training	15,450	17,954	12,816	(5,138)	15,772
Consortium Training	33,754	38,628	18,483	(20,145)	33,333
Fire:					
Administration	289,679	289,538	282,304	(7,234)	273,729
Suppression	5,119,121	4,633,999	5,020,852	386,853	4,928,031
Prevention	84,145	70,673	47,859	(22,814)	10,119
Training	238,985	239,445	236,302	(3,143)	188,369
Police and Fire - Unallocated	1,345,312	1,416,642	1,415,816	(826)	1,378,864
Emergency Measures	64,311	64,870	54,789	(10,081)	58,836
Total public safety	<u>16,505,627</u>	<u>15,965,673</u>	<u>16,165,588</u>	<u>199,915</u>	<u>15,745,929</u>

Continued...

City of Jackson, Michigan
Statement of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual (Concluded)
General Fund
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009				2008 Actual
	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget	
Expenditures (concluded)					
Current (concluded):					
Public works:					
Tax Property Maintenance	\$ 10,000	\$ 15,000	\$ 7,599	\$ (7,401)	\$ 7,101
Civic Affairs	73,358	58,365	44,551	(13,814)	50,266
Drains at Large	72,053	66,952	59,639	(7,313)	71,536
Storm Drain Construction	98,000	73,305	54,252	(19,053)	89,223
Grounds Maintenance	177,108	168,985	132,838	(36,147)	158,924
Sidewalk Construction	130,000	178,998	157,298	(21,700)	123,252
Street Lighting	407,231	407,182	479,335	72,153	405,782
Forestry	577,031	596,178	586,902	(9,276)	572,998
Weed Control	23,684	29,024	15,916	(13,108)	19,065
Reimbursements	-	(40,000)	(24,980)	15,020	-
Total public works	<u>1,568,465</u>	<u>1,553,989</u>	<u>1,513,350</u>	<u>(40,639)</u>	<u>1,498,147</u>
Culture and recreation:					
Parks and Recreation Administration	761,911	792,214	789,964	(2,250)	734,756
Parks and Facilities Maintenance	515,050	519,593	524,212	4,619	508,385
Lt. Nixon Memorial Pool	165,932	162,832	152,935	(9,897)	139,247
Sharp Park Swimming Pool	132,195	126,686	117,114	(9,572)	109,074
Reimbursements	(35,000)	(35,000)	(35,000)	-	(25,000)
Total culture and recreation	<u>1,540,088</u>	<u>1,566,325</u>	<u>1,549,225</u>	<u>(17,100)</u>	<u>1,466,462</u>
Community enrichment/development:					
Planning	99,768	149,497	154,627	5,130	92,323
DDA and Equity Grants	25,000	25,000	25,000	-	25,000
Historical District	38,100	12,536	11,240	(1,296)	36,909
Human Relations	63,043	67,063	68,621	1,558	44,357
Total community enrichment and development	<u>225,911</u>	<u>254,096</u>	<u>259,488</u>	<u>5,392</u>	<u>198,589</u>
Total expenditures	<u>24,809,146</u>	<u>24,358,396</u>	<u>24,351,242</u>	<u>(7,154)</u>	<u>23,697,369</u>
Revenues (under) expenditures	<u>(521,318)</u>	<u>(918,172)</u>	<u>(1,216,865)</u>	<u>(298,693)</u>	<u>(483,870)</u>
Other financing sources (uses)					
Proceeds from sale of capital assets	17,960	16,600	9,979	(6,621)	11,452
Transfers in	247,000	173,120	152,291	(20,829)	319,680
Transfers out	(274,663)	(244,278)	(299,158)	(54,880)	(358,461)
Total other financing (uses)	<u>(9,703)</u>	<u>(54,558)</u>	<u>(136,888)</u>	<u>(82,330)</u>	<u>(27,329)</u>
Net change in fund balances	(531,021)	(972,730)	(1,353,753)	(381,023)	(511,199)
Fund balance, beginning of year	<u>2,457,734</u>	<u>2,457,734</u>	<u>2,457,734</u>	<u>-</u>	<u>2,968,933</u>
Fund balance, end of year	<u>\$ 1,926,713</u>	<u>\$ 1,485,004</u>	<u>\$ 1,103,981</u>	<u>\$ (381,023)</u>	<u>\$ 2,457,734</u>

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

City of Jackson, Michigan
Statement of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
Community Development Block Grant Fund
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			Actual Over (Under) Final Budget	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Intergovernmental	\$ 2,791,937	\$ 2,791,937	\$ 1,572,891	\$ (1,219,046)	\$ 1,533,540
Investment income	1,686	1,686	3,333	1,647	6,960
Miscellaneous	111,550	111,550	201,080	89,530	203,900
Total revenues	2,905,173	2,905,173	1,777,304	(1,127,869)	1,744,400
Expenditures					
Current:					
Public safety:					
Code enforcement	603,212	603,212	483,404	(119,808)	481,354
Community enrichment and development:					
Rehabilitation	537,416	537,416	241,535	(295,881)	382,525
Rehabilitation loans	8,000	8,000	1,522	(6,478)	841
Public services	319,862	319,862	206,689	(113,173)	183,027
Administration	589,100	589,100	289,742	(299,358)	291,769
Economic development	660,035	660,035	217,950	(442,085)	-
Street construction - special assessments	-	-	-	-	343,475
Sidewalks and drives	40,000	40,000	22,570	(17,430)	-
Forestry	25,000	25,000	19,258	(5,742)	-
Recreation	35,000	35,000	35,000	-	-
Public improvement	364,335	364,335	203,179	(161,156)	5,607
Public facility demolition	29,595	29,595	8,800	(20,795)	-
Total expenditures	3,211,555	3,211,555	1,729,649	(1,481,906)	1,688,598
Net change in fund balances	(306,382)	(306,382)	47,655	354,037	55,802
Fund balance, beginning of year	306,382	306,382	306,382	-	250,580
Fund balance, end of year	\$ -	\$ -	\$ 354,037	\$ 354,037	\$ 306,382

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

City of Jackson, Michigan
Statement of Net Assets - Proprietary Funds
June 30, 2009

	Enterprise Funds - Business-type Activities					Governmental Activities
	Sewage	Water	Parking Deck	Nonmajor Funds	Totals	Internal Service
Assets						
Current assets						
Pooled cash and investments	\$ 7,601,470	\$ 5,236,724	\$ 996,158	\$ 369,786	\$ 14,204,138	\$ 3,316,005
Accounts receivable, net	1,116,077	1,510,271	-	825	2,627,173	261,835
Interfund receivable	-	-	-	-	-	5,161
Inventories	-	279,673	-	-	279,673	-
Prepaid items	-	-	-	-	-	46,000
Other assets	-	21,719	-	-	21,719	-
Restricted cash and cash equivalents - Bond reserve	62,500	105,100	-	-	167,600	-
Total current assets	<u>8,780,047</u>	<u>7,153,487</u>	<u>996,158</u>	<u>370,611</u>	<u>17,300,303</u>	<u>3,629,001</u>
Noncurrent assets						
Long-term advances	-	-	-	-	-	1,015,357
Capital assets not being depreciated	154,947	58,369	7,060,843	1,682,727	8,956,886	-
Capital assets being depreciated, net	17,627,174	20,514,262	11,569,488	277,396	49,988,320	1,498,602
Total noncurrent assets	<u>17,782,121</u>	<u>20,572,631</u>	<u>18,630,331</u>	<u>1,960,123</u>	<u>58,945,206</u>	<u>2,513,959</u>
Total assets	<u>26,562,168</u>	<u>27,726,118</u>	<u>19,626,489</u>	<u>2,330,734</u>	<u>76,245,509</u>	<u>6,142,960</u>
Liabilities						
Current liabilities						
Accounts payable	113,626	363,776	1,221	635	479,258	222,822
Accrued payroll	53,664	79,709	688	5,984	140,045	33,050
Accrued compensated absences	6,675	23,249	-	-	29,924	-
Customer deposits	-	116,736	-	-	116,736	-
Unearned revenue	-	-	125,000	-	125,000	-
Current portion of long-term debt	75,000	-	-	100,000	175,000	-
Total current liabilities	<u>248,965</u>	<u>583,470</u>	<u>126,909</u>	<u>106,619</u>	<u>1,065,963</u>	<u>255,872</u>
Noncurrent liabilities						
Long term advance from other funds	-	-	-	110,000	110,000	117,094
Estimated claims payable	-	-	-	-	-	663,318
Revenue bonds payable	550,000	1,017,599	-	-	1,567,599	-
Installment purchase contract payable	-	-	-	100,000	100,000	-
Accrued compensated absences	111,655	173,985	-	-	285,640	-
Total noncurrent liabilities	<u>661,655</u>	<u>1,191,584</u>	<u>-</u>	<u>210,000</u>	<u>2,063,239</u>	<u>780,412</u>
Total liabilities	<u>910,620</u>	<u>1,775,054</u>	<u>126,909</u>	<u>316,619</u>	<u>3,129,202</u>	<u>1,036,284</u>
Net assets						
Invested in capital assets, net of related debt	17,157,121	19,555,032	18,630,331	1,760,123	57,102,607	1,498,602
Restricted for bond reserve	62,500	105,100	-	-	167,600	-
Unrestricted	8,431,927	6,290,932	869,249	253,992	15,846,100	3,608,074
Total net assets	<u>\$ 25,651,548</u>	<u>\$ 25,951,064</u>	<u>\$ 19,499,580</u>	<u>\$ 2,014,115</u>	<u>\$ 73,116,307</u>	<u>\$ 5,106,676</u>

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

City of Jackson, Michigan
Statement of Revenues, Expenses and
Changes in Net Assets - Proprietary Funds
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds - Business-type Activities					Governmental
						Activities
	Sewage	Water	Parking Deck	Nonmajor Funds	Totals	Internal Service
Operating revenues						
Charges for sales and services	\$ 5,191,275	\$ 5,921,576	\$ 250,000	\$ 191,908	\$ 11,554,759	\$ 2,983,601
Administrative fees	-	184,459	-	-	184,459	-
Other	86,921	140,642	-	-	227,563	1,220,551
Total operating revenues	5,278,196	6,246,677	250,000	191,908	11,966,781	4,204,152
Operating expenses						
Personal services	1,556,104	2,477,730	33,151	122,180	4,189,165	1,200,488
Administration	-	-	-	-	-	151,916
Materials and supplies	378,649	624,432	-	4,993	1,008,074	372,821
Contractual and other services	1,933,447	2,361,666	146,597	132,202	4,573,912	1,403,828
Benefit payments	-	-	-	-	-	160,591
Depreciation	1,283,654	744,105	262,943	63,256	2,353,958	366,601
Total operating expenses	5,151,854	6,207,933	442,691	322,631	12,125,109	3,656,245
Operating income (loss)	126,342	38,744	(192,691)	(130,723)	(158,328)	547,907
Nonoperating revenues (expenses)						
Investment income	179,186	146,210	22,864	8,879	357,139	132,690
Interest and fiscal charges	(34,425)	(107,610)	-	(14,142)	(156,177)	-
Total nonoperating revenues (expenses)	144,761	38,600	22,864	(5,263)	200,962	132,690
Income (loss) before transfers	271,103	77,344	(169,827)	(135,986)	42,634	680,597
Transfers in	-	-	-	89,724	89,724	-
Change in net assets	271,103	77,344	(169,827)	(46,262)	132,358	680,597
Net assets, beginning of year	25,380,445	25,873,720	19,669,407	2,060,377	72,983,949	4,426,079
Net assets, end of year	\$ 25,651,548	\$ 25,951,064	\$ 19,499,580	\$ 2,014,115	\$ 73,116,307	\$ 5,106,676

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, 2009

	Enterprise Funds - Business-type Activities				Governmental Activities	
	Sewage	Water	Parking	Nonmajor	Totals	Internal
			Deck	Funds		Service
Cash flows from operating activities						
Payments to employees	\$ (1,566,133)	\$ (2,488,944)	\$ (33,451)	\$ (122,180)	\$ (4,210,708)	\$ (1,199,547)
Payments to vendors and claimants	(2,779,504)	(2,938,751)	(146,003)	(147,815)	(6,012,073)	(1,982,822)
Receipts from customers and users	5,245,645	6,348,987	250,000	191,908	12,036,540	-
Receipts for interfund services provided	-	-	-	-	-	4,152,442
Net cash provided by (used in) operating activities	900,008	921,292	70,546	(78,087)	1,813,759	970,073
Cash flows from capital and related financing activities						
Purchase of capital assets	(1,934,020)	(1,046,746)	-	-	(2,980,766)	(563,695)
Principal and interest received on interfund advances	-	-	-	-	-	103,536
Issuance of long-term debt	-	1,051,000	-	-	1,051,000	-
Amount paid to escrow agent	-	(1,876,751)	-	-	(1,876,751)	-
Principal and interest paid on long-term debt	(109,425)	(319,260)	-	(89,142)	(517,827)	-
Interfund advances received	-	-	-	-	-	11,984
Net cash used in capital and related financing activities	(2,043,445)	(2,191,757)	-	(89,142)	(4,324,344)	(448,175)
Cash flows from non-capital financing activities						
Transfers in	-	-	-	89,724	89,724	-
Cash flows from investing activities						
Interest received on investments	179,186	146,210	22,864	8,879	357,139	132,690
Net increase (decrease) in cash and cash equivalents	(964,251)	(1,124,255)	93,410	(68,626)	(2,063,722)	654,588
Cash and cash equivalents, beginning of year	8,628,221	6,466,079	902,748	438,412	16,435,460	2,661,417
Cash and cash equivalents, end of year	<u>\$ 7,663,970</u>	<u>\$ 5,341,824</u>	<u>996,158</u>	<u>\$ 369,786</u>	<u>\$ 14,371,738</u>	<u>\$ 3,316,005</u>
Statement of net assets classification of cash						
Cash and cash equivalents	\$ 7,601,470	\$ 5,236,724	996,158	\$ 369,786	\$ 14,204,138	\$ 3,316,005
Restricted cash and cash equivalents	62,500	105,100	-	-	167,600	-
	<u>\$ 7,663,970</u>	<u>\$ 5,341,824</u>	<u>996,158</u>	<u>\$ 369,786</u>	<u>\$ 14,371,738</u>	<u>\$ 3,316,005</u>

Continued...

City of Jackson, Michigan
Statement of Cash Flows - Proprietary Funds (Concluded)
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds - Business-type Activities					Governmental Activities
Reconciliation of operating income to net cash provided by operating activities						
Operating income (loss)	\$ 126,342	\$ 38,744	(192,691)	\$ (130,723)	\$ (158,328)	\$ 547,907
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	1,283,654	744,105	262,943	63,256	2,353,958	366,601
(Increase) decrease in:						
Accounts receivable	(32,551)	100,613	-	-	68,062	(46,549)
Interfund receivable	-	-	-	-	-	(5,161)
Inventories	-	(37,528)	-	-	(37,528)	-
Other assets	-	(21,719)	-	-	(21,719)	-
Increase (decrease) in:						
Accounts payable	(467,408)	106,594	594	41	(360,179)	106,334
Accrued payroll	(9,769)	2,383	(300)	(661)	(8,347)	941
Accrued compensated absences	(260)	(13,597)	-	-	(13,857)	-
Advance from other funds	-	-	-	(10,000)	(10,000)	-
Customer deposits	-	1,697	-	-	1,697	-
Net cash provided by (used in) operating activities	\$ 900,008	\$ 921,292	70,546	\$ (78,087)	\$ 1,813,759	\$ 970,073

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

City of Jackson, Michigan
Statement of Fiduciary Net Assets - Fiduciary Funds
June 30, 2009

	Pension and Other Employee Benefit Trust Funds	Agency Funds
Assets		
Pooled cash and investments	\$ -	\$ 94,787
Investments, at fair value:		
U.S. treasuries	1,494,668	-
U.S. agencies	828,226	-
Mortgage backed securities	522,159	
Corporate bonds:		
Domestic	6,775,403	-
Domestic mutual funds	9,911,456	-
International	492,576	-
Equities:		
Domestic stocks	18,824,245	-
Domestic mutual funds	8,437,801	-
International stocks	4,708,538	-
International mutual funds	3,766,806	-
Money market accounts	2,496,536	-
Receivables:		
Interest and dividends	89,401	-
Other	587	-
Total assets	58,348,402	\$ 94,787
Liabilities		
Accounts payable	-	\$ 35,135
Due to other governments	-	16,310
Refunds payable and other liabilities	507,769	43,342
Total liabilities	507,769	\$ 94,787
Net assets		
Held in trust for pension and other employee benefits	\$ 57,840,633	

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

City of Jackson, Michigan
Statement of Changes in Fiduciary Net Assets
Pension and Other Employee Benefit Trust Funds
For the Fiscal Year Ended June 30, 2009

Additions

Contributions:	
Employer	\$ 4,675,335
Plan members	<u>1,434,588</u>
Total contributions	<u>6,109,923</u>
Investment income (loss):	
Net depreciation in fair value of investments	(14,492,719)
Interest	423,440
Dividends	<u>499,666</u>
Total investment loss	(13,569,613)
Less investment expense	<u>334,865</u>
Net investment loss	<u>(13,904,478)</u>
Net investment loss in excess of contributions	<u>(7,794,555)</u>

Deductions

Benefits	7,173,621
Refunds of contributions	57,019
Administrative expense	<u>137,432</u>
Total deductions	<u>7,368,072</u>
Net decrease in net assets	(15,162,627)

Net assets held in trust for pension and other employee benefits

Beginning of year	<u>73,003,260</u>
End of year	<u><u>\$ 57,840,633</u></u>

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

NOTES to the FINANCIAL STATEMENTS

City of Jackson, Michigan

Notes to Financial Statements

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City of Jackson, Michigan

Notes To Financial Statements

NOTE 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.

1-A. 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 Commission. 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:

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.

City of Jackson, Michigan

Notes To Financial Statements

1-B. Basis of Presentation

Government-wide Financial Statements. The statements of net assets 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.

The City reports the following major governmental funds:

General fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Community development block grant special revenue 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.

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.

City of Jackson, Michigan

Notes To Financial Statements

Additionally, the City reports the following fund types:

Special revenue funds. These funds account for revenue sources that are legally restricted to expenditures for specific purposes not including trust or major capital projects.

Debt service funds. These funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital projects funds. These funds account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

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

Enterprise funds. These 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.

Internal service funds. These funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. This includes workers' compensation self-insurance; motor pool and garage; prescription drugs; public works administration and engineering, and data processing equipment.

Pension and other employee benefit trust funds. These 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.

Agency funds. These funds account for assets held for other governments in an agency capacity, including undistributed tax collections, certain employee payroll withholdings and escrow accounts.

1-C. Measurement Focus / Basis of Accounting

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. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

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.

City of Jackson, Michigan

Notes To Financial Statements

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 funds 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. The City considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end, except for reimbursement-driven grants which use one year. Property taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, 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 of 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 assets 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.

All governmental and business-type activities and proprietary funds of the City follow private-sector standards of accounting and financial reporting issued prior to December 1, 1989, unless those standards conflict with guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

1-D. Assets, Liabilities 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 and downtown development authority. 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.

City of Jackson, Michigan

Notes To Financial Statements

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 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.

City of Jackson, Michigan

Notes To Financial Statements

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

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

<u>Assets</u>	<u>Years</u>
Public domain infrastructure	16-50
Land improvements	50
Buildings and improvements	50
Park and recreation facilities	50
Machinery and equipment	5-15
Water and wastewater systems	10-50

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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

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.

Fund Equity

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

City of Jackson, Michigan

Notes To Financial Statements

1-E. Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to June 30, 2009, the most recent statement of net assets presented herein, through the auditors' report date, the date these financial statements were available to be issued. No significant such events or transactions were identified.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. 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 generally accepted accounting principles (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. City Commission 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. These material encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures nor liabilities. No such commitments existed at June 30, 2009.

City of Jackson, Michigan

Notes To Financial Statements

2-B. Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

<u>Fund/Activity</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
General fund			
General government:			
City Clerk	\$ 215,028	\$ 223,205	\$ 8,177
City Hall and Grounds	329,019	342,229	13,210
Cemeteries	490,143	493,676	3,533
Hearing Bureau	20,318	22,597	2,279
Public safety -			
Fire Suppression	4,633,999	5,020,852	386,853
Public Works:			
Street Lighting	407,182	479,335	72,153
Reimbursements	(40,000)	(24,980)	15,020
Culture and recreation -			
Parks and Facilities Maintenance	519,593	524,212	4,619
Community Enrichment:			
Planning	149,497	154,627	5,130
Human Relations	67,063	68,621	1,558
Nonmajor special revenue funds			
Ella W. Sharp Park Operating fund	724,721	740,990	16,269
Land Acquisition fund	50,000	54,493	4,493
Lead Hazard Control fund	406,818	570,466	163,648
Waterfront Redevelopment fund	-	2,000	2,000

2-C. Fund Deficit

At June 30, 2009, the special assessment capital projects fund had a fund deficit of \$898,263. This deficit will be eliminated as deferred special assessments become due. Also, the Sharp Park golf practice center enterprise fund had a deficit of \$106,939 in unrestricted net assets at year end.

City of Jackson, Michigan

Notes To Financial Statements

NOTE 3 – DETAILED NOTES ON ALL FUNDS

3-A. Deposits and Investments

Summary of Deposit and Investment Balances. Following is a reconciliation of deposit and investment balances as of June 30, 2009:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Statement of net assets:			
Pooled cash and investments	\$ 19,456,162	\$ 3,317,665	\$ 22,773,827
Pooled cash and investments - restricted	3,015,328	-	3,015,328
Statement of fiduciary net assets:			
Pooled cash and investments	94,787	-	94,787
Investments – pension	<u>58,258,414</u>	<u>-</u>	<u>58,258,414</u>
Total	<u>\$ 80,824,691</u>	<u>\$ 3,317,665</u>	<u>\$ 84,142,356</u>

Deposits and Investments:

Bank deposits (checking accounts, savings accounts and certificates of deposit)	\$ 15,668,015
Investments in securities and mutual funds:	
Cash and investment pool	10,199,052
Pension trust funds	58,258,414
Cash on hand	<u>16,875</u>

Total **\$ 84,142,356**

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 the government. As of June 30, 2009, \$14,205,045 of the City’s total bank balance of \$16,390,934 (total book balance was \$15,668,015) 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.

City of Jackson, Michigan

Notes To Financial Statements

Custodial Credit Risk - Investments. Following is a summary of the City's investments as of June 30, 2009:

U.S. treasuries	\$ 918,409
U.S. agencies	788,887
Domestic equities	110,086
Money markets	8,381,670
Total	\$ 10,199,052

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, 2009, 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, 2009, all of the City's investments in securities of U.S. agencies were rated AAA by Standard & Poor's. The City also held investments in U.S. treasuries and money market funds, 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, 2009, 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, 2009, maturities of the City's debt securities were as follows:

	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. treasuries	\$ 918,409	\$ -	\$ 360,629	\$ 557,780	\$ -
U.S. agencies	788,887	-	580,954	207,933	-
	\$ 1,707,296	\$ -	\$ 941,583	\$ 765,713	\$ -

The City assumes that its callable investments will not be called.

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

City of Jackson, Michigan

Notes To Financial Statements

Deposits and Investments – Pension and Other Employee Benefit Trust Funds

The City maintains three pension trust funds (*see Note 4-E*) and one other employee benefits trust fund (*see Note 4-D*) 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 benefit trust funds' deposits and investments are presented separately.

Deposits - The pension and other employee benefit 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 pension 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 benefit 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, 2009:

Investments at fair value, as determined	
by quoted market price:	
U.S. treasuries	\$ 1,494,668
U.S. agencies	828,226
Mortgage backed securities	522,159
Corporate bonds:	
Domestic	6,775,403
Domestic mutual funds	9,911,456
International	492,576
Equities:	
Domestic stocks	18,824,245
Domestic mutual funds	8,437,801
International stocks	4,708,538
International mutual funds	3,766,806
Money market accounts	<u>2,496,536</u>
Total investments	<u>\$ 58,258,414</u>

Credit Risk. The pension and other employee benefit 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, 2009, the pension and other employee benefit trust funds' investments in securities of U.S. agencies were all rated AAA by Standard & Poor's.

City of Jackson, Michigan

Notes To Financial Statements

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

AAA	\$ 130,400
AA	454,062
A	2,700,634
BBB	2,207,788
BB	233,741
Not rated	<u>2,063,513</u>
	<u>\$ 7,790,138</u>

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 benefit 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 benefit 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 benefit 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 funds are not subject to custodial credit risk.

Concentration of Credit Risk. The pension and other employee benefit 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, 2009, 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, 2009, maturities of debt securities were as follows:

	Fair Value	Investment Maturities (fair value by years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. treasuries	\$ 1,494,668	\$ -	\$ 727,792	\$ 514,290	\$ 252,586
U.S. agencies	828,226	-	322,398	402,914	102,914
Mortgage backed securities	522,159	-	33,114	72,453	416,592
Domestic corporate bonds:					
Callable	1,865,943	-	-	-	1,865,943
Non-callable	4,909,460	-	2,141,151	1,599,446	1,168,863
International debt securities	492,576	-	-	25,489	467,087
	<u>\$ 10,113,032</u>	<u>\$ -</u>	<u>\$ 3,224,455</u>	<u>\$ 2,614,592</u>	<u>\$ 4,273,985</u>

The City assumes that its callable bonds totaling \$1,865,943 will not be called. The pension and other employee benefit trust funds' investment policies do not address interest rate risk.

City of Jackson, Michigan

Notes To Financial Statements

3-B. Receivables

Receivables in the governmental activities are 26 percent due from other governments, 8 percent accounts receivable, 33 percent income taxes, 15 percent special assessments, and 18 percent loans receivable; 80 percent of the special assessment receivables are not expected to be collected within one year. Loans receivable consists of \$1,126,125 in long-term loans due from local businesses related to economic development projects, of which it is not expected to be collected within one year. Business-type activities receivables are 100 percent due from customers.

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

	<u>Unavailable</u>
Special assessments not yet due (capital projects funds)	\$ 904,067
Long-term loan receivable	<u>1,126,125</u>
	<u>\$ 2,030,192</u>

City of Jackson, Michigan

Notes To Financial Statements

3-C. Capital Assets

Capital assets activity of the primary government for the year ended June 30, 2009, was as follows:

<u>Governmental Activities</u>	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
Capital assets not being depreciated				
Land	\$ 2,440,383	\$ -	\$ -	\$ 2,440,383
Capital assets being depreciated				
Infrastructure	116,826,496	1,913,261	-	118,739,757
Land improvements	15,763,181	-	-	15,763,181
Buildings and improvements	16,659,418	-	-	16,659,418
Park and recreation facilities	8,509,215	397,542	-	8,906,757
Machinery and equipment	12,069,843	706,616	338,948	12,437,511
Total capital assets being depreciated	169,828,153	3,017,419	338,948	172,506,624
Accumulated depreciation				
Infrastructure	80,827,625	2,281,749	-	83,109,374
Land improvements	1,258,963	315,264	-	1,574,227
Buildings and improvements	4,238,412	265,870	-	4,504,282
Park and recreation facilities	4,513,188	120,813	-	4,634,001
Machinery and equipment	9,415,429	714,440	316,877	9,812,992
Total accumulated depreciation	100,253,617	3,698,136	316,877	103,634,876
Total capital assets being depreciated, net	69,574,536	(680,717)	22,071	68,871,748
Governmental activities capital assets, net	<u>\$ 72,014,919</u>	<u>\$ (680,717)</u>	<u>\$ 22,071</u>	<u>\$ 71,312,131</u>

City of Jackson, Michigan

Notes To Financial Statements

<u>Business-type Activities</u>	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
Capital assets not being depreciated				
Land	\$ 8,956,886	\$ -	\$ -	\$ 8,956,886
Construction in progress	1,432,518	1,440,068	2,872,586	-
Total capital assets not being depreciated	<u>10,389,404</u>	<u>1,440,068</u>	<u>2,872,586</u>	<u>8,956,886</u>
Capital assets being depreciated				
Systems	66,572,474	4,234,771	-	70,807,245
Land improvements	2,503,669	8,850	-	2,512,519
Buildings and improvements	12,855,854	16,396	-	12,872,250
Machinery and equipment	10,544,646	153,266	88,965	10,608,947
Total capital assets being depreciated	<u>92,476,643</u>	<u>4,413,283</u>	<u>88,965</u>	<u>96,800,961</u>
Accumulated depreciation				
Systems	33,891,404	1,631,234	-	35,522,638
Land improvements	749,375	84,984	-	834,359
Buildings and improvements	2,048,817	272,820	-	2,321,637
Machinery and equipment	7,858,053	364,919	88,965	8,134,007
Total accumulated depreciation	<u>44,547,649</u>	<u>2,353,957</u>	<u>88,965</u>	<u>46,812,641</u>
Total capital assets being depreciated, net	<u>47,928,994</u>	<u>2,059,326</u>	<u>-</u>	<u>49,988,320</u>
Business-type activities capital assets, net	<u>\$ 58,318,398</u>	<u>\$ 3,499,394</u>	<u>\$ 2,872,586</u>	<u>\$ 58,945,206</u>

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

Governmental activities:

General government	\$ 251,463
Public safety	201,523
Public works, including depreciation of general infrastructure assets	2,366,802
Culture and recreation	223,688
Community enrichment and development	288,059
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>366,601</u>

Total depreciation expense - governmental activities **\$ 3,698,136**

City of Jackson, Michigan

Notes To Financial Statements

Business-type activities:

Sewage	\$ 1,283,653
Water	744,105
Parking system	308,363
Golf practice center	<u>17,836</u>

Total depreciation expense - business-type activities \$ 2,353,957

3-D. Payables

Payables in the governmental activities are 40 percent vendors, 26 percent claims, 30 percent accrued payroll, and 4 percent other. Business-type activities payables are 65 percent vendors, 16 percent deposits and 19 percent accrued payroll.

3-E. Interfund Receivables, Payables and Transfers

At June 30, 2009, amounts due from and due to other funds were as follows:

Receivable Fund(s)	Payable Fund(s)		Total
	General Fund	Nonmajor Governmental Funds	
General fund	\$ -	\$ 41,866	\$ 41,866
CDBG special revenue	-	622	622
Nonmajor governmental funds	<u>9,292</u>	<u>38,788</u>	<u>48,080</u>
	<u><u>\$ 9,292</u></u>	<u><u>\$ 81,276</u></u>	<u><u>\$ 90,568</u></u>

At June 30, 2009, the following interfund receivables/payable were reported for funds with negative equity in pooled cash and investments:

Receivable Fund(s)	Payable Fund(s)		Total
	General Fund	Nonmajor Governmental Funds	
Nonmajor governmental funds	\$ 1,154,480	\$ 449,020	\$ 1,603,500
Internal service funds	-	5,161	5,161
	<u><u>\$ 1,154,480</u></u>	<u><u>\$ 454,181</u></u>	<u><u>\$ 1,608,661</u></u>

City of Jackson, Michigan

Notes To Financial Statements

At June 30, 2009, interfund advances were as follows:

<u>Receivable Fund(s)</u>	<u>Payable Fund(s)</u>				<u>Total</u>
	<u>Community Development Block Grant</u>	<u>Special Assessment Capital Projects</u>	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service Funds</u>	
General fund	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Nonmajor governmental funds	-	-	110,000	-	110,000
Internal service funds	-	898,263	-	117,094	1,015,357
	<u>\$ 100,000</u>	<u>\$ 898,263</u>	<u>\$ 110,000</u>	<u>\$ 117,094</u>	<u>\$ 1,225,357</u>

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 assets/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 special assessment capital projects fund.

For the year ended June 30, 2009, interfund transfers consisted of the following:

<u>Transfer Out</u>	<u>Transfer In</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Nonmajor Enterprise Funds</u>	
General fund	\$ -	\$ 289,760	\$ 9,398	\$ 299,158
Special assessment capital projects fund	-	232,358	36,724	269,082
Nonmajor governmental funds	152,291	2,877,903	43,602	3,073,796
	<u>\$ 152,291</u>	<u>\$ 3,400,021</u>	<u>\$ 89,724</u>	<u>\$ 3,642,036</u>

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

City of Jackson, Michigan

Notes To Financial Statements

3-F. 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 \$59,433,577. No general obligation bonds were issued during the current year.

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:

<u>Purpose</u>	<u>Fiscal Year Matures</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities			
1998 building authority limited tax	2013	4.50%	\$ 290,000
1999 building authority limited tax	2019	5.25%	395,000
2001 downtown development	2026	3.70%-5.75%	15,543,577
2002 brownfield redevelopment	2030	4.00%-5.38%	9,130,000
2003 general obligation unlimited tax	2027	2.00%-5.25%	7,765,000
2003 general obligation unlimited tax (B)	2027	3.00%-4.70%	1,640,000
2003 transportation fund	2013	2.00%-3.20%	1,060,000
2007 brownfield refunding	2030	4.00%-4.375%	9,785,000
			<u>\$ 45,608,577</u>

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

<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 1,470,000	\$ 1,729,624
2011	1,690,000	1,664,651
2012	1,890,000	1,587,773
2013	2,150,000	1,494,972
2014	2,025,000	1,396,657
2015-2019	10,581,265	10,483,002
2020-2024	13,000,944	12,848,759
2025-2029	12,306,368	6,137,988
2030	495,000	21,656
	<u>\$ 45,608,577</u>	<u>\$ 37,365,082</u>

City of Jackson, Michigan

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. During the year, \$1,051,000 of revenue refunding bonds were issued. 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%	\$ 625,000
2008 water refunding	2014	2.75%-3.40%	1,051,000
			\$ 1,676,000

Revenue bond debt service requirements to maturity are as follows:

Year	Business-type Activities	
	Principal	Interest
2010	\$ 75,000	\$ 52,666
2011	328,000	55,456
2012	334,000	44,481
2013	366,000	31,980
2014	373,000	17,841
2015-2016	200,000	10,650
	\$ 1,676,000	\$ 213,074

Installment Obligations. The government has entered into various long-term loan and installment payment agreements. Such obligations outstanding at year-end are as follows:

Purpose	Fiscal Year Matures	Interest Rates	Amount
Governmental activities			
Michigan Urbanland Assembly Loan – economic development	2011	0.00%	\$ 196,000
Section 108 loan – economic development	2021	3.66% - 6.62%	765,000
Municipal service contract – Nixon Park recreational improvements	2011	5.25%	45,000
			\$ 1,006,000
Business activities			
1997 installment purchase contract – purchase of parking lots	2011	4.69%	\$ 200,000

City of Jackson, Michigan

Notes To Financial Statements

Annual debt service requirements to maturity for installment obligations are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 229,000	\$ 2,363	\$ 100,000	\$ 7,035
2011	142,000	1,313	100,000	2,345
2012	65,000	-	-	-
2013	65,000	-	-	-
2014	65,000	-	-	-
2015-2019	325,000	-	-	-
2020-2021	115,000	-	-	-
	\$ 1,006,000	\$ 3,676	\$ 200,000	\$ 9,380

Advance Refunding. During the year, the City issued \$1,051,000 of water supply system revenue refunding bonds to provide resources to purchase U. S. Government securities that were placed in an irrevocable trust along with \$852,900 of water fund cash for the purpose of generating resources for all future debt service payments of \$1,835,000 in bonds. As a result, the \$1,835,000 bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$41,751. This amount is being netted against the new debt and amortized over the refunded debt's life. The advance refunding resulted in an economic gain of \$65,667 and a reduction of \$238,041 in future debt service payments.

City of Jackson, Michigan

Notes To Financial Statements

Changes in Long-Term Debt. Long-term liability activity for the year ended June 30, 2009, was as follows:

Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 46,898,577	\$ -	\$ 1,290,000	\$ 45,608,577	\$ 1,470,000
Installment obligations	1,320,000	-	314,000	1,006,000	229,000
Compensated absences	2,324,973	1,463,507	1,348,484	2,439,996	1,340,000
Less deferred amounts for:					
Issuance discounts	(211,677)	-	(11,241)	(200,436)	-
Refunding loss	(414,786)	-	(20,739)	(394,047)	-
	<u>\$ 49,917,087</u>	<u>\$ 1,463,507</u>	<u>\$ 2,920,504</u>	<u>\$ 48,460,090</u>	<u>\$ 3,039,000</u>
Business-type activities					
Revenue bonds	\$ 2,755,000	\$ 1,051,000	\$ 2,130,000	\$ 1,676,000	\$ 75,000
Installment obligations	275,000	-	75,000	200,000	100,000
Compensated absences	329,421	131,089	144,946	315,564	29,924
Less deferred amounts for -					
Refunding loss	-	(41,751)	(8,350)	(33,401)	-
	<u>\$ 3,359,421</u>	<u>\$ 1,140,338</u>	<u>\$ 2,341,596</u>	<u>\$ 2,158,163</u>	<u>\$ 204,924</u>

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

3-G. 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 sewer activities, are reported as major funds in the fund financial statements, segment disclosures herein are not required.

3-H. Endowments

Ella W. Sharp Park Endowment Permanent Trust Fund. For the year ended June 30, 2009, the net appreciation on investments of donor-restricted endowments was \$42,569. 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. At year-end, there was no accumulated available net appreciation; the nonexpendable endowment balance is \$1,129,379.

Cemetery Perpetual Maintenance Permanent Trust Fund. For the year ended June 30, 2009, the net appreciation on investments of donor-restricted endowments was \$57,545. 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, there was no accumulated available net appreciation; the nonexpendable endowment balance is \$1,766,143.

City of Jackson, Michigan

Notes To Financial Statements

3-I. Restatement

Beginning net assets of governmental activities were decreased by \$288,690 to reflect the Employee Health Care Fund being properly classified as an other employee benefit trust fund in the current year, rather than as a special revenue fund as it had been in prior years.

NOTE 4 – OTHER INFORMATION

4-A. 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 \$663,318 reported in the workers' compensation internal service fund at June 30, 2009 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.

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

	<u>2009</u>	<u>2008</u>
Claims liability at beginning of fiscal year	\$ 663,318	\$ 763,535
Claims and changes in estimates	115,456	270,041
Claims payments	<u>(115,456)</u>	<u>(370,258)</u>
Claims liability at June 30	<u>\$ 663,318</u>	<u>\$ 663,318</u>

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.

City of Jackson, Michigan

Notes To Financial Statements

4-B. 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, 2008 levy was assessed and valued at approximately \$786 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, 5.20 for Act 345 Pension, 0.75 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.

4-C. 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.

The City will likely have to demolish the Hayes Hotel as well as the old Consumers Power Building. These demolitions are not required to be performed within any timeframe, but it had been estimated that the Consumers Power Building could cost the City somewhere in the range of \$2 to \$3 million due to asbestos in the structure.

City of Jackson, Michigan

Notes To Financial Statements

4-D. Postemployment Benefits

Plan Description. The City provides postemployment healthcare benefits to substantially all full-time employees who retire from the City under one of its three pension plans (*see Note 4-E*). 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.

Basis of Accounting. 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. Plan membership consisted of the following at June 30, 2007 (the date of the latest actuarial valuation):

Retirees currently receiving benefits	147
Active members	<u>313</u>
Total	<u>460</u>

Funding Policy. 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, 2009, the City contributed \$100,000 towards the advance funding of the plan.

Funding Progress. For the year ended June 30, 2009, the City estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of June 30, 2007. 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. The current combined ARC is 23.9% of annual covered payroll.

Annual OPEB Cost and Net OPEB Obligation. For fiscal year 2009, 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	\$ 4,157,775
Payments of current costs	<u>(495,949)</u>
Increase in net OPEB obligation	3,661,826
Net OPEB obligation, beginning of year	<u>-</u>
Net OPEB obligation, end of year	<u><u>\$ 3,661,826</u></u>

City of Jackson, Michigan

Notes To Financial Statements

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation of the current year (the first year of implementation) were as follows:

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of ARC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/09	\$ 4,157,775	\$ 495,949	11.9%	\$ 3,661,826

Funded Status. The funded status of the plan as of June 30, 2007, the date of the latest actuarial valuation, was as follow:

Actuarial accrued liabilities (AAL)	\$56,062,594
Actuarial value of plan assets	<u> -</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$56,062,594</u>
Funded ratio	0.0%
Covered payroll (active plan members)	\$17,393,970
UAAL as a percentage of covered payroll	322%

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.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and 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	6/30/07
Actuarial cost method	Individual entry age
Amortization method	
contributions	Level percent; open for public safety
Remaining amortization period	30 years; open basis
Asset valuation method	Market value
Actuarial assumptions:	

City of Jackson, Michigan

Notes To Financial Statements

Investment rate of return	4.0%
Projected salary increases	4.25% - 8.25% for the General group
	4.25% - 10.25% for the Police/Fire group
Healthcare inflation rate	11% in 2008, grading to 4.25% in 2017

4-E. Defined Benefit Pension Plans

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 a separate or stand-alone reports.

The financial statements of the plans 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.

Membership of each plan consisted of the following at June 30, 2008, the date of the latest actuarial valuation:

	Employees' Retirement System	Policemen's and Firemen's Pension Fund	Policemen's and Firemen's Pension - Act 345 Fund
Retirees and beneficiaries receiving benefits	148	42	141
Terminated plan members entitled to, but not yet receiving benefits	14	-	3
Active plan members	212	-	105
TOTAL	374	42	249

Employees' Retirement System

The Employees' Retirement System Pension Plan 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 Ordinance Amendments, members contribute 5.50%, with the City contributing the 6.93%. Accumulated member contributions are annually credited with interest at 4.5%. Administrative costs of the Plan are financed through investment earnings.

City of Jackson, Michigan

Notes To Financial Statements

The annual required contribution for the current year was determined as part of the June 30, 2008 actuarial valuation using the entry age method. The actuarial assumptions included an 8% rate of return on investments, projected salary increases of 4.25% to 8.25% including inflation at 4.25%, and no cost of living adjustments.

Policemen's and Firemen's Pension

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 additional 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.

The annual required contribution for the current year was determined as part of a June 30, 2008 actuarial valuation using the attained age method. The actuarial assumptions included a 7.5% rate of return on investments and a 3.0% cost of living adjustment.

Policemen's and Firemen's Pension - Act 345

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 10.95-12.05% 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 4.5%. Administrative costs of the Plan are financed through investment earnings.

The annual required contribution for the year was determined as part of a June 30, 2008 actuarial valuation using the entry age method. The actuarial assumptions included a 7.75% rate of return on investments, projected salary increases of 4.5% to 10.25%, including inflation at 4.25%, and no cost of living adjustments.

Other information for these plans is as follows:

	<u>Employees' Retirement System</u>	<u>Policemen's And Firemen's Pension</u>	<u>Policemen's and Firemen's Pension - Act 345</u>
Asset valuation method	4-year smoothed market	4-year smoothed market	4-year smoothed market
Amortization method	Level percent	Level percent	Level percent
Remaining amortization period	30 years	10 years	10 years
Open or closed amortization approach	Open	Closed	Closed

City of Jackson, Michigan

Notes To Financial Statements

THREE-YEAR TREND INFORMATION

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Annual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
<u>Employees' Retirement System</u>				
6/30/07	\$ 722,422	\$ 722,422	100%	\$ -0-
6/30/08	832,376	832,376	100%	-0-
6/30/09	742,407	742,407	100%	-0-
<u>Policemen's and Firemen's Pension</u>				
6/30/07	934,667	934,677	100%	-0-
6/30/08	612,545	612,545	100%	-0-
6/30/09	641,212	641,212	100%	-0-
<u>Policemen's and Firemen's Pension – Act 345</u>				
6/30/07	3,098,776	3,098,776	100%	-0-
6/30/08	3,289,972	3,289,972	100%	-0-
6/30/09	3,191,716	3,191,716	100%	-0-

The funded status of each plan as of June 30, 2008, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
ERS	\$ 35,618	\$ 40,907	\$ 5,289	87.1%	\$ 10,295	51.4%
PFP	5,533	10,180	4,647	54.3%	n/a	n/a
Act 345	36,003	59,228	23,225	60.8%	6,655	349.0%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

City of Jackson, Michigan

Notes To Financial Statements

Stand alone financial reports have not been issued for the plans. GASB Statement 25 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 Assets – June 30, 2009

	Employees' Retirement System	Policemen's and Firemen's Pension	Policemen's and Firemen's Pension - Act 345	Other Postemployment Benefits	Total
Assets					
Investments, at fair value:					
U.S. treasuries	\$ -	\$ 76,566	\$ 1,418,102	\$ -	\$ 1,494,668
U.S. agencies	-	88,161	740,065	-	828,226
Mortgage backed securities	-	-	522,159	-	522,159
Corporate bonds:					
Domestic	-	810,820	5,964,583	-	6,775,403
Domestic mutual funds	9,534,552	-	-	376,904	9,911,456
International	-	82,612	409,964	-	492,576
Equities:					
Domestic stocks	4,600,111	1,806,430	12,417,704	-	18,824,245
Domestic mutual funds	8,437,801	-	-	-	8,437,801
International stocks	-	556,915	4,151,623	-	4,708,538
International mutual funds	3,766,806	-	-	-	3,766,806
Money market accounts	837,977	147,751	1,510,808	-	2,496,536
Total investments	27,177,247	3,569,255	27,135,008	376,904	58,258,414
Receivables:					
Interest and dividends	849	8,849	79,703	-	89,401
Other	-	587	-	-	587
Total assets	27,178,096	3,578,691	27,214,711	376,904	58,348,402
Liabilities					
Refunds payable and other	12,021	-	495,748	-	507,769
Net assets held in trust for pension and other employee benefits	\$ 27,166,075	\$ 3,578,691	\$ 26,718,963	\$ 376,904	\$ 57,840,633

City of Jackson, Michigan

Notes To Financial Statements

Statement of Changes in Plan Net Assets - Year Ended June 30, 2009

	<u>Employees' Retirement System</u>	<u>Policemen's and Firemen's Pension</u>	<u>Policemen's and Firemen's Pension - Act 345</u>	<u>Other Postemployment Benefits</u>	<u>Totals</u>
Additions					
Contributions:					
Employer	\$ 742,407	\$ 641,212	\$ 3,191,716	\$ 100,000	\$ 4,675,335
Plan members	614,922	-	819,666	-	1,434,588
Total contributions	<u>1,357,329</u>	<u>641,212</u>	<u>4,011,382</u>	<u>100,000</u>	<u>6,109,923</u>
Investment income (loss):					
Net depreciation in fair value of investments	(5,419,826)	(1,238,993)	(7,833,900)	-	(14,492,719)
Interest	2,814	48,828	363,666	8,132	423,440
Dividends	113,619	49,286	336,761	-	499,666
Total investment income (loss)	<u>(5,303,393)</u>	<u>(1,140,879)</u>	<u>(7,133,473)</u>	<u>8,132</u>	<u>(13,569,613)</u>
Less investment expense	<u>77,587</u>	<u>32,133</u>	<u>225,145</u>	<u>-</u>	<u>334,865</u>
Net investment income (loss)	<u>(5,380,980)</u>	<u>(1,173,012)</u>	<u>(7,358,618)</u>	<u>8,132</u>	<u>(13,904,478)</u>
Total additions (Net investment income (loss) in excess of contributions)	<u>(4,023,651)</u>	<u>(531,800)</u>	<u>(3,347,236)</u>	<u>108,132</u>	<u>(7,794,555)</u>
Deductions					
Benefits	2,120,481	1,127,007	3,926,133	-	7,173,621
Refunds of contributions	28,935	-	28,084	-	57,019
Administrative expense	80,459	8,712	28,343	19,918	137,432
Total deductions	<u>2,229,875</u>	<u>1,135,719</u>	<u>3,982,560</u>	<u>19,918</u>	<u>7,368,072</u>
Net increase (decrease)	<u>(6,253,526)</u>	<u>(1,667,519)</u>	<u>(7,329,796)</u>	<u>88,214</u>	<u>(15,162,627)</u>
Net assets held in trust for pension and other employee benefits					
Beginning of year	<u>33,419,601</u>	<u>5,246,210</u>	<u>34,048,759</u>	<u>288,690</u>	<u>73,003,260</u>
End of year	<u>\$ 27,166,075</u>	<u>\$ 3,578,691</u>	<u>\$ 26,718,963</u>	<u>\$ 376,904</u>	<u>\$ 57,840,633</u>

**GASB REQUIRED
SUPPLEMENTARY INFORMATION**

City of Jackson, Michigan
Pension Trust Funds
GASB Statement 25 Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date June 30	(In Thousands)			Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)			
<u>Employees' Retirement System (entry age valuation method)</u>						
1998	\$ 27,965	\$ 22,927	\$ (5,038)	122.0%	\$ 7,339,189	(68.6%)
1999	31,654	24,367	(7,287)	129.9%	7,784,073	(93.6%)
2000	34,960	25,787	(9,173)	135.6%	8,338,326	(110.0%)
2001	36,120	27,705	(8,415)	130.4%	8,532,237	(98.6%)
2002	35,151	29,372	(5,779)	119.7%	9,256,930	(62.4%)
2003	33,229	29,902	(3,327)	111.1%	9,691,157	(34.3%)
2004	32,919	31,417	(1,502)	104.8%	9,599,830	(15.6%)
2005	32,395	33,016	621	98.1%	9,599,573	6.5%
2006	31,867	35,019	3,152	91.0%	10,090,797	31.2%
2007	34,236	38,091	3,855	89.9%	10,119,228	38.1%
2008	35,618	40,907	5,289	87.1%	10,295,133	51.4%
<u>Policemen's and Firemen's Pension (attained age valuation method)</u>						
1998	\$ 8,997	\$ 13,879	\$ 4,882	64.8%	\$ 49,813	9799.6%
1999	9,845	13,537	3,692	72.7%	51,016	7237.6%
2000	11,518	11,747	229	98.1%	n/a	n/a
2001	10,845	11,428	583	94.9%	n/a	n/a
2002	9,354	11,267	1,913	83.0%	n/a	n/a
2003	7,745	10,901	3,156	71.1%	n/a	n/a
2004	6,418	10,753	4,335	59.7%	n/a	n/a
2005	5,622	10,172	4,550	55.3%	n/a	n/a
2006	5,560	10,931	5,371	50.9%	n/a	n/a
2007	5,848	10,682	4,834	54.8%	n/a	n/a
2008	5,533	10,180	4,647	54.3%	n/a	n/a
<u>Policemen's and Firemen's Pension - Act 345 (entry age valuation method)</u>						
1998	\$ 21,277	\$ 39,553	\$ 18,276	53.8%	\$ 5,697,163	320.8%
1999	24,372	40,911	16,539	59.6%	5,597,521	295.5%
2000	27,748	42,660	14,912	65.0%	5,772,726	258.3%
2001	29,555	44,126	14,571	67.0%	5,942,253	245.2%
2002	28,906	45,681	16,775	63.3%	6,071,301	276.3%
2003	27,837	47,131	19,294	59.1%	6,213,210	310.5%
2004	27,219	49,060	21,841	55.5%	6,138,055	355.8%
2005	27,761	51,434	23,673	54.0%	6,321,086	374.5%
2006	29,893	53,569	23,676	55.8%	6,598,038	358.8%
2007	33,250	56,554	23,304	58.8%	6,420,709	363.0%
2008	36,003	59,228	23,225	60.8%	6,655,270	349.0%

City of Jackson, Michigan
Pension Trust Funds
GASB Statement 25 Required Supplementary Information

Schedule of Employer Contributions

<u>Fiscal Year Ended June 30</u>	<u>Contribution Rates as Percents of Valuation Payroll</u>	<u>Annual Required Computed Dollar Contribution Projected Payroll</u>	<u>Actual Annual Contributions</u>	<u>Percent Contribution</u>
<u>Employees' Retirement System</u>				
1999	4.6%	\$ 363,951	\$ 363,951	100%
2000	3.9%	320,315	320,315	100%
2001	3.9%	335,840	335,840	100%
2002	3.9%	354,918	354,918	100%
2003	3.9%	378,931	378,931	100%
2004	3.9%	383,883	383,883	100%
2005	3.9%	388,706	388,706	100%
2006	5.6%	572,520	572,520	100%
2007	6.9%	722,422	722,422	100%
2008	7.6%	832,376	832,376	100%
2009	7.7%	742,407	742,407	100%
<u>Policemen's and Firemen's Pension</u>				
1999	n/a	\$ 542,989	\$ 542,989	100%
2000	n/a	372,183	372,183	100%
2001	n/a	293,241	293,241	100%
2002	n/a	-	-	n/a
2003	n/a	86,992	86,992	100%
2004	n/a	301,041	301,041	100%
2005	n/a	528,199	528,199	100%
2006	n/a	806,276	806,276	100%
2007	n/a	934,667	934,667	100%
2008	n/a	612,545	612,545	100%
2009	n/a	641,212	641,212	100%
<u>Policemen's and Firemen's Pension - Act 345</u>				
1999	38.4%	\$ 2,270,386	\$ 2,270,386	100%
2000	33.6%	2,051,490	2,051,490	100%
2001	32.7%	1,970,575	1,970,575	100%
2002	30.9%	1,882,139	1,882,139	100%
2003	29.9%	1,895,548	1,895,548	100%
2004	33.8%	2,192,507	2,192,507	100%
2005	37.2%	2,466,634	2,466,634	100%
2006	41.9%	2,327,991	2,327,991	100%
2007	44.9%	3,098,776	3,098,776	100%
2008	45.7%	3,289,972	3,289,972	100%
2009	45.7%	3,191,716	3,191,716	100%

City of Jackson, Michigan

GASB Statement 25 Required Supplementary Information

Additional Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>Employees' Retirement System</u>	<u>Policemen's and Firemen's Pension</u>	<u>Policemen's and Firemen's Pension Act 345</u>
Valuation date	June 30, 2008	June 30, 2008	June 30, 2008
Actuarial Cost Method	Entry Age	Attained Age	Entry Age
Amortization Method	Level percent	Level percent	Level percent
Remaining amortization period (All closed periods)	10 years full funding credit 30 years open 3 years early retirement window	10 years	10 years
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market
Actuarial assumption:			
Investment rate of return	8.00%	7.50%	7.75%
Projected salary increases	4.25% - 8.25%	N/A	4.25% -10.25%
Includes inflation at	4.25%	N/A	4.25%
Cost-of-living adjustments	None	3.00%	None

City of Jackson, Michigan
Other Employee Benefit Trust Fund
GASB Statement 45 Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date June 30	(In Thousands)						UAAL as a % of Covered Payroll
	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll		
2007	\$ -	\$ 56,062,594	\$ 56,062,594	0%	\$ 17,393,970	322%	

Fiscal Year Ended June 30	Contribution Rates as Percents of Valuation Payroll	Annual Required Computed Dollar Contribution Projected Payroll	Actual Annual Contributions	Percent Contribution
2009	23.9%	\$ 4,157,775	\$ 495,949	11.9%

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

City of Jackson, Michigan
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent Funds</u>	<u>Totals</u>
<u>ASSETS</u>					
Assets					
Pooled cash and investments	\$ 615,773	\$ 40,428	\$ 770,824	2,847,728	\$ 4,274,753
Receivables:					
Accounts, net	283,700	-	35,000	-	318,700
Interest	-	-	-	18,448	18,448
Due from other governments	718,613	-	-	-	718,613
Due from other funds	45,547	2,533	-	-	48,080
Interfund receivables	1,603,500	-	-	-	1,603,500
Inventories	9,792	-	-	-	9,792
Long-term advance to other funds	-	-	-	110,000	110,000
Total assets	<u>\$ 3,276,925</u>	<u>\$ 42,961</u>	<u>\$ 805,824</u>	<u>\$ 2,976,176</u>	<u>\$ 7,101,886</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities					
Accounts payable	\$ 217,176	\$ -	\$ 53,571	\$ -	\$ 270,747
Accrued payroll	102,250	-	-	-	102,250
Due to other funds	622	-	-	80,654	81,276
Interfund payables	454,181	-	-	-	454,181
Total liabilities	<u>774,229</u>	<u>-</u>	<u>53,571</u>	<u>80,654</u>	<u>908,454</u>
Fund balances					
Reserved for:					
Inventories	9,792	-	-	-	9,792
Perpetual care	-	-	-	1,766,143	1,766,143
Endowment	-	-	-	1,019,379	1,019,379
Advances	-	-	-	110,000	110,000
Unreserved :					
Designated for subsequent years expenditures	356,811	-	-	-	356,811
Undesignated	2,136,093	42,961	752,253	-	2,931,307
Total fund balances	<u>2,502,696</u>	<u>42,961</u>	<u>752,253</u>	<u>2,895,522</u>	<u>6,193,432</u>
Total liabilities and fund balances	<u>\$ 3,276,925</u>	<u>\$ 42,961</u>	<u>\$ 805,824</u>	<u>\$ 2,976,176</u>	<u>\$ 7,101,886</u>

City of Jackson, Michigan
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2009

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent Funds</u>	<u>Totals</u>
Revenues					
Property taxes	\$ 1,192,407	\$ 584,651	\$ 1,056,990	\$ -	\$ 2,834,048
Intergovernmental	4,838,881	-	-	-	4,838,881
Charges for services	1,341,273	1,208,627	-	21,601	2,571,501
Investment income	70,385	4,989	27,105	198,607	301,086
Miscellaneous	425,857	-	564	-	426,421
Total revenues	<u>7,868,803</u>	<u>1,798,267</u>	<u>1,084,659</u>	<u>220,208</u>	<u>10,971,937</u>
Expenditures					
Current:					
Public safety	749,430	-	-	-	749,430
Public works	4,461,472	-	-	-	4,461,472
Culture and recreation	1,209,652	-	-	-	1,209,652
Community enrichment and development	1,029,161	-	-	8,788	1,037,949
Capital outlay	54,493	-	571,414	-	625,907
Debt service:					
Principal retirement	105,000	1,499,000	-	-	1,604,000
Interest and fiscal charges	3,676	1,785,507	-	-	1,789,183
Total expenditures	<u>7,612,884</u>	<u>3,284,507</u>	<u>571,414</u>	<u>8,788</u>	<u>11,477,593</u>
Revenues over (under) expenditures	<u>255,919</u>	<u>(1,486,240)</u>	<u>513,245</u>	<u>211,420</u>	<u>(505,656)</u>
Other financing sources (uses)					
Payment to escrow agent	12,559	-	-	-	12,559
Transfers in	1,455,792	1,474,300	469,929	-	3,400,021
Transfers out	(1,734,968)	(7)	(1,227,515)	(111,306)	(3,073,796)
Total other financing sources (uses)	<u>(266,617)</u>	<u>1,474,293</u>	<u>(757,586)</u>	<u>(111,306)</u>	<u>338,784</u>
Net change in fund balances	(10,698)	(11,947)	(244,341)	100,114	(166,872)
Fund balances, beginning of year, as restated	<u>2,513,394</u>	<u>54,908</u>	<u>996,594</u>	<u>2,795,408</u>	<u>6,360,304</u>
Fund balances, end of year	<u><u>\$ 2,502,696</u></u>	<u><u>\$ 42,961</u></u>	<u><u>\$ 752,253</u></u>	<u><u>\$ 2,895,522</u></u>	<u><u>\$ 6,193,432</u></u>

Nonmajor Special Revenue Funds

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

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

Land Acquisition Fund - This fund is used to account for acquisitions of property within the City.

Housing Initiative Fund - This fund is used to record the acquisition of tax reverted properties and other land within the City

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

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

Budget Stabilization Fund - As provided for in Act 30 of the Public Acts of 1978, monies in this fund can generally be used for General Fund deficit reduction, to prevent a reduction in the level of public services or to cover expenses relating to a natural disaster.

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.

Project Safe Neighborhood - This fund is used to account for grant monies which are earmarked for projects to reduce crime and improve public safety.

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.

Nonmajor Special Revenue Funds (Cont.)

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

Lead Hazard Control Fund - This fund is used to account for the Federal Grants provided for lead paint testing.

Brownfield Assessment Grant Funds – These funds are used to account for the activity of an EPA Grant relating to Brownfield sites.

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

Waterfront Development Fund - This fund is used to account for the activity of a federal grant relating to development along portions of the Grand River.

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.

City of Jackson, Michigan
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	<u>Major Street</u>	<u>Local Street</u>	<u>Ella W. Sharp Park Operating</u>	<u>Land Acquisition</u>	<u>Housing Initiative</u>
<u>ASSETS</u>					
Assets					
Pooled cash and investments	\$ -	\$ -	\$ -	\$ 2,572	\$ 3,647
Accounts receivables, net	259,235	-	-	-	-
Due from other governments	298,148	90,943	-	-	-
Due from other funds	-	-	38,788	-	-
Interfund receivables	-	-	-	-	-
Inventories	-	-	9,792	-	-
Total assets	<u><u>\$ 557,383</u></u>	<u><u>\$ 90,943</u></u>	<u><u>\$ 48,580</u></u>	<u><u>\$ 2,572</u></u>	<u><u>\$ 3,647</u></u>
<u>LIABILITIES</u>					
<u>AND FUND BALANCES</u>					
Liabilities					
Accounts payable	\$ 67,940	\$ 4,060	\$ 7,667	\$ 2,526	\$ 273
Accrued payroll	27,771	5,386	24,724	-	-
Due to other funds	-	-	-	-	-
Interfund payables	160,621	75,310	6,863	-	-
Total liabilities	<u><u>256,332</u></u>	<u><u>84,756</u></u>	<u><u>39,254</u></u>	<u><u>2,526</u></u>	<u><u>273</u></u>
Fund balances					
Reserved for inventories	-	-	9,792	-	-
Unreserved:					
Designated for subsequent year's expenditures	264,757	6,187	-	-	-
Undesignated	36,294	-	(466)	46	3,374
Total fund balances	<u><u>301,051</u></u>	<u><u>6,187</u></u>	<u><u>9,326</u></u>	<u><u>46</u></u>	<u><u>3,374</u></u>
Total liabilities and fund balances	<u><u>\$ 557,383</u></u>	<u><u>\$ 90,943</u></u>	<u><u>\$ 48,580</u></u>	<u><u>\$ 2,572</u></u>	<u><u>\$ 3,647</u></u>

<u>Public Improvement</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Drug Law Enforcement</u>	<u>Project Safe Neighborhood</u>	<u>LAWNET Grant</u>	<u>Recreation Activity</u>
\$ 436,939	\$ -	\$ -	\$ 100,186	\$ -	\$ 1,145	\$ 52,259
-	24,010	-	-	-	-	155
-	-	-	-	8,124	-	-
-	-	-	-	-	-	-
-	-	1,603,500	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 436,939</u>	<u>\$ 24,010</u>	<u>\$ 1,603,500</u>	<u>\$ 100,186</u>	<u>\$ 8,124</u>	<u>\$ 1,145</u>	<u>\$ 52,414</u>
\$ 300	\$ 5,828	\$ -	\$ 568	\$ -	\$ -	\$ 879
-	12,876	-	-	-	-	11,749
-	-	-	-	-	-	-
-	4,252	-	-	8,124	-	-
<u>300</u>	<u>22,956</u>	<u>-</u>	<u>568</u>	<u>8,124</u>	<u>-</u>	<u>12,628</u>
-	-	-	-	-	-	-
75,637	-	-	5,931	-	-	4,299
361,002	1,054	1,603,500	93,687	-	1,145	35,487
<u>436,639</u>	<u>1,054</u>	<u>1,603,500</u>	<u>99,618</u>	<u>-</u>	<u>1,145</u>	<u>39,786</u>
<u>\$ 436,939</u>	<u>\$ 24,010</u>	<u>\$ 1,603,500</u>	<u>\$ 100,186</u>	<u>\$ 8,124</u>	<u>\$ 1,145</u>	<u>\$ 52,414</u>

Continued...

City of Jackson, Michigan
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	<u>Community Development Home Grant</u>	<u>Lead Hazard Control</u>	<u>Brownfield Assessment Grant - 2008</u>	<u>Byrne / JAG Program Grants</u>	<u>Waterfront Redevelopment</u>
<u>ASSETS</u>					
Assets					
Pooled cash and investments	\$ 19,025	\$ -	\$ -	\$ -	\$ -
Accounts receivables, net	300	-	-	-	-
Due from other governments	20,856	150,694	20,115	-	2,000
Due from other funds	6,759	-	-	-	-
Interfund receivables	-	-	-	-	-
Inventories, at cost	-	-	-	-	-
Total assets	<u><u>\$ 46,940</u></u>	<u><u>\$ 150,694</u></u>	<u><u>\$ 20,115</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,000</u></u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities					
Accounts payable	\$ 46,331	\$ 79,344	\$ -	\$ -	\$ -
Accrued payroll	-	2,526	-	-	-
Due to other funds	609	13	-	-	-
Interfund payables	-	68,811	20,115	-	1,979
Total liabilities	<u><u>46,940</u></u>	<u><u>150,694</u></u>	<u><u>20,115</u></u>	<u><u>-</u></u>	<u><u>1,979</u></u>
Fund balances					
Reserved for inventories	-	-	-	-	-
Unreserved:					
Designated for subsequent year's expenditures	-	-	-	-	-
Undesignated	-	-	-	-	21
Total fund balances	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>21</u></u>
Total liabilities and fund balances	<u><u>\$ 46,940</u></u>	<u><u>\$ 150,694</u></u>	<u><u>\$ 20,115</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,000</u></u>

<u>Recreation Millage</u>	<u>Totals</u>
\$ -	\$ 615,773
-	283,700
127,733	718,613
-	45,547
-	1,603,500
-	9,792
<u>\$ 127,733</u>	<u>\$ 3,276,925</u>

\$ 1,460	\$ 217,176
17,218	102,250
-	622
108,106	454,181

126,784	774,229
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-	9,792
---	-------

-	356,811
949	2,136,093

949	2,502,696
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<u>\$ 127,733</u>	<u>\$ 3,276,925</u>
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City of Jackson, Michigan
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	<u>Major Street</u>	<u>Local Street</u>	<u>Ella W. Sharp Park Operating</u>	<u>Land Acquisition</u>	<u>Housing Initiative</u>
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,143,461	563,165	-	-	-
Charges for services	-	-	546,702	-	-
Investment income	-	-	-	95	16
Miscellaneous	159,532	-	-	-	-
Total revenues	<u>3,302,993</u>	<u>563,165</u>	<u>546,702</u>	<u>95</u>	<u>16</u>
Expenditures					
Current:					
Public safety	-	-	-	-	-
Public works	3,215,962	1,114,708	-	-	-
Culture and recreation	-	-	740,990	-	-
Community enrichment and development	-	-	-	-	9,438
Capital outlay	-	-	-	54,493	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest expense	-	-	-	-	-
Total expenditures	<u>3,215,962</u>	<u>1,114,708</u>	<u>740,990</u>	<u>54,493</u>	<u>9,438</u>
Revenues over (under) expenditures	<u>87,031</u>	<u>(551,543)</u>	<u>(194,288)</u>	<u>(54,398)</u>	<u>(9,422)</u>
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	12,559
Transfers in	589,869	521,233	188,440	36,250	-
Transfers out	<u>(695,403)</u>	<u>(22,302)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(105,534)</u>	<u>498,931</u>	<u>188,440</u>	<u>36,250</u>	<u>12,559</u>
Net change in fund balances	(18,503)	(52,612)	(5,848)	(18,148)	3,137
Fund balances, beginning of year, as restated	<u>319,554</u>	<u>58,799</u>	<u>15,174</u>	<u>18,194</u>	<u>237</u>
Fund balances, end of year	<u><u>\$ 301,051</u></u>	<u><u>\$ 6,187</u></u>	<u><u>\$ 9,326</u></u>	<u><u>\$ 46</u></u>	<u><u>\$ 3,374</u></u>

<u>Public Improvement</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Drug Law Enforcement</u>	<u>Project Safe Neighborhood</u>	<u>LAWNET Grant</u>	<u>Recreation Activity</u>
\$ 1,192,407	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	46,251	34,447	-
-	320,751	-	-	-	-	221,085
29,261	-	38,343	1,862	-	-	807
-	-	-	167,647	-	86,637	-
<u>1,221,668</u>	<u>320,751</u>	<u>38,343</u>	<u>169,509</u>	<u>46,251</u>	<u>121,084</u>	<u>221,892</u>
-	440,312	-	97,361	46,251	121,083	-
-	-	-	-	-	-	-
-	-	-	-	-	-	215,279
131,350	-	-	-	-	-	-
-	-	-	-	-	-	-
105,000	-	-	-	-	-	-
3,676	-	-	-	-	-	-
<u>240,026</u>	<u>440,312</u>	<u>-</u>	<u>97,361</u>	<u>46,251</u>	<u>121,083</u>	<u>215,279</u>
<u>981,642</u>	<u>(119,561)</u>	<u>38,343</u>	<u>72,148</u>	<u>-</u>	<u>1</u>	<u>6,613</u>
-	-	-	-	-	-	-
-	120,000	-	-	-	-	-
<u>(978,920)</u>	<u>-</u>	<u>(38,343)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(978,920)</u>	<u>120,000</u>	<u>(38,343)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,722	439	-	72,148	-	1	6,613
<u>433,917</u>	<u>615</u>	<u>1,603,500</u>	<u>27,470</u>	<u>-</u>	<u>1,144</u>	<u>33,173</u>
<u>\$ 436,639</u>	<u>\$ 1,054</u>	<u>\$ 1,603,500</u>	<u>\$ 99,618</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 39,786</u>

Continued...

City of Jackson, Michigan
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Concluded)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	<u>Community Development Home Grant</u>	<u>Lead Hazard Control</u>	<u>Brownfield Assessment Grant - 2008</u>	<u>Byrne / JAG Program Grant</u>	<u>Waterfront Redevelopment</u>
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	305,866	570,466	128,802	44,423	2,000
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	1
Miscellaneous	12,041	-	-	-	-
	<u>317,907</u>	<u>570,466</u>	<u>128,802</u>	<u>44,423</u>	<u>2,001</u>
Total revenues	<u>317,907</u>	<u>570,466</u>	<u>128,802</u>	<u>44,423</u>	<u>2,001</u>
Expenditures					
Current:					
Public safety	-	-	-	44,423	-
Public works	-	-	128,802	-	2,000
Culture and recreation	-	-	-	-	-
Community enrichment and development	317,907	570,466	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest expense	-	-	-	-	-
	<u>317,907</u>	<u>570,466</u>	<u>128,802</u>	<u>44,423</u>	<u>2,000</u>
Total expenditures	<u>317,907</u>	<u>570,466</u>	<u>128,802</u>	<u>44,423</u>	<u>2,000</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	1
Fund balances, beginning of year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21</u></u>

<u>Recreation Millage</u>	<u>Totals</u>
\$ -	\$ 1,192,407
-	4,838,881
252,735	1,341,273
-	70,385
-	425,857
252,735	7,868,803
-	749,430
-	4,461,472
253,383	1,209,652
-	1,029,161
-	54,493
-	105,000
-	3,676
253,383	7,612,884
(648)	255,919
-	12,559
-	1,455,792
-	(1,734,968)
-	(266,617)
(648)	(10,698)
1,597	2,513,394
\$ 949	\$ 2,502,696

City of Jackson, Michigan
Major Street Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Intergovernmental	\$ 4,872,283	\$ 3,143,461	\$ (1,728,822)	\$ 2,717,397
Miscellaneous	135,325	159,532	24,207	201,015
Total revenues	<u>5,007,608</u>	<u>3,302,993</u>	<u>(1,704,615)</u>	<u>2,918,412</u>
Expenditures				
Current - public works:				
Street construction	696,351	580,613	(115,738)	493,445
Street maintenance	681,894	598,274	(83,620)	635,780
Traffic services	561,895	512,771	(49,124)	581,377
Winter maintenance	332,181	311,302	(20,879)	393,754
Trunkline maintenance	215,816	234,375	18,559	143,946
State highway construction	2,612,291	1,187,323	(1,424,968)	873,842
Reimbursements	(22,809)	(208,696)	(185,887)	-
Total expenditures	<u>5,077,619</u>	<u>3,215,962</u>	<u>(1,861,657)</u>	<u>3,122,144</u>
Revenues over (under) expenditures	<u>(70,011)</u>	<u>87,031</u>	<u>157,042</u>	<u>(203,732)</u>
Other financing sources (uses)				
Transfers in	895,262	589,869	(305,393)	772,733
Transfers out	(831,685)	(695,403)	136,282	(444,304)
Total other financing sources (uses)	<u>63,577</u>	<u>(105,534)</u>	<u>(169,111)</u>	<u>328,429</u>
Net change in fund balance	(6,434)	(18,503)	(12,069)	124,697
Fund balance, beginning of year	<u>319,554</u>	<u>319,554</u>	<u>-</u>	<u>194,857</u>
Fund balance, end of year	<u><u>\$ 313,120</u></u>	<u><u>\$ 301,051</u></u>	<u><u>\$ (12,069)</u></u>	<u><u>\$ 319,554</u></u>

City of Jackson, Michigan
Local Street Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Intergovernmental	\$ 561,105	\$ 563,165	\$ 2,060	\$ 584,605
Miscellaneous	800	-	(800)	56,810
Total revenues	<u>561,905</u>	<u>563,165</u>	<u>1,260</u>	<u>641,415</u>
Expenditures				
Current - public works:				
Street construction	133,427	82,310	(51,117)	581,742
Street maintenance	864,965	844,594	(20,371)	702,191
Traffic services	19,531	18,858	(673)	22,402
Winter maintenance	171,753	168,946	(2,807)	213,763
Reimbursements	-	-	-	(334,152)
Total expenditures	<u>1,189,676</u>	<u>1,114,708</u>	<u>(74,968)</u>	<u>1,185,946</u>
Revenues under expenditures	<u>(627,771)</u>	<u>(551,543)</u>	<u>76,228</u>	<u>(544,531)</u>
Other financing sources (uses)				
Transfers in	604,737	521,233	(83,504)	410,865
Transfers out	<u>(22,320)</u>	<u>(22,302)</u>	18	<u>(12,275)</u>
Total other financing sources (uses)	<u>582,417</u>	<u>498,931</u>	<u>(83,486)</u>	<u>398,590</u>
Net change in fund balance	(45,354)	(52,612)	(7,258)	(145,941)
Fund balance, beginning of year	<u>58,799</u>	<u>58,799</u>	-	<u>204,740</u>
Fund balance, end of year	<u><u>\$ 13,445</u></u>	<u><u>\$ 6,187</u></u>	<u><u>\$ (7,258)</u></u>	<u><u>\$ 58,799</u></u>

City of Jackson, Michigan
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, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Charges for services	\$ 606,000	\$ 546,702	\$ (59,298)	\$ 566,595
Investment income	1,000	-	(1,000)	302
Total revenues	<u>607,000</u>	<u>546,702</u>	<u>(60,298)</u>	<u>566,897</u>
Expenditures				
Current - culture and recreation:				
Personal services	431,800	439,268	7,468	414,260
Materials and supplies	188,700	208,132	19,432	204,687
Contractual and other services	96,921	86,380	(10,541)	86,764
Capital outlay	<u>7,300</u>	<u>7,210</u>	<u>(90)</u>	<u>7,210</u>
Total expenditures	<u>724,721</u>	<u>740,990</u>	<u>16,269</u>	<u>712,921</u>
Revenues under expenditures	<u>(117,721)</u>	<u>(194,288)</u>	<u>(76,567)</u>	<u>(146,024)</u>
Other financing sources				
Transfers in	<u>117,489</u>	<u>188,440</u>	<u>70,951</u>	<u>146,482</u>
Net change in fund balance	(232)	(5,848)	(5,616)	458
Fund balance, beginning of year	<u>15,174</u>	<u>15,174</u>	<u>-</u>	<u>14,716</u>
Fund balance, end of year	<u><u>\$ 14,942</u></u>	<u><u>\$ 9,326</u></u>	<u><u>\$ (5,616)</u></u>	<u><u>\$ 15,174</u></u>

City of Jackson, Michigan
Land Acquisition Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Investment income	\$ 200	\$ 95	(105)	1,892
Miscellaneous	-	-	-	70,884
Total revenues	<u>200</u>	<u>95</u>	<u>(105)</u>	<u>72,776</u>
Expenditures				
Capital outlay	<u>50,000</u>	<u>54,493</u>	<u>4,493</u>	<u>54,592</u>
Revenues over (under) expenditures	(49,800)	(54,398)	(4,598)	18,184
Other financing sources				
Transfers in	<u>32,000</u>	<u>36,250</u>	<u>4,250</u>	<u>-</u>
Net change in fund balance	(17,800)	(18,148)	(348)	18,184
Fund balance, beginning of year	<u>18,194</u>	<u>18,194</u>	<u>-</u>	<u>10</u>
Fund balance, end of year	<u><u>\$ 394</u></u>	<u><u>\$ 46</u></u>	<u><u>\$ (348)</u></u>	<u><u>\$ 18,194</u></u>

City of Jackson, Michigan
Housing Initiative Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Investment income	\$ -	\$ 16	\$ 16	\$ -
Expenditures				
Current - community enrichment and development	10,000	9,438	(562)	24,799
Revenues over (under) expenditures	(10,000)	(9,422)	578	(24,799)
Other financing sources				
Transfers in	-	-	-	21,000
Net change in fund balance	-	3,137	3,137	(3,799)
Fund balance, beginning of year	237	237	-	4,036
Fund balance, end of year	\$ 237	\$ 3,374	\$ 3,137	\$ 237

City of Jackson, Michigan
Public Improvement Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Property taxes	\$ 1,187,500	\$ 1,192,407	\$ 4,907	\$ 1,196,668
Investment income	27,000	29,261	2,261	58,381
Total revenues	<u>1,214,500</u>	<u>1,221,668</u>	<u>7,168</u>	<u>1,255,049</u>
Expenditures				
Current - community enrichment and development	134,500	131,350	(3,150)	137,830
Debt service:				
Principal retirement	105,000	105,000	-	100,000
Interest	3,675	3,676	1	4,724
Total expenditures	<u>243,175</u>	<u>240,026</u>	<u>(3,149)</u>	<u>242,554</u>
Revenues over (under) expenditures	971,325	981,642	10,317	1,012,495
Other financing uses				
Transfers out	<u>(1,325,030)</u>	<u>(978,920)</u>	<u>346,110</u>	<u>(1,043,354)</u>
Net change in fund balance	(353,705)	2,722	356,427	(30,859)
Fund balance, beginning of year	<u>433,917</u>	<u>433,917</u>	<u>-</u>	<u>464,776</u>
Fund balance, end of year	<u><u>\$ 80,212</u></u>	<u><u>\$ 436,639</u></u>	<u><u>\$ 356,427</u></u>	<u><u>\$ 433,917</u></u>

City of Jackson, Michigan
Building Department Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Charges for services	\$ 348,500	\$ 320,751	\$ (27,749)	\$ 282,854
Expenditures				
Current - public safety:				
Personal services	340,978	330,339	(10,639)	405,305
Materials and supplies	9,200	10,462	1,262	9,113
Inspection services	55,000	43,720	(11,280)	6,488
Contractual and other services	82,742	55,791	(26,951)	62,180
Total expenditures	<u>487,920</u>	<u>440,312</u>	<u>(47,608)</u>	<u>483,086</u>
Revenues over (under) expenditures	(139,420)	(119,561)	19,859	(200,232)
Other financing sources				
Transfers in	<u>138,805</u>	<u>120,000</u>	<u>(18,805)</u>	<u>200,000</u>
Net change in fund balance	(615)	439	1,054	(232)
Fund balance, beginning of year	<u>615</u>	<u>615</u>	<u>-</u>	<u>847</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 1,054</u>	<u>\$ 1,054</u>	<u>\$ 615</u>

City of Jackson, Michigan
Budget Stabilization Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Investment income	\$ 37,000	\$ 38,343	\$ 1,343	\$ 75,629
Other financing uses				
Transfers out	(40,000)	(38,343)	1,657	(75,629)
Net change in fund balance	(3,000)	-	3,000	-
Fund balance, beginning of year	1,603,500	1,603,500	-	1,603,500
Fund balance, end of year	\$ 1,600,500	\$ 1,603,500	\$ 3,000	\$ 1,603,500

City of Jackson, Michigan
Drug Law Enforcement Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Investment income	\$ 1,768	\$ 1,862	\$ 94	\$ 501
Miscellaneous:				
Sale of property	8,700	15,693	6,993	10,472
Other	162,920	151,954	(10,966)	65,361
Total revenues	<u>173,388</u>	<u>169,509</u>	<u>(3,879)</u>	<u>76,334</u>
Expenditures				
Current - public safety:				
Materials and supplies	5,203	5,203	-	177
Contractual and other services	99,377	92,158	(7,219)	76,752
Total expenditures	<u>104,580</u>	<u>97,361</u>	<u>(7,219)</u>	<u>76,929</u>
Net change in fund balance	68,808	72,148	3,340	(595)
Fund balance, beginning of year	<u>27,470</u>	<u>27,470</u>	<u>-</u>	<u>28,065</u>
Fund balance, end of year	<u><u>\$ 96,278</u></u>	<u><u>\$ 99,618</u></u>	<u><u>\$ 3,340</u></u>	<u><u>\$ 27,470</u></u>

City of Jackson, Michigan
Project Safe Neighborhood
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Intergovernmental	\$ 66,940	\$ 46,251	\$ (20,689)	\$ 28,590
Expenditures				
Current - public safety:				
Personal services	66,940	45,664	(21,276)	26,142
Contractual and other services	-	587	587	2,448
Total expenditures	<u>66,940</u>	<u>46,251</u>	<u>(20,689)</u>	<u>28,590</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Jackson, Michigan
LAWNET Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Intergovernmental	\$ 34,447	\$ 34,447	\$ -	\$ 57,929
Miscellaneous	88,055	86,637	(1,418)	71,215
Total revenues	<u>122,502</u>	<u>121,084</u>	<u>(1,418)</u>	<u>129,144</u>
Expenditures :				
Current - public safety:				
Personal services	120,799	120,596	(203)	127,928
Contractual and other services	1,704	487	(1,217)	1,216
Total expenditures	<u>122,503</u>	<u>121,083</u>	<u>(1,420)</u>	<u>129,144</u>
Net change in fund balance	(1)	1	2	-
Fund balance, beginning of year	<u>1,144</u>	<u>1,144</u>	<u>-</u>	<u>1,144</u>
Fund balance, end of year	<u><u>\$ 1,143</u></u>	<u><u>\$ 1,145</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 1,144</u></u>

City of Jackson, Michigan
Recreation Activity Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Charges for services	\$ 279,000	\$ 221,085	\$ (57,915)	\$ 242,316
Investment income	1,800	807	(993)	1,616
Total revenues	<u>280,800</u>	<u>221,892</u>	<u>(58,908)</u>	<u>243,932</u>
Expenditures				
Current - culture and recreation:				
Personal services	125,196	110,094	(15,102)	97,830
Materials and supplies	35,000	33,329	(1,671)	46,174
Contractual and other services	<u>119,900</u>	<u>71,856</u>	<u>(48,044)</u>	<u>98,526</u>
Total expenditures	<u>280,096</u>	<u>215,279</u>	<u>(64,817)</u>	<u>242,530</u>
Net change in fund balances	704	6,613	5,909	1,402
Fund balance, beginning of year	<u>33,173</u>	<u>33,173</u>	<u>-</u>	<u>31,771</u>
Fund balance, end of year	<u><u>\$ 33,877</u></u>	<u><u>\$ 39,786</u></u>	<u><u>\$ 5,909</u></u>	<u><u>\$ 33,173</u></u>

City of Jackson, Michigan
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, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Intergovernmental	\$ 1,034,856	\$ 305,866	\$ (728,990)	\$ 400,573
Miscellaneous	-	12,041	12,041	11,070
Total revenues	<u>1,034,856</u>	<u>317,907</u>	<u>(716,949)</u>	<u>411,643</u>
Expenditures				
Current - community enrichment and development:				
Rehabilitation assistance	847,900	175,264	(672,636)	257,009
Rental rehabilitation	-	-	-	(3,315)
Community housing development organizations	303,741	84,168	(219,573)	123,611
Administration and other	65,800	58,475	(7,325)	34,338
Total expenditures	<u>1,217,441</u>	<u>317,907</u>	<u>(899,534)</u>	<u>411,643</u>
Net change in fund balance	(182,585)	-	182,585	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ (182,585)</u>	<u>\$ -</u>	<u>\$ 182,585</u>	<u>\$ -</u>

City of Jackson, Michigan
Lead Hazard Control Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Intergovernmental	\$ 516,582	\$ 570,466	\$ 53,884	\$ 599,102
Investment income	-	-	-	554
Miscellaneous	-	-	-	1,876
Total revenues	<u>516,582</u>	<u>570,466</u>	<u>53,884</u>	<u>601,532</u>
Expenditures				
Current - community enrichment and development - Community housing development organizations	<u>406,818</u>	<u>570,466</u>	<u>163,648</u>	<u>601,532</u>
Net change in fund balance	109,764	-	(109,764)	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 109,764</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (109,764)</u></u>	<u><u>\$ -</u></u>

City of Jackson, Michigan
Brownfield Assessment Grant - 2004 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ 145,641
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,641</u>
Expenditures				
Current - public works:				
Materials and supplies	-	-	-	639
Contractual and other services	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,003</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,642</u>
Net change in fund balance	-	-	-	(1)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Jackson, Michigan
Brownfield Assessment Grant - 2008 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Intergovernmental	\$ 300,000	\$ 128,802	\$ (171,198)	\$ 2,534
Expenditures				
Current - public works:				
Personal services	2,250	117	(2,133)	361
Materials and supplies	147,000	121,508	(25,492)	361
Contractual and other services	150,750	7,177	(143,573)	1,812
Total expenditures	<u>300,000</u>	<u>128,802</u>	<u>(171,198)</u>	<u>2,534</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Jackson, Michigan
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, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009		Actual Over (Under) Final Budget	2008 Actual
	Amended Budget	Actual		
Revenues				
Intergovernmental	\$ 44,423	\$ 44,423	\$ -	\$ -
Expenditures :				
Current - public safety:				
Contractual and other services	44,423	44,423	-	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

City of Jackson, Michigan
Waterfront Redevelopment Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Amended Budget and Actual
For the Fiscal Year Ended June 30, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Intergovernmental	\$ -	\$ 2,000	\$ 2,000	\$ -
Investment income	-	1	1	5
Total revenues	<u>-</u>	<u>2,001</u>	<u>2,001</u>	<u>5</u>
Expenditures				
Current - public works:				
Contractual and other services	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Net change in fund balance	-	1	1	5
Fund balance, beginning of year	<u>20</u>	<u>20</u>	<u>-</u>	<u>15</u>
Fund balance, end of year	<u><u>\$ 20</u></u>	<u><u>\$ 21</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 20</u></u>

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, 2009
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2008

	2009			2008 Actual
	Amended Budget	Actual	Actual Over (Under) Final Budget	
Revenues				
Charges for services	\$ 258,000	\$ 252,735	\$ (5,265)	\$ 248,420
Expenditures				
Current - culture and recreation:				
Personal services	168,980	161,474	(7,506)	159,814
Materials and supplies	65,020	79,606	14,586	70,785
Contractual and other services	24,000	12,303	(11,697)	16,436
Total expenditures	<u>258,000</u>	<u>253,383</u>	<u>(4,617)</u>	<u>247,035</u>
Net change in fund balance	-	(648)	(648)	1,385
Fund balance, beginning of year	<u>1,597</u>	<u>1,597</u>	<u>-</u>	<u>212</u>
Fund balance, end of year	<u><u>\$ 1,597</u></u>	<u><u>\$ 949</u></u>	<u><u>\$ (648)</u></u>	<u><u>\$ 1,597</u></u>

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.

2003 City Hall Construction Debt Service Fund - This fund is used to record the payment of interest and principal on the bonds issued for City Hall building improvements.

Michigan Urban Land Assembly Loan Debt Service - This fund is used to record the payment of interest and principal on the \$1,000,000 Urban Land Assembly Loan.

1998 Michigan Transportation Debt Service Fund - This fund is used to record the payment of interest and principal on the \$995,000 1998 Michigan Transportation Fund Bonds, which were used to fund a portion of the cost of constructing City street improvements.

2003 Michigan Transportation Debt Service Fund - This fund is used to record the payment of interest and principal on the \$1,750,000 2003 Series Michigan Transportation Fund Bonds, which were used to fund a portion of the cost of constructing City street improvements and a salt storage facility.

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

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.

2002 BRA TIF Debt Service Fund - This fund is used to record principal and interest payments on the \$18.5 million Brownfield Redevelopment Authority Tax Increment used to finance the City's share of parking facilities and infrastructure improvements associated with the construction of the new Consumers Energy headquarters.

Section 108 Loan Debt Service - This fund is used to record principal and interest payments on the \$1,285,000 Section 108 Loan.

**City of Jackson, Michigan
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2009**

	2003 City Hall Construction	Michigan Urban Land Assembly Loan	1998 Michigan Transportation Fund	2003 MTF Bond	2007 Brownfield Refunding
<u>ASSETS</u>					
Assets					
Pooled cash and investments	\$ 34,060	\$ -	\$ -	\$ 7	\$ 100
Due from other funds	2,533	-	-	-	-
Total assets	\$ 36,593	\$ -	\$ -	\$ 7	\$ 100
 <u>FUND BALANCES</u>					
Unreserved, undesignated	\$ 36,593	\$ -	\$ -	\$ 7	\$ 100

<u>Building Authority</u>	<u>2001 DDA TIF</u>	<u>2002 BRA TIF</u>	<u>Section 108 Loan</u>	<u>Totals</u>
\$ 3,351	\$ 637	\$ 2,273	\$ -	\$ 40,428
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,533</u>
<u>\$ 3,351</u>	<u>\$ 637</u>	<u>\$ 2,273</u>	<u>\$ -</u>	<u>\$ 42,961</u>
<u>\$ 3,351</u>	<u>\$ 637</u>	<u>\$ 2,273</u>	<u>\$ -</u>	<u>\$ 42,961</u>

City of Jackson, Michigan
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2009

	2003 City Hall Construction	Michigan Urban Land Assembly Loan	1998 Michigan Transportation Fund	2003 MTF Bond	2007 Brownfield Refunding
Revenues					
Property taxes	\$ 584,651	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	450,129
Investment income	4,989	-	-	-	-
Total revenues	<u>589,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,129</u>
Expenditures					
Debt service:					
Principal retirement	180,000	144,000	-	245,000	30,000
Interest and fiscal charges	421,587	-	-	33,780	420,129
Total expenditures	<u>601,587</u>	<u>144,000</u>	<u>-</u>	<u>278,780</u>	<u>450,129</u>
Revenues over (under) expenditures	<u>(11,947)</u>	<u>(144,000)</u>	<u>-</u>	<u>(278,780)</u>	<u>-</u>
Other financing sources					
Transfers in	-	144,000	-	278,787	-
Transfers out	-	-	(7)	-	-
Total other financing sources (uses)	<u>-</u>	<u>144,000</u>	<u>(7)</u>	<u>278,787</u>	<u>-</u>
Net change in fund balances	(11,947)	-	(7)	7	-
Fund balances, beginning of year	48,540	-	7	-	100
Fund balances, end of year	<u>\$ 36,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 100</u>

<u>Building Authority</u>	<u>2001 DDA TIF</u>	<u>2002 BRA TIF</u>	<u>Section 108 Loan</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ 584,651
128,350	-	565,148	65,000	1,208,627
-	-	-	-	4,989
<u>128,350</u>	<u>-</u>	<u>565,148</u>	<u>65,000</u>	<u>1,798,267</u>
90,000	645,000	100,000	65,000	1,499,000
<u>38,350</u>	<u>406,513</u>	<u>465,148</u>	<u>-</u>	<u>1,785,507</u>
<u>128,350</u>	<u>1,051,513</u>	<u>565,148</u>	<u>65,000</u>	<u>3,284,507</u>
<u>-</u>	<u>(1,051,513)</u>	<u>-</u>	<u>-</u>	<u>(1,486,240)</u>
-	1,051,513	-	-	1,474,300
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7)</u>
<u>-</u>	<u>1,051,513</u>	<u>-</u>	<u>-</u>	<u>1,474,293</u>
-	-	-	-	(11,947)
<u>3,351</u>	<u>637</u>	<u>2,273</u>	<u>-</u>	<u>54,908</u>
<u>\$ 3,351</u>	<u>\$ 637</u>	<u>\$ 2,273</u>	<u>\$ -</u>	<u>\$ 42,961</u>

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 - 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, 2009**

	<u>Capital Projects</u>	<u>Downtown Development Authority Project</u>	<u>Totals</u>
<u>ASSETS</u>			
Assets			
Pooled cash and investments	\$ 78,846	\$ 691,978	\$ 770,824
Accounts receivable	35,000	-	35,000
Total assets	<u>113,846</u>	<u>691,978</u>	<u>805,824</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	\$ 51,801	\$ 1,770	\$ 53,571
Fund balances			
Unreserved, undesignated	62,045	690,208	752,253
Total liabilities and fund balances	<u>\$ 113,846</u>	<u>\$ 691,978</u>	<u>\$ 805,824</u>

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, 2009

	<u>Capital Projects</u>	<u>Downtown Development Authority Project</u>	<u>Totals</u>
Revenues			
Property taxes	\$ -	\$ 1,056,990	\$ 1,056,990
Investment income	81	27,024	27,105
Donations	564	-	564
	<u>645</u>	<u>1,084,014</u>	<u>1,084,659</u>
Expenditures			
Capital outlay:			
Community enrichment & development	465,357	106,057	571,414
Revenues over (under) expenditures	<u>(464,712)</u>	<u>977,957</u>	<u>513,245</u>
Other financing sources (uses)			
Transfers in	469,929	-	469,929
Transfers out	-	(1,227,515)	(1,227,515)
Total other financing sources (uses)	<u>469,929</u>	<u>(1,227,515)</u>	<u>(757,586)</u>
Net change in fund balances	5,217	(249,558)	(244,341)
Fund balances, beginning of year	<u>56,828</u>	<u>939,766</u>	<u>996,594</u>
Fund balances, end of year	<u><u>\$ 62,045</u></u>	<u><u>\$ 690,208</u></u>	<u><u>\$ 752,253</u></u>

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, 2009

	<u>Ella W. Sharp Park Endowment</u>	<u>Cemetery Perpetual Maintenance</u>	<u>Total</u>
<u>ASSETS</u>			
Assets			
Pooled cash and investments - restricted	\$ 1,058,167	\$ 1,789,561	\$ 2,847,728
Interest receivable	-	18,448	18,448
Long-term advance to other funds	110,000	-	110,000
	<u>110,000</u>	<u>-</u>	<u>110,000</u>
Total assets	<u>\$ 1,168,167</u>	<u>\$ 1,808,009</u>	<u>\$ 2,976,176</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Due to other funds	\$ 38,788	\$ 41,866	\$ 80,654
	<u>38,788</u>	<u>41,866</u>	<u>80,654</u>
Fund balances			
Reserved for :			
Perpetual care	-	1,766,143	1,766,143
Endowment principal	1,019,379	-	1,019,379
Advances	110,000	-	110,000
	<u>110,000</u>	<u>-</u>	<u>110,000</u>
Total fund balances	<u>1,129,379</u>	<u>1,766,143</u>	<u>2,895,522</u>
Total liabilities and fund balances	<u>\$ 1,168,167</u>	<u>\$ 1,808,009</u>	<u>\$ 2,976,176</u>

City of Jackson, Michigan
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Permanent Funds
For the Fiscal Year Ended June 30, 2009

	Ella W. Sharp Park Endowment	Cemetery Perpetual Maintenance	Totals
Revenues			
Charges for services	\$ -	\$ 21,601	\$ 21,601
Investment income	89,209	109,398	198,607
Total revenues	89,209	130,999	220,208
Expenditures			
	-	8,788	8,788
Revenues over expenditures	89,209	122,211	211,420
Other financing uses			
Transfers out	(46,640)	(64,666)	(111,306)
Net change in fund balances	42,569	57,545	100,114
Fund balances, beginning of year	1,086,810	1,708,598	2,795,408
Fund balances, end of year	\$ 1,129,379	\$ 1,766,143	\$ 2,895,522

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.

City of Jackson, Michigan
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2009

	Ella W. Sharp Park Golf Practice Center	Automobile Parking System	Parking Assessment	Totals
Assets				
Current assets:				
Pooled cash and investments	\$ 6,229	\$ 99,762	\$ 263,795	\$ 369,786
Accounts receivable	-	-	825	825
Total current assets	<u>6,229</u>	<u>99,762</u>	<u>264,620</u>	<u>370,611</u>
Noncurrent assets:				
Capital assets not being depreciated	-	1,682,727	-	1,682,727
Capital assets being depreciated, net	107,014	170,382	-	277,396
Total noncurrent assets	<u>107,014</u>	<u>1,853,109</u>	<u>-</u>	<u>1,960,123</u>
Total assets	<u>113,243</u>	<u>1,952,871</u>	<u>264,620</u>	<u>2,330,734</u>
Liabilities				
Current liabilities:				
Accounts payable	-	-	635	635
Accrued payroll	3,168	546	2,270	5,984
Installment purchase contract payable	-	100,000	-	100,000
Total current liabilities	<u>3,168</u>	<u>100,546</u>	<u>2,905</u>	<u>106,619</u>
Noncurrent liabilities:				
Long term advance from other funds	110,000	-	-	110,000
Installment purchase contract payable	-	100,000	-	100,000
Total non-current liabilities	<u>110,000</u>	<u>100,000</u>	<u>-</u>	<u>210,000</u>
Total liabilities	<u>113,168</u>	<u>200,546</u>	<u>2,905</u>	<u>316,619</u>
Net assets				
Invested in capital assets, net of related debt	107,014	1,653,109	-	1,760,123
Unrestricted (deficit)	<u>(106,939)</u>	<u>99,216</u>	<u>261,715</u>	<u>253,992</u>
Total net assets	<u>\$ 75</u>	<u>\$ 1,752,325</u>	<u>\$ 261,715</u>	<u>\$ 2,014,115</u>

City of Jackson, Michigan
Combining Statement of Revenues, Expenses
and Changes in Net Assets
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2009

	<u>Ella W. Sharp Park Golf Practice Center</u>	<u>Automobile Parking System</u>	<u>Parking Assessment</u>	<u>Totals</u>
Operating revenues				
Charges for sales and services	\$ 54,026	\$ 74,491	\$ 63,391	\$ 191,908
Operating expenses				
Personal services	42,584	19,370	60,226	122,180
Materials and supplies	3,334	1,659	-	4,993
Contractual and other services	3,774	19,548	108,880	132,202
Depreciation	17,836	45,420	-	63,256
Total operating expenses	67,528	85,997	169,106	322,631
Operating loss	(13,502)	(11,506)	(105,715)	(130,723)
Non-operating revenues (expenses)				
Investment income	8	1,870	7,001	8,879
Interest and fiscal charges	(3,000)	(11,142)	-	(14,142)
Total non-operating revenues (expenses)	(2,992)	(9,272)	7,001	(5,263)
Loss before transfers	(16,494)	(20,778)	(98,714)	(135,986)
Transfers in	11,600	32,002	46,122	89,724
Change in net assets	(4,894)	11,224	(52,592)	(46,262)
Net assets, beginning of year	4,969	1,741,101	314,307	2,060,377
Net assets, end of year	<u>\$ 75</u>	<u>\$ 1,752,325</u>	<u>\$ 261,715</u>	<u>\$ 2,014,115</u>

City of Jackson, Michigan
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2009

	Ella W. Sharp Park Golf Practice Center	Automobile Parking System	Parking Assessment	Totals
Cash flows from operating activities				
Payments to employees	\$ (42,584)	\$ (19,370)	\$ (60,226)	\$ (122,180)
Payments to vendors and claimants	(17,313)	(21,311)	(109,191)	(147,815)
Receipts from customers and users	54,026	74,491	63,391	191,908
Net cash provided by (used in) operating activities	<u>(5,871)</u>	<u>33,810</u>	<u>(106,026)</u>	<u>(78,087)</u>
Cash flows from capital and related financing activities				
Principal paid on long-term debt	-	(75,000)	-	(75,000)
Interest paid on long-term debt	<u>(3,000)</u>	<u>(11,142)</u>	<u>-</u>	<u>(14,142)</u>
Net cash used in capital and related financing activities	<u>(3,000)</u>	<u>(86,142)</u>	<u>-</u>	<u>(89,142)</u>
Cash flows from non-capital financing activities				
Transfer in	<u>11,600</u>	<u>32,002</u>	<u>46,122</u>	<u>89,724</u>
Cash flows from investing activities				
Interest received on investments	<u>8</u>	<u>1,870</u>	<u>7,001</u>	<u>8,879</u>
Net increase (decrease) in cash and cash equivalents	2,737	(18,460)	(52,903)	(68,626)
Cash and cash equivalents, beginning of year	<u>3,492</u>	<u>118,222</u>	<u>316,698</u>	<u>438,412</u>
Cash and cash equivalents, end of year	<u><u>\$ 6,229</u></u>	<u><u>\$ 99,762</u></u>	<u><u>\$ 263,795</u></u>	<u><u>\$ 369,786</u></u>
Reconciliation of operating loss to net cash provided by (used in) operating activities				
Operating loss	\$ (13,502)	\$ (11,506)	\$ (105,715)	\$ (130,723)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation	17,836	45,420	-	63,256
Increase (decrease) in:				
Accounts payable	-	-	41	41
Accrued payroll	(205)	(104)	(352)	(661)
Advance from other funds	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>
Net cash provided by (used in) operating activities	<u><u>\$ (5,871)</u></u>	<u><u>\$ 33,810</u></u>	<u><u>\$ (106,026)</u></u>	<u><u>\$ (78,087)</u></u>

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.

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.

City of Jackson, Michigan
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009

	<u>Workers'</u> <u>Compensation</u>	<u>Motor Pool</u> <u>and Garage</u>	<u>Prescription</u> <u>Drug</u>	<u>Healthcare</u> <u>Insurance</u> <u>Deductible</u>	<u>Public Works</u> <u>Administration</u>	<u>Engineering</u> <u>Administration</u>	<u>Local Site</u> <u>Remediation</u> <u>Revolving</u>	<u>Totals</u>
Assets								
Current assets:								
Pooled cash and investments	\$ 1,300,737	\$ 885,731	\$ 113,479	\$ 426,158	\$ 140,949	\$ 91,194	\$ 357,757	\$ 3,316,005
Accounts receivable	-	54	169,646	17,825	70,398	3,912	-	261,835
Interfund receivable	-	5,161	-	-	-	-	-	5,161
Prepaid items	46,000	-	-	-	-	-	-	46,000
Total current assets	<u>1,346,737</u>	<u>890,946</u>	<u>283,125</u>	<u>443,983</u>	<u>211,347</u>	<u>95,106</u>	<u>357,757</u>	<u>3,629,001</u>
Noncurrent assets:								
Long-term advances from other funds	1,015,357	-	-	-	-	-	-	1,015,357
Capital assets being depreciated, net	-	1,498,602	-	-	-	-	-	1,498,602
Total noncurrent assets	<u>1,015,357</u>	<u>1,498,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,513,959</u>
Total assets	<u>2,362,094</u>	<u>2,389,548</u>	<u>283,125</u>	<u>443,983</u>	<u>211,347</u>	<u>95,106</u>	<u>357,757</u>	<u>6,142,960</u>
Liabilities								
Current liabilities:								
Accounts payable	36,467	50,546	68,993	55,176	8,451	989	2,200	222,822
Accrued payroll	-	13,659	-	-	14,382	5,009	-	33,050
Total current liabilities	<u>36,467</u>	<u>64,205</u>	<u>68,993</u>	<u>55,176</u>	<u>22,833</u>	<u>5,998</u>	<u>2,200</u>	<u>255,872</u>
Noncurrent liabilities:								
Long-term advance from other funds	-	117,094	-	-	-	-	-	117,094
Estimated claims payable	663,318	-	-	-	-	-	-	663,318
Total noncurrent liabilities	<u>663,318</u>	<u>117,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>780,412</u>
Total liabilities	<u>699,785</u>	<u>181,299</u>	<u>68,993</u>	<u>55,176</u>	<u>22,833</u>	<u>5,998</u>	<u>2,200</u>	<u>1,036,284</u>
Net assets								
Investment in capital assets, net of related debt	-	1,498,602	-	-	-	-	-	1,498,602
Unrestricted	1,662,309	709,647	214,132	388,807	188,514	89,108	355,557	3,608,074
Total net assets	<u>\$ 1,662,309</u>	<u>\$ 2,208,249</u>	<u>\$ 214,132</u>	<u>\$ 388,807</u>	<u>\$ 188,514</u>	<u>\$ 89,108</u>	<u>\$ 355,557</u>	<u>\$ 5,106,676</u>

City of Jackson, Michigan
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2009

	<u>Workers'</u> <u>Compensation</u>	<u>Motor Pool</u> <u>and Garage</u>	<u>Prescription</u> <u>Drug</u>	<u>Healthcare</u> <u>Insurance</u> <u>Deductible</u>	<u>Public Works</u> <u>Administration</u>	<u>Engineering</u> <u>Administration</u>	<u>Local Site</u> <u>Remediation</u> <u>Revolving</u>	<u>Totals</u>
Operating revenues								
Charges for services	\$ 260,420	\$ 254,540	\$ 925,927	\$ 364,150	\$ 603,337	\$ 370,393	\$ 204,834	\$ 2,983,601
Miscellaneous	35,757	1,132,705	50,315	-	-	1,774	-	1,220,551
Total operating revenues	<u>296,177</u>	<u>1,387,245</u>	<u>976,242</u>	<u>364,150</u>	<u>603,337</u>	<u>372,167</u>	<u>204,834</u>	<u>4,204,152</u>
Operating expenses								
Personal services	-	420,733	-	-	498,464	281,291	-	1,200,488
Administration	-	-	-	-	75,185	74,531	2,200	151,916
Materials and supplies	-	372,821	-	-	-	-	-	372,821
Contractual and other services	30,079	143,990	1,005,484	224,275	-	-	-	1,403,828
Benefit payments:								
Claims	115,456	-	-	-	-	-	-	115,456
Fees and reinsurance	45,135	-	-	-	-	-	-	45,135
Depreciation	-	366,601	-	-	-	-	-	366,601
Total operating expenses	<u>190,670</u>	<u>1,304,145</u>	<u>1,005,484</u>	<u>224,275</u>	<u>573,649</u>	<u>355,822</u>	<u>2,200</u>	<u>3,656,245</u>
Operating income (loss)	105,507	83,100	(29,242)	139,875	29,688	16,345	202,634	547,907
Non-operating revenues								
Investment income	85,777	22,151	4,093	7,229	6,988	2,583	3,869	132,690
Change in net assets	191,284	105,251	(25,149)	147,104	36,676	18,928	206,503	680,597
Net assets, beginning of year	<u>1,471,025</u>	<u>2,102,998</u>	<u>239,281</u>	<u>241,703</u>	<u>151,838</u>	<u>70,180</u>	<u>149,054</u>	<u>4,426,079</u>
Net assets, end of year	<u>\$ 1,662,309</u>	<u>\$ 2,208,249</u>	<u>\$ 214,132</u>	<u>\$ 388,807</u>	<u>\$ 188,514</u>	<u>\$ 89,108</u>	<u>\$ 355,557</u>	<u>\$ 5,106,676</u>

City of Jackson, Michigan
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2009

	<u>Workers'</u> <u>Compensation</u>	<u>Motor Pool</u> <u>and Garage</u>	<u>Prescription</u> <u>Drug</u>	<u>Healthcare</u> <u>Insurance</u> <u>Deductible</u>	<u>Public Works</u> <u>Administration</u>	<u>Engineering</u> <u>Administration</u>	<u>Local Site</u> <u>Remediation</u> <u>Revolving</u>	<u>Totals</u>
Cash flows from operating activities								
Payments to employees	\$ -	\$ (420,242)	\$ -	\$ -	\$ (494,016)	\$ (285,289)	\$ -	\$ (1,199,547)
Payments to vendors and claimants	(156,805)	(480,308)	(1,008,812)	(185,444)	(75,468)	(75,985)	-	(1,982,822)
Receipts for interfund services provided	296,177	1,382,100	976,242	346,325	574,850	371,914	204,834	4,152,442
Net cash provided by (used in) operating activities	<u>139,372</u>	<u>481,550</u>	<u>(32,570)</u>	<u>160,881</u>	<u>5,366</u>	<u>10,640</u>	<u>204,834</u>	<u>970,073</u>
Cash flows from capital and related financing activities								
Purchase of capital assets	-	(563,695)	-	-	-	-	-	(563,695)
Principal and interest received on advances	103,536	-	-	-	-	-	-	103,536
Interfund advances received	-	11,984	-	-	-	-	-	11,984
Net cash provided by (used in) capital and related financing activities	<u>103,536</u>	<u>(551,711)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(448,175)</u>
Cash flows from investing activities								
Interest received on investments	85,777	22,151	4,093	7,229	6,988	2,583	3,869	132,690
Net increase (decrease) in cash and cash equivalents	328,685	(48,010)	(28,477)	168,110	12,354	13,223	208,703	654,588
Cash and cash equivalents, beginning of year	972,052	933,741	141,956	258,048	128,595	77,971	149,054	2,661,417
Cash and cash equivalents, end of year	<u>\$ 1,300,737</u>	<u>\$ 885,731</u>	<u>\$ 113,479</u>	<u>\$ 426,158</u>	<u>\$ 140,949</u>	<u>\$ 91,194</u>	<u>\$ 357,757</u>	<u>\$ 3,316,005</u>
Reconciliation of operating income (loss) to net cash provided by operating activities								
Operating income (loss)	\$ 105,507	\$ 83,100	\$ (29,242)	\$ 139,875	\$ 29,688	\$ 16,345	\$ 202,634	\$ 547,907
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation	-	366,601	-	-	-	-	-	366,601
(Increase) decrease in:								
Accounts receivable	-	16	-	(17,825)	(28,487)	(253)	-	(46,549)
Interfund receivable	-	(5,161)	-	-	-	-	-	(5,161)
Increase (decrease) in:								
Accounts payable	33,865	36,503	(3,328)	38,831	(283)	(1,454)	2,200	106,334
Accrued payroll	-	491	-	-	4,448	(3,998)	-	941
Net cash provided by (used in) operating activities	<u>\$ 139,372</u>	<u>\$ 481,550</u>	<u>\$ (32,570)</u>	<u>\$ 160,881</u>	<u>\$ 5,366</u>	<u>\$ 10,640</u>	<u>\$ 204,834</u>	<u>\$ 970,073</u>

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 - 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.

Employee Bond Savings Fund - This fund is used to account for employee payroll deductions and related purchases of United States Savings Bonds.

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.

**City of Jackson, Michigan
All Agency Funds
Combining Balance Sheet
June 30, 2009**

	<u>Payroll Clearing</u>	<u>Jeopardy Tax</u>	<u>County and School Tax Collection</u>	<u>Employee Bond Savings</u>	<u>Community Development Block Grant Escrow</u>	<u>Act 495 Fire Trust Fund</u>	<u>Cafeteria Reimbursement</u>	<u>Total</u>
Assets								
Pooled cash and investments	\$ -	\$ 2,409	\$ 13,901	\$ 200	\$ 18,798	\$ 28,719	\$ 30,760	\$ 94,787
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 18,798	\$ -	\$ 16,337	\$ 35,135
Due to other governments	-	2,409	13,901	-	-	-	-	16,310
Other liabilities	-	-	-	200	-	28,719	14,423	43,342
Total liabilities	\$ -	\$ 2,409	\$ 13,901	\$ 200	\$ 18,798	\$ 28,719	\$ 30,760	\$ 94,787

City of Jackson, Michigan
All Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2009

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
Payroll clearing account				
Assets:				
Pooled cash and investments	\$ -	\$ 30,252,848	\$ 30,252,848	\$ -
	<u>\$ -</u>	<u>\$ 30,252,848</u>	<u>\$ 30,252,848</u>	<u>\$ -</u>
Liabilities:				
Due to other governmental units	\$ -	\$ 30,252,848	\$ 30,252,848	\$ -
	<u>\$ -</u>	<u>\$ 30,252,848</u>	<u>\$ 30,252,848</u>	<u>\$ -</u>
Jeopardy Tax Fund:				
Assets:				
Pooled cash and investments	\$ 2,409	\$ -	\$ -	\$ 2,409
	<u>\$ 2,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,409</u>
Liabilities:				
Due to other governmental units :	\$ 2,409	\$ -	\$ -	\$ 2,409
	<u>\$ 2,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,409</u>
County & School Tax Collection Fund:				
Assets:				
Pooled cash and investments	\$ 172,707	\$ 33,988,124	\$ 34,146,930	\$ 13,901
Taxes receivable - real	-	33,925,923	33,925,923	-
	<u>\$ 172,707</u>	<u>\$ 67,914,047</u>	<u>\$ 68,072,853</u>	<u>\$ 13,901</u>
Liabilities:				
Due to other governmental units:				
Undistributed tax collections:				
Jackson County	\$ -	\$ 4,837,319	\$ 4,837,319	\$ -
Jackson Public Schools	-	8,110,319	8,110,319	-
Northwest Schools	-	25,883	25,883	-
Michigan Center Schools	-	96,129	96,129	-
East Jackson Schools	-	5,276	5,276	-
Jackson Intermediate School District	-	5,410,949	5,410,949	-
Jackson Community College	-	763,659	763,659	-
Jackson Transportation Authority	-	667,210	667,210	-
State of Michigan - State Education Tax	-	3,817,686	3,817,686	-
Other	172,707	10,253,694	10,412,500	13,901
	<u>\$ 172,707</u>	<u>\$ 33,988,124</u>	<u>\$ 34,146,930</u>	<u>\$ 13,901</u>
Employee Bond Savings Fund:				
Assets:				
Pooled cash and investments	\$ 635	\$ 5,165	\$ 5,600	\$ 200
	<u>\$ 635</u>	<u>\$ 5,165</u>	<u>\$ 5,600</u>	<u>\$ 200</u>
Liabilities:				
Employees' bond deductions payable	\$ 635	\$ 5,165	\$ 5,600	\$ 200
	<u>\$ 635</u>	<u>\$ 5,165</u>	<u>\$ 5,600</u>	<u>\$ 200</u>

Continued

City of Jackson, Michigan
All Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2009
(Concluded)

	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009
Community Development Block Grant Escrow Fund				
Assets:				
Pooled cash and investments	\$ 19,176	\$ 64,319	\$ 64,697	\$ 18,798
Liabilities:				
Accounts payable	\$ 19,176	\$ 64,319	\$ 64,697	\$ 18,798
Act 495 Fire Trust Fund				
Assets:				
Pooled cash and investments	\$ 22,121	\$ 65,865	\$ 59,267	\$ 28,719
Liabilities:				
Insurance deposits	\$ 22,121	\$ 65,865	\$ 59,267	\$ 28,719
Cafeteria Reimbursement Fund				
Assets:				
Pooled cash and investments	\$ -	\$ 275,535	\$ 244,775	\$ 30,760
Liabilities:				
Accounts payable	\$ -	\$ 130,556	\$ 114,219	\$ 16,337
Employees' contributions	-	144,979	130,556	14,423
	\$ -	\$ 275,535	\$ 244,775	\$ 30,760
Totals				
Assets:				
Pooled cash and investments	\$ 217,048	\$ 64,521,300	\$ 64,643,561	\$ 94,787
Taxes receivable - real	-	33,925,923	33,925,923	-
	\$ 217,048	\$ 98,447,223	\$ 98,569,484	\$ 94,787
Liabilities:				
Accounts payable	\$ 19,176	\$ 194,875	\$ 178,916	\$ 35,135
Due to other governmental units	175,116	30,252,848	30,411,654	16,310
Undistributed tax collections:				
Jackson County	-	4,837,319	4,837,319	-
Jackson Public Schools	-	8,110,319	8,110,319	-
Northwest Schools	-	25,883	25,883	-
Michigan Center Schools	-	96,129	96,129	-
East Jackson Schools	-	5,276	5,276	-
Jackson Intermediate School District	-	5,410,949	5,410,949	-
Jackson Community College	-	763,659	763,659	-
Jackson Transportation Authority	-	667,210	667,210	-
State of Michigan - State Education Tax	-	3,817,686	3,817,686	-
Other	-	10,253,694	10,253,694	-
Other liabilities:				
Employees' bond deductions payable	635	5,165	5,600	200
Employees' contributions	-	144,979	130,556	14,423
Insurance deposits	22,121	65,865	59,267	28,719
	\$ 217,048	\$ 64,651,856	\$ 64,774,117	\$ 94,787

City of Jackson, Michigan
Balance Sheet / Statement of Net Assets
Brownfield Redevelopment Authority Component Unit
June 30, 2009

	<u>Capital Projects</u> <u>Brownfield</u> <u>Redevelopment</u> <u>Authority</u>	<u>Adjustments</u>	<u>Statement</u> <u>of Net Assets</u>
Assets			
Pooled cash and investments	\$ 3,018,672	\$ -	\$ 3,018,672
Liabilities			
Accounts payable	\$ 286	-	286
Salaries payable	998	-	998
Total liabilities	1,284	-	1,284
Fund balances			
Unreserved - undesignated	3,017,388	(3,017,388)	-
Total liabilities and fund balance	\$ 3,018,672		
Net assets - unrestricted		<u>\$ 3,017,388</u>	<u>\$ 3,017,388</u>

City of Jackson, Michigan
Statement of Revenue, Expenditures
and Changes in Fund Balances / Statement of Activities
Brownfield Redevelopment Authority Component Unit
For the Fiscal Year Ended June 30, 2009

	<u>Capital Projects</u> <u>Brownfield</u> <u>Redevelopment</u> <u>Authority</u>	<u>Adjustments</u>	<u>Statement</u> <u>of Activities</u>
Revenue			
Property tax	\$ 1,436,799	\$ -	\$ 1,436,799
Interest revenue	61,847	-	61,847
Total revenue	1,498,646	-	1,498,646
Expenditures/Expenses			
Community enrichment	1,271,194	-	1,271,194
Excess of revenues over expenditures	227,452	-	-
Change in net assets	-	-	227,452
Fund balances / net assets, beginning of year	2,789,936	-	2,789,936
Fund balances / net assets, end of year	<u>\$ 3,017,388</u>	<u>\$ -</u>	<u>\$ 3,017,388</u>

STATISTICAL SECTION

STATISTICAL SECTION

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)	113
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity (schedules 6 thru 9)	120
<i>These schedules contain information to help the reader assess the government's most significant local revenue sources: property taxes and water and wastewater usage fees.</i>	
Debt Capacity (schedules 10 thru 12)	124
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information (schedules 13 and 14)	127
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information (schedules 15 thru 26)	129
<i>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.</i>	

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

City of Jackson Michigan
Net Assets by Component
Last Seven Years (A)
(accrual basis of accounting)

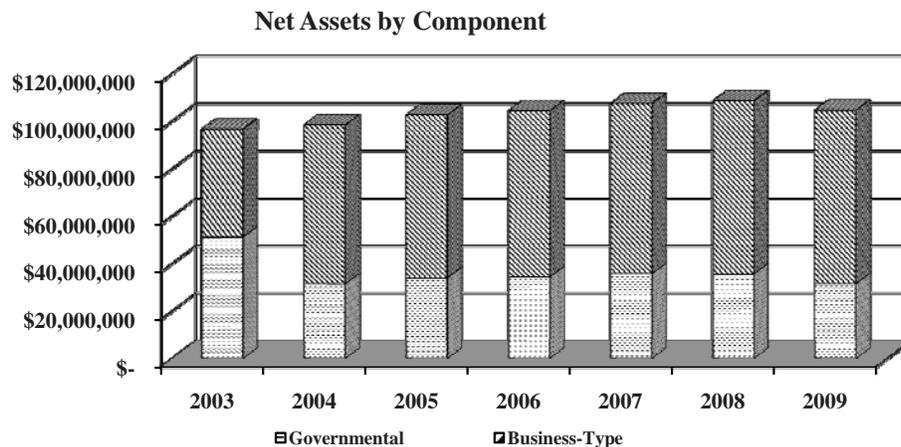
Schedule 1
 UNAUDITED

	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	\$ 39,044,014	\$ 17,246,524	\$ 19,477,559	\$ 20,420,840	\$ 23,412,904	\$ 22,909,620	\$ 25,292,037
Restricted	6,530,504	5,785,257	7,566,923	6,220,922	5,261,929	5,250,943	6,084,912
Unrestricted	5,579,873	8,461,304	6,890,748	7,794,846	7,158,068	7,433,449	152,107
Total governmental activities net assets	\$ 51,154,391	\$ 31,493,085	\$ 33,935,230	\$ 34,436,608	\$ 35,832,901	\$ 35,594,012	\$ 31,529,056
Business-type activities							
Invested in capital assets, net of related debt	\$ 32,241,403	\$ 52,374,587	\$ 52,754,671	\$ 53,240,973	\$ 53,809,620	\$ 55,168,398	\$ 57,102,607
Restricted	1,490,472	1,447,009	1,447,009	1,447,009	1,447,009	1,447,009	167,600
Unrestricted	11,785,040	13,143,279	14,565,296	15,288,589	16,417,163	16,368,542	15,846,100
Total business-type activities net assets	\$ 45,516,915	\$ 66,964,875	\$ 68,766,976	\$ 69,976,571	\$ 71,673,792	\$ 72,983,949	\$ 73,116,307
Primary government							
Invested in capital assets, net of related debt	\$ 71,285,417	\$ 69,621,111	\$ 72,232,230	\$ 73,661,813	\$ 77,222,524	\$ 78,078,018	\$ 82,394,644
Restricted	8,020,976	7,232,266	9,013,932	7,667,931	6,708,938	6,697,952	6,252,512
Unrestricted	17,364,913	21,604,583	21,456,044	23,083,435	23,575,231	23,801,991	15,998,207
Total primary government net assets	\$ 96,671,306	\$ 98,457,960	\$ 102,702,206	\$ 104,413,179	\$ 107,506,693	\$ 108,577,961	\$ 104,645,363

(A) - The City of Jackson implemented GASB Statement No. 34 as of and for the year ended June 30, 2003.

Accordingly, data prior to this period is not available.

Source: City of Jackson Finance Department



City of Jackson Michigan
Changes in Net Assets
Last Seven Years (A)
(accrual basis of accounting)

Schedule 2
UNAUDITED

	2003	2004	2005	2006	2007	2008	2009
Revenue:							
Governmental activities:							
Program revenues:							
Charges for services	\$ 3,010,853	\$ 3,489,305	\$ 3,768,592	\$ 4,441,578	\$ 4,928,945	\$ 4,576,960	\$ 4,545,223
Operating grants and contributions	6,361,454	5,616,389	4,873,069	6,341,324	5,929,661	5,954,457	5,964,746
Capital grants and contributions	3,802,848	1,405,094	2,885,188	1,797,076	2,591,674	1,119,751	1,444,563
General revenues:							
Property taxes	6,964,585	7,754,736	9,105,344	9,584,773	11,062,066	10,710,438	10,488,646
Income taxes	6,602,493	6,984,060	7,300,012	7,249,113	7,822,180	7,946,837	7,645,706
Grants and contributions not restricted to specific programs	6,434,919	5,895,879	7,057,734	6,737,106	5,538,943	5,390,450	5,730,532
Other	522,960	359,894	344,903	614,799	626,456	613,778	300,223
Total governmental activities revenues	33,700,112	31,505,357	35,334,842	36,765,769	38,499,925	36,312,671	36,119,639
Business-type activities:							
Program revenues:							
Charges for services	10,871,202	10,828,680	11,297,270	11,258,598	12,004,796	11,987,813	11,741,153
Capital grants and contributions	-	1,253,130	-	-	-	-	-
General revenues:							
Grants and contributions not restricted to specific programs	281,068	299,455	451,473	240,999	268,077	527,454	225,628
Other	209,785	141,311	249,120	500,427	703,383	781,190	357,139
Total business-type activities revenues	11,362,055	12,522,576	11,997,863	12,000,024	12,976,256	13,296,457	12,323,920
Total primary government revenues	45,062,167	44,027,933	47,332,705	48,765,793	51,476,181	49,609,128	48,443,559
Expenses:							
Governmental activities:							
Legislative	76,713	76,344	70,428	79,904	79,944	100,856	84,987
General government	4,365,163	4,213,894	4,162,208	4,750,801	5,227,643	5,106,778	5,590,322
Public safety	13,722,166	14,135,744	15,211,748	16,110,222	16,865,859	16,474,297	18,514,730
Public works	4,582,298	5,793,948	5,602,686	6,391,700	6,112,674	6,363,857	6,982,096
Culture and recreation	3,284,568	2,267,890	2,638,497	2,766,612	2,746,767	2,484,262	2,823,240
Community enrichment & development	3,414,818	5,133,149	2,977,181	4,031,540	3,951,962	3,836,177	4,276,212
Interest on long-term debt	1,676,873	1,916,025	2,125,358	2,025,886	1,995,657	1,767,307	1,823,284
Total governmental activities expenses	31,122,599	33,536,994	32,788,106	36,156,665	36,980,506	36,133,534	40,094,871
Business-type activities:							
Sewer	4,637,525	4,334,517	4,545,475	4,790,277	5,257,605	5,405,194	5,186,279
Water	5,339,940	5,130,173	5,048,903	5,437,488	5,448,272	5,896,097	6,315,543
Parking system	225,109	589,578	638,752	597,889	627,579	743,253	708,936
Golf Practice Center	74,292	80,487	67,222	72,501	68,705	71,092	70,528
Total business-type activities expenses	10,276,866	10,134,755	10,300,352	10,898,155	11,402,161	12,115,636	12,281,286
Total primary government expenses	41,399,465	43,671,749	43,088,458	47,054,820	48,382,667	48,249,170	52,376,157
Increase (decrease) in net assets before transfers	3,662,702	356,184	4,244,247	1,710,973	3,093,514	1,359,958	(3,932,598)
Net assets, beginning of year, as restated	93,008,603	96,671,305	98,457,959	102,702,206	104,413,179	107,506,693	108,577,961
Other restatements at June 30	-	1,430,470	-	-	-	(288,690)	-
Net assets, end of year	\$ 96,671,305	\$ 98,457,959	\$ 102,702,206	\$ 104,413,179	\$ 107,506,693	\$ 108,577,961	\$ 104,645,363

(A) - The City of Jackson implemented GASB Statement No. 34 as of and for the year ended June 30, 2003.

Accordingly, data prior to this period is not available.

Source: City of Jackson Finance Department

City of Jackson Michigan
Fund Balances - Governmental Funds
Last Seven Years (A)
(modified accrual basis of accounting)

Schedule 3
 UNAUDITED

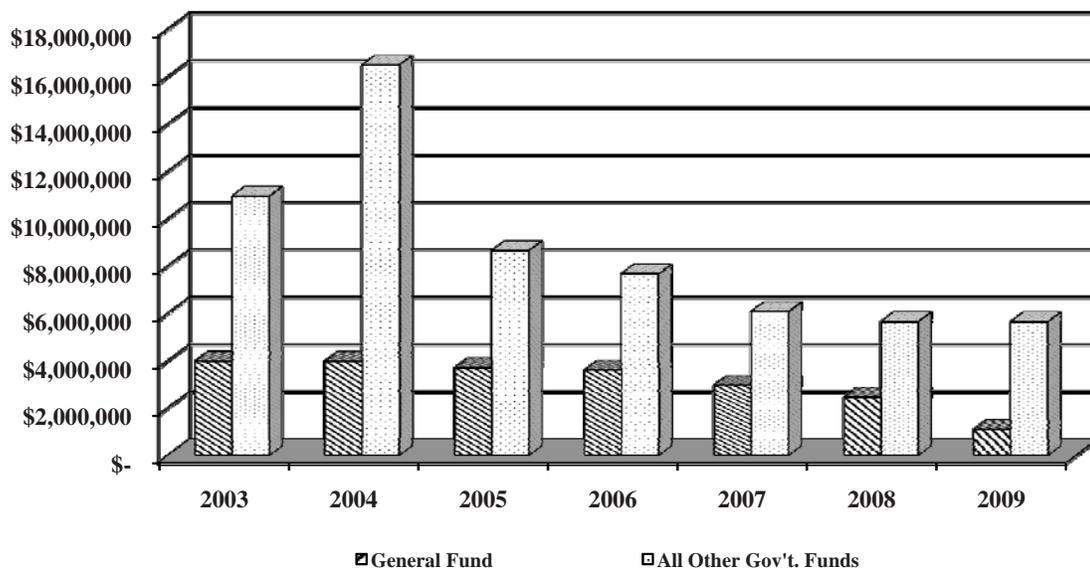
	2003	2004	2005	2006	2007	2008	2009
General Fund							
Reserved	\$ 135,874	\$ 989,309	\$ 576,699	\$ 1,007,649	\$ 311,967	\$ 379,213	\$ 249,169
Unreserved	3,854,814	2,998,657	3,129,904	2,596,377	2,656,966	2,078,521	854,812
Total general fund	\$ 3,990,688	\$ 3,987,966	\$ 3,706,603	\$ 3,604,026	\$ 2,968,933	\$ 2,457,734	\$ 1,103,981
All Other Governmental Funds							
Reserved	\$ 3,926,763	\$ 3,101,874	\$ 3,134,439	\$ 2,890,964	\$ 2,989,343	\$ 3,116,497	\$ 3,259,351
Unreserved, reported in:							
Special revenue funds	1,583,168	2,262,510	3,619,163	4,015,537	2,810,082	2,498,687	2,492,904
Debt service funds	1,258,212	1,474,422	30,986	35,044	43,361	54,908	42,961
Capital projects funds	4,187,765	9,604,507	1,860,542	731,542	230,953	(17,189)	(146,010)
Permanent funds	-	39,370	8,698	-	-	-	-
Total all other governmental funds	\$ 10,955,908	\$ 16,482,683	\$ 8,653,828	\$ 7,673,087	\$ 6,073,739	\$ 5,652,903	\$ 5,649,206

(A) - The City of Jackson implemented GASB Statement No. 34 as of and for the year ended June 30, 2003.

Accordingly, data prior to this period is not available.

Source: City of Jackson Finance Department

Fund Balances - Governmental Funds



City of Jackson Michigan
Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2000	2001	2002	2003
Revenues				
Taxes	\$ 13,631,682	\$ 13,702,763	\$ 13,372,157	\$ 13,466,902
Licenses and permits	358,074	486,357	542,190	218,273
Intergovernmental	12,562,148	16,474,679	11,894,532	14,305,787
Charges for services	2,133,839	2,107,313	2,381,975	2,882,738
Fines and forfeits	358,667	344,046	276,971	250,233
Special assessments	375,912	368,804	383,620	266,702
Investment income	548,693	709,183	606,470	606,189
Miscellaneous	661,046	1,275,535	807,545	1,475,169
Total revenues	30,630,061	35,468,680	30,265,460	33,471,993
Expenditures				
Legislative	58,791	61,317	75,940	76,713
General government	3,894,168	4,008,933	4,289,336	4,432,218
Public safety	13,862,836	14,123,279	13,353,931	13,816,626
Public works	7,012,898	8,489,758	5,587,490	9,323,432
Culture and recreation	2,039,918	2,098,837	2,432,546	2,555,559
Community enrichment and development	2,928,144	4,281,114	2,168,430	16,208,105
Capital outlay	629,992	13,323,432	2,187,506	947,770
Debt service:				
Principal	631,391	571,690	658,157	674,884
Interest and fiscal charges	197,776	193,541	793,440	1,781,623
Other	15,869	-	-	-
Total expenditures	31,271,783	47,151,901	31,546,776	49,816,930
Revenues over (under) expenditures	(641,722)	(11,683,221)	(1,281,316)	(16,344,937)
Other financing sources (uses)				
Proceeds from the capital assets	-	-	-	172,092
Proceeds from the issuance of debt	1,440,220	19,548,967	200,000	1,750,000
Discount on bonds	-	-	-	-
Payment to escrow agent	-	-	-	-
Transfers in	3,625,083	4,168,206	2,895,287	3,374,678
Transfers out	(3,649,951)	(4,227,272)	(2,995,009)	(3,491,773)
Total other financing sources (uses)	1,415,352	19,489,901	100,278	1,804,997
Net changes in fund balances	\$ 773,630	\$ 7,806,680	\$ (1,181,038)	\$ (14,539,940)
Debt service as a percentage of noncapital expenditures	3.0%	2.8%	6.4%	8.3%

Source: City of Jackson Finance Department

**Schedule 4
UNAUDITED**

	2004	2005	2006	2007	2008	2009
\$	14,879,726	\$ 16,325,697	\$ 16,806,838	\$ 18,716,042	\$ 18,589,716	\$ 18,249,873
	216,538	254,973	231,377	231,486	228,671	247,399
	11,534,408	12,845,112	12,846,052	13,180,443	11,274,670	11,885,926
	2,875,007	2,832,829	3,853,103	4,051,135	3,848,682	3,870,877
	264,746	258,178	212,690	203,086	221,869	224,967
	478,716	249,531	378,339	306,739	467,981	384,602
	253,453	311,614	457,942	697,179	767,926	406,345
	1,454,100	2,135,528	1,843,723	571,129	785,300	998,231
	31,956,694	35,213,462	36,630,064	37,957,239	36,184,815	36,268,220
	76,344	70,428	79,904	79,944	100,856	84,987
	4,366,698	4,481,144	4,460,003	4,814,896	4,687,386	4,778,604
	14,282,280	15,252,256	16,555,647	17,460,830	16,945,032	17,398,422
	6,179,742	7,860,861	6,528,508	8,480,193	5,954,413	5,974,822
	2,463,750	2,432,741	2,592,558	2,727,397	2,668,948	2,758,877
	2,644,390	1,816,545	2,873,782	2,581,143	2,589,998	2,543,682
	4,048,998	8,094,359	1,456,073	731,251	506,321	625,907
	903,679	1,039,000	1,064,000	1,219,000	1,479,000	1,604,000
	1,659,899	2,243,834	2,021,976	1,994,884	1,773,561	1,789,183
	-	-	-	-	215,913	-
	36,625,780	43,291,168	37,632,451	40,089,538	36,921,428	37,558,484
	(4,669,086)	(8,077,706)	(1,002,387)	(2,132,299)	(736,613)	(1,290,264)
	84,105	72,079	26,795	20,984	11,452	22,538
	10,370,000	-	-	-	9,905,000	-
	(155,531)	-	-	-	(94,062)	-
	-	-	-	-	(9,599,786)	-
	4,628,187	4,399,406	2,158,544	2,969,637	2,635,156	3,552,312
	(4,733,622)	(4,503,997)	(2,266,270)	(3,092,763)	(2,764,492)	(3,642,036)
	10,193,139	(32,512)	(80,931)	(102,142)	93,268	(67,186)
\$	5,524,053	\$ (8,110,218)	\$ (1,083,318)	\$ (2,234,441)	\$ (643,345)	\$ (1,357,450)
	8.1%	10.5%	9.2%	9.2%	9.4%	9.7%

City of Jackson Michigan
Changes in Fund Balances - General Fund
Last Ten Years
(modified accrual basis of accounting)

	2000	2001	2002	2003
Revenues				
Taxes	\$ 12,625,783	\$ 12,665,924	\$ 12,265,353	\$ 12,224,021
Licenses and permits	358,074	226,688	224,890	218,273
Intergovernmental	6,302,590	6,871,889	6,710,619	6,032,594
Charges for services	1,242,152	1,159,816	1,226,849	1,425,226
Fines and forfeits	358,667	344,046	276,971	250,233
Investment income	125,900	247,718	146,633	90,810
Miscellaneous	117,875	538,547	107,567	150,201
Total revenues	21,131,041	22,054,628	20,958,882	20,391,358
Expenditures				
Legislative	58,791	61,317	75,940	76,713
General government	3,894,168	4,002,020	4,283,723	4,432,218
Public safety	13,225,486	12,957,886	12,231,371	12,658,451
Public works	1,620,371	1,594,535	1,661,154	1,592,589
Culture and recreation	1,170,535	1,203,127	1,481,886	1,588,412
Community enrichment and development	248,972	258,803	219,345	314,437
Total expenditures	20,218,323	20,077,688	19,953,419	20,662,820
Revenues over (under) expenditures	912,718	1,976,940	1,005,463	(271,462)
Other financing sources (uses)				
Proceeds from the capital assets (A)				131,309
Transfers in	376,111	338,514	278,402	214,393
Transfers out	(1,090,725)	(480,659)	(374,170)	(269,144)
Total other financing sources (uses)	(714,614)	(142,145)	(95,768)	76,558
Net changes in fund balances	\$ 198,104	\$ 1,834,795	\$ 909,695	\$ (194,904)

(A) - The City of Jackson implemented GASB Statement No. 34 as of and for the year ended June 30, 2003.

Proceeds from the sale of capital assets prior to that period were recorded as miscellaneous revenue.

Source: City of Jackson Finance Department

Schedule 5
UNAUDITED

	2004	2005	2006	2007	2008	2009
\$	13,007,511	\$ 13,843,364	\$ 14,276,643	\$ 16,016,387	\$ 15,794,628	\$ 15,415,825
	216,538	254,973	231,377	231,486	228,671	247,399
	5,769,574	5,581,910	5,925,153	5,572,841	5,204,759	5,474,154
	1,441,380	1,338,854	1,170,927	1,306,639	1,305,095	1,299,376
	264,746	258,178	212,690	203,086	221,869	224,967
	73,972	105,190	267,083	288,413	307,193	101,926
	402,960	1,392,079	1,404,473	130,031	151,284	370,730
	21,176,681	22,774,548	23,488,346	23,748,883	23,213,499	23,134,377
	76,344	70,428	79,904	79,944	100,856	84,987
	4,366,698	4,481,144	4,460,003	4,814,896	4,687,386	4,778,604
	13,207,314	14,010,760	15,229,963	16,292,286	15,745,929	16,165,588
	1,690,189	1,414,892	1,728,580	1,498,532	1,498,147	1,513,350
	1,547,153	1,508,574	1,385,593	1,465,900	1,466,462	1,549,225
	254,780	190,797	204,811	202,150	198,589	259,488
	21,142,478	21,676,595	23,088,854	24,353,708	23,697,369	24,351,242
	34,203	1,097,953	399,492	(604,825)	(483,870)	(1,216,865)
	10,624	17,809	13,379	20,984	11,452	9,979
	271,834	206,969	270,667	274,603	319,680	152,291
	(319,383)	(1,604,094)	(786,115)	(325,855)	(358,461)	(299,158)
	(36,925)	(1,379,316)	(502,069)	(30,268)	(27,329)	(136,888)
\$	(2,722)	\$ (281,363)	\$ (102,577)	\$ (635,093)	\$ (511,199)	\$ (1,353,753)

City of Jackson Michigan
Assessed and Actual Value of Taxable Property
Last Ten Years

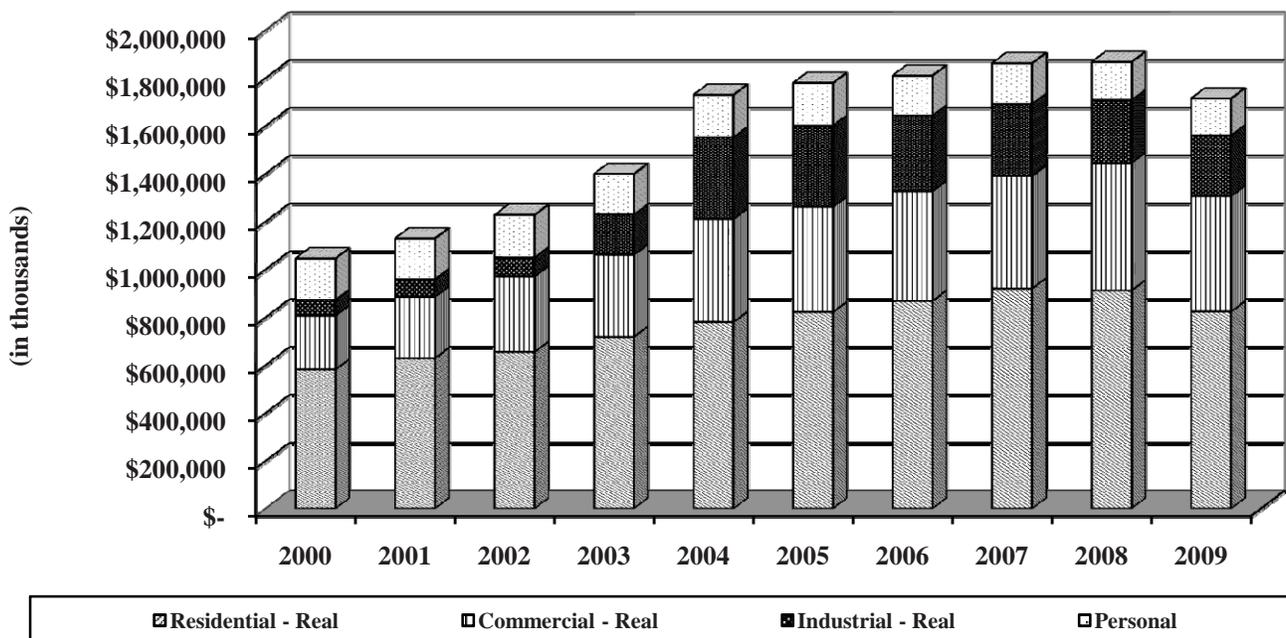
Schedule 6
 UNAUDITED

Fiscal Year (2)	Real			Personal Property	Total Assessed and Actual Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property			
2000	\$ 581,086,600	\$ 225,127,400	\$ 66,188,600	\$ 172,990,800	\$ 1,045,393,400	13.5134
2001	628,608,100	256,600,900	73,712,100	169,591,200	1,128,512,300	13.0225
2002	654,605,400	315,855,800	79,487,000	176,989,600	1,226,937,800	12.6001
2003	717,994,200	343,127,500	167,342,500	169,773,000	1,398,237,200	12.3389
2004	779,403,700	431,047,200	341,800,400	177,136,200	1,729,387,500	12.7889
2005	821,731,700	439,568,300	339,821,700	177,797,200	1,778,918,900	13.8789
2006	867,913,346	458,971,176	315,901,156	166,551,738	1,809,337,416	13.5089
2007	920,076,136	470,022,986	300,845,186	170,020,000	1,860,964,308	14.5789
2008	911,658,506	533,316,152	262,235,412	158,722,800	1,865,932,870	14.6789
2009	823,326,466	482,842,508	253,634,000	153,922,000	1,713,724,974	14.5889

- (1) Ad Valorem assessments only; amounts do not include Act 189 or industrial and commercial facility tax assessments/taxable values. The term "taxable value" rather than "assessed value" is used in determining tax liability effective 7/1/94.
- (2) The July 1, 2008 levy is for fiscal year 2009.
- (3) Above Ad Valorem assessments include those properties located within Renaissance Zones and which are currently subject only to millage levied for bonded indebtedness.

Source: City Assessor Department

Assessed and Actual Value of Taxable Property



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

Schedule 7
UNAUDITED

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
City direct rates										
Operating	6.9482	6.8620	6.8057	6.7192	6.7192	6.7192	6.7192	6.7192	6.7192	6.7192
Public Improvement	1.9852	1.9605	1.9444	1.9197	1.9197	1.9197	1.9197	1.9197	1.9197	1.9197
City Hall Debt	---	---	---	---	---	0.7400	0.7500	0.7500	0.7400	0.7500
Act 345 Pension	4.5800	4.2000	3.8500	3.7000	4.1500	4.5000	4.1200	5.1900	5.3000	5.2000
Total direct rate	13.5134	13.0225	12.6001	12.3389	12.7889	13.8789	13.5089	14.5789	14.6789	14.5889
Overlapping rates										
Jackson County:										
Operating	5.4819	5.4194	5.3559	5.2734	5.2022	5.1709	5.1471	5.1259	5.1187	5.1187
Jail Debt	---	---	---	0.5000	0.4932	0.4902	0.4879	0.4858	0.4851	0.4851
MCF	0.1500	0.1482	0.1465	0.1442	0.1422	0.1413	0.1406	0.1400	0.1398	0.1398
Senior Services	---	---	---	---	---	0.2500	0.2488	0.2477	0.2473	0.2473
District Library	0.9208	0.9102	0.8995	0.8856	0.8736	0.8682	0.8642	0.8606	0.8593	1.2593
	6.5527	6.4778	6.4019	6.8032	6.7112	6.9206	6.8886	6.8600	6.8502	7.2502
Intermediate School District:										
Operating	0.3677	0.3610	0.3580	0.3525	0.3477	0.3455	0.3439	0.3429	0.3422	0.3422
Special & Vocational Education	8.3519	8.2014	8.1348	7.0693	7.8730	7.8249	7.7895	7.7682	7.7541	7.7678
	8.7196	8.5624	8.4928	7.4218	8.2207	8.1704	8.1334	8.1111	8.0963	8.1100
Jackson Community College:										
Operating	1.2266	1.2131	1.1980	1.1798	1.1638	1.1565	1.1511	1.1463	1.1446	1.1446
Jackson Transit Auth.- Operating										
	0.9926	0.9802	0.9721	0.9597	0.9597	0.9597	0.9597	0.9597	0.9597	1.0000
Downtown Dev. Auth.-Operating										
	2.0000	1.9996	1.9996	1.9996	1.9996	1.9996	1.9996	1.9996	1.9996	1.9996
Jackson Public Schools:										
Operating	17.9298	17.8114	17.6047	17.8820	17.8820	17.8820	17.8820	18.0000	18.0000	18.0000
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	5.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	1.1300	1.9500	1.9500	1.9500	1.9500	2.4500	2.4000	2.4000	2.2500	2.2500
Recreation	---	---	---	---	---	---	0.2000	0.2000	0.2000	0.2000
	25.0598	25.7614	25.5547	25.8320	24.8320	26.3320	26.4820	26.6000	26.4500	26.4500
East Jackson Public Schools:										
Operating	18.0000	17.8218	17.8146	17.1857	17.1530	17.1530	18.0000	18.0000	18.0000	18.0000
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	5.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	7.5000	7.5000	7.5000	7.5000	7.4000	7.0000	6.2400	6.2000	5.8800	5.8400
Extra voted	---	---	0.1854	0.8143	0.8470	0.8470	---	---	---	---
	31.5000	31.3218	31.5000	31.5000	30.4000	31.0000	30.2400	30.2000	29.8800	29.8400
Michigan Center Public Schools:										
Operating	18.0000	17.7282	17.7282	17.8002	17.4068	17.3318	18.0000	17.3999	17.3999	18.0000
State Education Tax (SET)	6.0000	6.0000	---	6.0000	5.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Extra Voted/Sinking Fund	---	---	---	---	3.5000	3.4604	3.4604	4.0015	4.0016	3.4015
	24.0000	23.7282	17.7282	23.8002	25.9068	26.7922	27.4604	27.4014	27.4015	27.4015
Northwest Public Schools:										
Operating	18.0000	17.6490	17.6490	17.4024	17.2893	17.2893	16.9487	16.9487	16.9487	16.9487
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	5.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Debt	0.4855	0.4718	0.4285	0.3994	0.3776	0.3003	0.1165	1.0513	1.0513	1.0513
	24.4855	24.1208	24.0775	23.8018	22.6669	23.5896	23.0652	24.0000	24.0000	24.0000

Note: Levy shown is as of July 1. The July 1, 2008 levy is for the current fiscal year ending June 30, 2009.

Source: City of Jackson Finance Department

City of Jackson Michigan
Principal Property Tax Payers
Current Year and Nine Years Ago

Schedule 8
 UNAUDITED

Taxpayer	2009			2000		
	Taxable Value	Rank	Percentage of Total City Taxable Value	Taxable Value	Rank	Percentage of Total City Taxable Value
Kinder Morgan Michigan/Alphagen (1)	\$ 95,164,550	1	12.64%	\$ -	-	-
Consumers Energy	53,105,199	2	7.06%	23,725,465	1	5.14%
Wolverine Technologies/Certaineed	10,515,450	3	1.40%	5,568,281	3	1.21%
Ramco (Jackson Crossing/Jackson West)	8,870,381	4	1.18%	6,114,634	2	1.33%
Alro Steel Corporation	6,170,063	5	0.82%	4,272,085	5	0.93%
Home Depot/HD Development of Maryland	5,762,750	6	0.77%	-	-	-
Allegiance Health/Health Center	4,825,033	7	0.64%	-	-	-
Aeroquip (Eaton Corp.)	3,865,685	8	0.51%	2,700,177	8	0.59%
Jackson Iron & Metal/Omnisource	3,703,874	9	0.49%	-	-	-
Merchant's Crossing (Kroger Complex)	3,675,200	10	0.49%	-	-	-
GIP M/U/M LLC	-	-	-	4,189,750	6	0.91%
Target/Dayton Hudson	-	-	-	2,468,435	10	0.54%
Merchant's Crossing (Kroger Complex)	-	-	-	-	-	-
Jackson Automotive Group	-	-	-	5,223,335	4	1.13%
Alpine Lake Apartments, LLC	-	-	-	2,749,525	7	0.60%
Sears	-	-	-	2,593,015	9	0.56%
	<u>\$ 195,658,185</u>		<u>26.00%</u>	<u>\$ 59,604,702</u>		<u>12.92%</u>

(1) Total Ad Valorem Taxable Valuation as of June 30, 2009 = \$ 752,635,455 (valuation for fiscal year 2010).

Total Ad Valorem Taxable Valuation as of June 30, 2000 = \$ 461,174,216 (valuation for fiscal year 2001).

(2) Kinder Morgan Energy (KME), an electric power generation company, has the largest taxable value of \$ 95,164,550, or 12.64% of the 2008 ad valorem taxable value. KME is located in a Renaissance Zone and is not subject to millage levies with the exception of those levied for bonded indebtedness. The City anticipates the KME taxable value to be subject to all millage levies effective July 1, 2012.

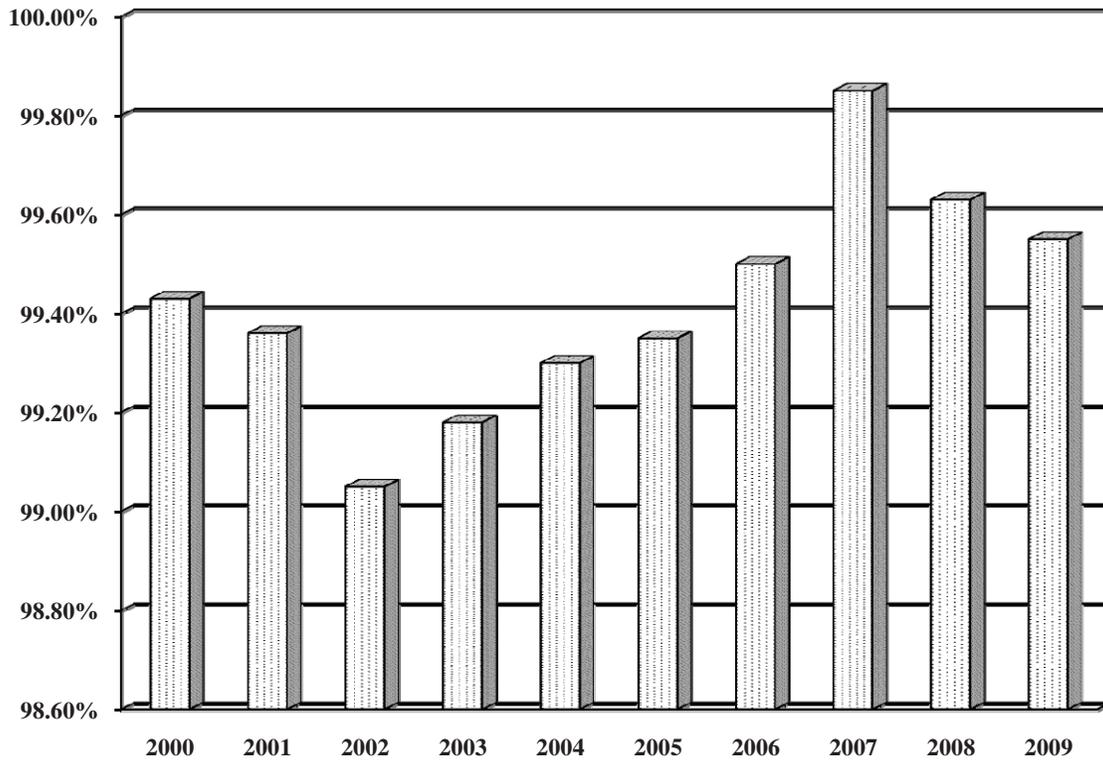
Source: City of Jackson Assessor Department.

City of Jackson, Michigan
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 9
 UNAUDITED

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
2000	1999	\$ 6,403,803	\$ 5,920,634	92.45%	\$ 446,418	\$ 6,367,052	99.43%
2001	2000	6,411,359	5,939,660	92.64%	430,663	6,370,323	99.36%
2002	2001	6,519,371	6,016,302	92.28%	440,904	6,457,206	99.05%
2003	2002	6,699,761	6,195,766	92.48%	448,880	6,644,646	99.18%
2004	2003	7,760,751	7,239,082	93.28%	467,710	7,706,792	99.30%
2005	2004	8,042,591	7,457,299	92.72%	533,197	7,990,496	99.35%
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%

Ratio of Total Tax Collections to Total Tax Levy
Last Ten Fiscal Years



Source: City of Jackson Finance Department

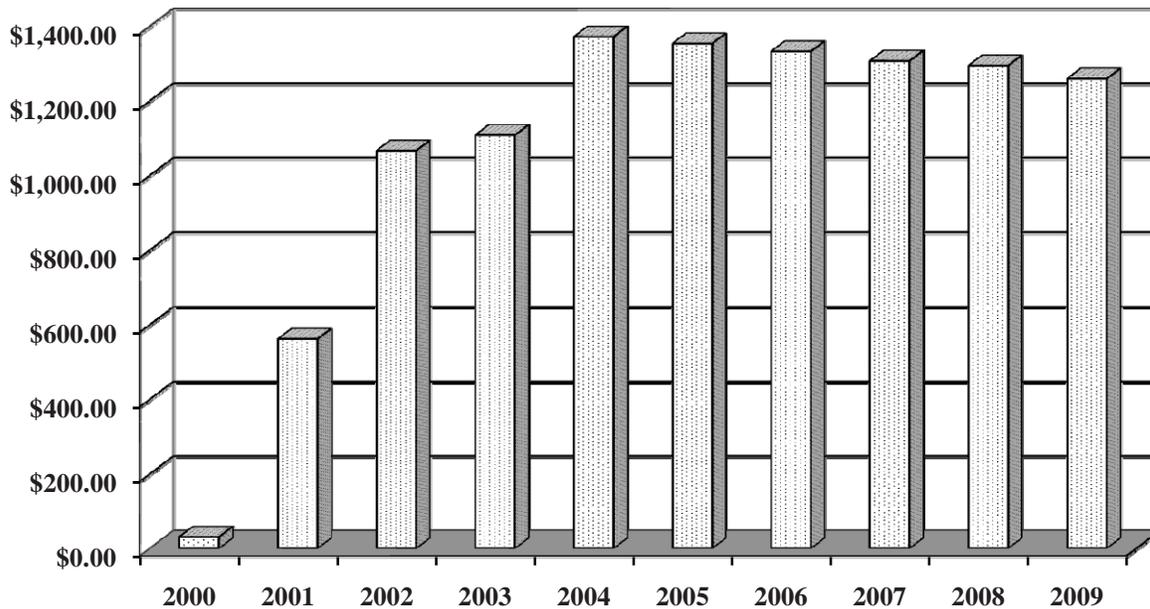
City of Jackson, Michigan
Ratios of General Bonded Debt Outstanding
Last Ten Years

Schedule 10
 UNAUDITED

Fiscal Year	General Bonded Debt Outstanding			% of Personal Income	% of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total			
2000	\$ 1,120,000	\$ -	\$ 1,120,000	0.12%	0.11%	\$ 30.92
2001	20,353,577	-	20,353,577	2.26%	1.80%	561.97
2002	38,623,577	-	38,623,577	4.20%	3.15%	1,066.42
2003	40,133,577	-	40,133,577	4.28%	2.87%	1,108.11
2004	49,688,577	-	49,688,577	5.22%	2.87%	1,371.93
2005	49,028,577	-	49,028,577	4.97%	2.76%	1,353.71
2006	48,263,577	-	48,263,577	4.76%	2.67%	1,332.59
2007	47,348,577	-	47,348,577	4.60%	2.54%	1,307.32
2008	46,898,577	-	46,898,577	4.41%	2.51%	1,294.90
2009	45,608,577	-	45,608,577	n/a	2.66%	1,259.28

Source: City of Jackson Finance Department & Bureau of Economic Analysis
 Personal Income statistics not available for 2009.

General Bonded Debt Per Capita



City of Jackson, Michigan
Computation of Net Direct and Overlapping Debt
As of June 30, 2009

Schedule 11
UNAUDITED

	<u>Gross Amount Outstanding</u>	<u>Self-Supporting or Paid by Benefited Entity</u>	<u>Net Amount Outstanding</u>
Direct debt			
Unlimited Tax General Obligation Debt:			
City Hall Bonds	\$ 9,405,000	\$ -	\$ 9,405,000
Limited Tax General Obligation Debt:			
Downtown Development Authority Bonds	15,543,577	15,543,577	-
Brownfield Redevelopment Authority Bonds	9,130,000	9,130,000	-
Brownfield Redevelopment Authority Refunding Bonds	9,785,000	9,785,000	-
Building Authority Bonds	685,000	-	685,000
Michigan Transportation Fund Bonds	1,060,000	1,060,000	-
Installment Purchase Contracts	245,000	-	245,000
Revenue Bonds:			
Water Revenue Bonds	1,051,000	1,051,000	-
Sewer Revenue Bonds	625,000	625,000	-
Other:			
Michigan Urban Land Assembly Loan	196,000	196,000	-
Section 108 Loan (HUD)	765,000	765,000	-
Net direct debt	<u>\$ 48,490,577</u>	<u>\$ 38,155,577</u>	<u>10,335,000</u>
	<u>Gross</u>	<u>City Share</u>	
Overlapping debt			
School Districts:			
Jackson School District	\$ 37,355,000	50.41%	18,830,656
East Jackson School District	14,345,000	0.11%	15,780
Northwest School District	6,645,000	0.25%	16,613
			<u>18,863,049</u>
Jackson County at Large	32,230,000	14.92%	4,808,716
Jackson Community College	30,830,000	14.92%	4,599,836
Net overlapping debt			<u>28,271,601</u>
Net direct and overlapping debt			<u>\$ 38,606,601</u>
Per Capita Debt: (36,218 population):			
	Gross Direct Debt		\$ 1,338.85
	Net Direct Debt		285.36
	Net Overlapping Debt		780.60
	Total Net Direct & Overlapping Debt		1,065.95
Percent of Taxable Valuation: (\$ 752,635,455 Ad Valorem Taxable Valuation at 6/30/09):			
	Net Direct Debt		1.37%
	Net Overlapping Debt		3.76%
	Total Net Debt		<u>5.13%</u>

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

**City of Jackson, Michigan
Legal Debt Margin
Last Ten Years**

**Schedule 12
UNAUDITED**

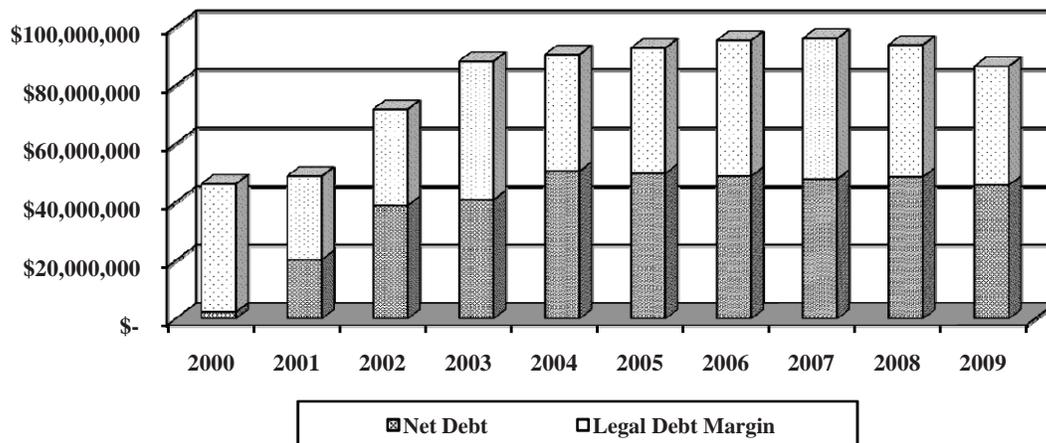
Legal Debt Margin - 2009

State Equalized Value as of December 31, 2008 (for taxes levied by the City on July 1, 2009)	\$	863,542,300	
Debt limit (10% of state equalized value)	\$	86,354,230	
Total Debt - (See Schedule 11)	\$	48,490,577	
Less Excluded Debt:			
Michigan Transportation Fund Bonds		(1,060,000)	
Revenue Bonds		(1,676,000)	45,754,577
Legal debt margin	\$	40,599,653	

<u>For Taxes Levied July 1</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to Limit As % of Debt Limit</u>
2000	\$ 46,117,422	\$ 2,380,000	\$ 43,737,422	5.16%
2001	48,749,492	20,228,577	28,520,915	41.49%
2002	71,590,103	38,738,577	32,851,526	54.11%
2003	88,064,883	40,698,577	47,366,306	46.21%
2004	90,322,370	50,504,577	39,817,793	55.92%
2005	92,551,455	49,715,577	42,835,878	53.72%
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%

Source: City of Jackson Finance Department

Components of Debt Limit



City of Jackson, Michigan
Demographic & Economic Statistics
Last Ten Years

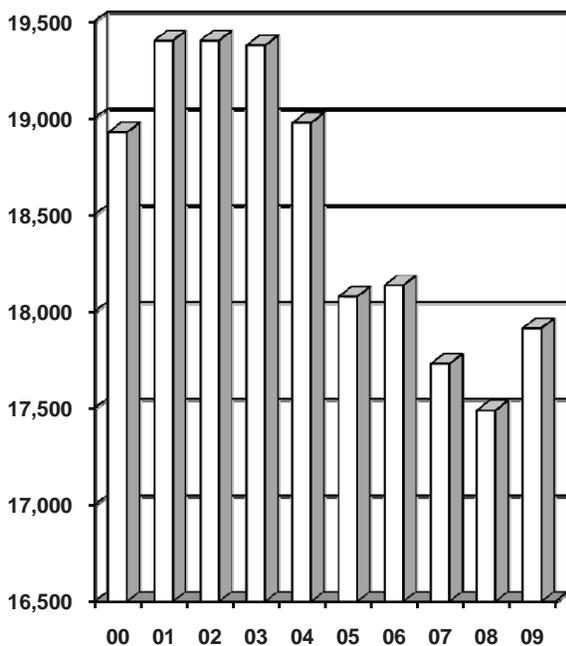
Schedule 13
UNAUDITED

Fiscal Year	(1) Population	(2) Labor Force	(2) Employment	(2) Unemployment	(2) Unemployment Rate	(3)	(3)
						Total Personal Income	Per Capita Income
2000	36,218	18,925	17,975	950	5.0 %	\$906,743,059	\$25,036
2001	36,218	19,400	17,850	1,550	8.0 %	900,196,684	24,855
2002	36,218	19,400	17,550	1,850	9.5 %	919,632,814	25,392
2003	36,218	19,375	17,075	2,300	11.9 %	937,137,520	25,875
2004	36,218	18,975	17,100	1,875	9.9 %	952,255,530	26,292
2005	36,218	18,076	16,323	1,753	9.7 %	985,681,450	27,215
2006	36,218	18,135	16,361	1,774	9.8 %	1,013,032,829	27,970
2007	36,218	17,729	15,673	2,056	11.6 %	1,029,007,146	28,411
2008	36,218	17,488	15,305	2,183	12.5 %	1,062,491,818	29,336
2009	36,218	17,913	14,025	3,888	21.7 %	n/a	n/a

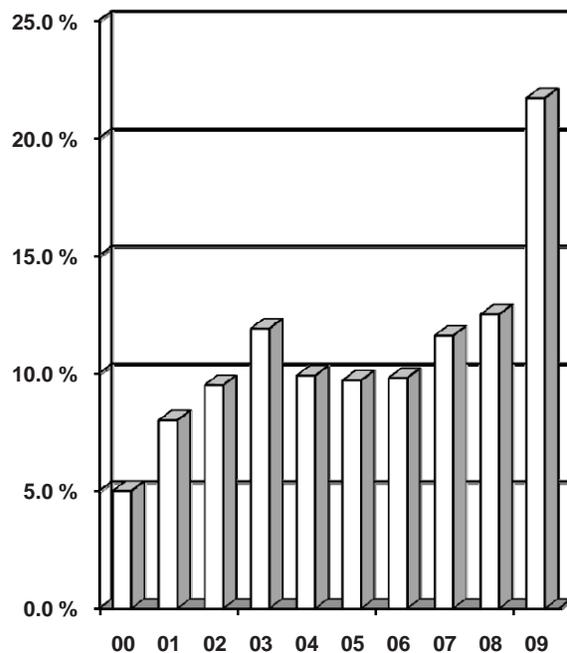
All labor force statistics are as of June of the fiscal year shown, i.e. fiscal year 2009 represents June, 2009.

- (1) Population shown is based on the most recent preceding year's actual.
- (2) Source: Michigan Department of Labor and Economic Growth, Bureau of Labor Market Information
- (3) Source: Bureau of Economic Analysis. Personal income data not available for the City for 2009.

Labor Force



Unemployment Rate



City of Jackson, Michigan
Principal Employers
Current Year and Eight Years Ago (1)

Schedule 14
UNAUDITED

Employer	2009			2001		
	Total (2) Employees	Rank	% of Total City Labor Force	Total (2) Employees	Rank	% of Total City Labor Force
Allegiance Health System	3,146 (a)	1	16.75%	2,590 (a)	1	12.89%
Consumers Energy	2,026 (b)	2	7.26%	2,025 (b)	2	6.70%
Local Government	870	3	4.86%	955	3	4.92%
Jackson Public Schools	782	4	4.37%	790	4	4.07%
Eaton Corporation	563 (c)	5	3.14%	585 (c)	5	1.55%
Great Lakes Home Health /Hospice	400	6	2.23%	-	-	-
Alro Steel Corporation	325	7	1.81%	196	10	1.01%
Anesthesia Business Consultants	284	8	1.59%	-	-	-
Jackson Citizen Patriot	178	9	0.99%	N/A	-	-
Certaineed /Wolverine Vinyl Siding	170	10	0.95%	350	7	1.80%
Edscha (Jackson Automotive Group)	-		-	450	6	2.32%
Worthington Steel / Specialties	-		-	258	8	1.33%
Way Bakeries	-		-	230	9	1.19%
	<u>8,744</u>		<u>43.95%</u>	<u>8,429</u>		<u>37.78%</u>

(1) Data for 2000 (nine years ago) not available; used most recent comparable data available (2001).

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

(a) Approximately 3,000 in 2009 and 2,500 in 2001 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.

(c) All of total shown in 2009 and approximately 300 of total shown in 2001 work in the City...percentage adjusted to reflect.

Source: The Enterprise Group, Jackson County.

City of Jackson, Michigan
Full-Time Equivalent City Government Employees
By Function/Program
Last Ten Years

Schedule 15
 UNAUDITED

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government:										
City Manager	4	5	5	5	4	3	4	4	2	2
Finance	5	5	5	5	5	5	5	5	5	5
City Assessor	5	4	5	5	5	5	4	5	5	5
City Attorney	5	5	4	5	5	5	5	5	5	5
City Clerk / Elections	3	2	3	4	4	4	4	4	4	4
Personnel	4	4	4	4	3	4	4	4	3	4
Purchasing / City Hall	3	3	3	3	3	3	3	3	3	2
City Treasurer / Income Tax	7	7	7	7	7	7	7	7	7	6
Mgmt. Information Services	3	3	3	3	3	1	2	2	3	3
Public Safety:										
Police-Civilian	23	24	25	24	24	23	22	20	20	18
Police-Enforcement	68	67	70	70	70	68	66	64	64	64
Fire-Civilian	3	4	2	3	2	2	2	2	2	2
Fire-Protection	47	46	45	46	43	43	43	43	42	36
Building Inspection	8	7	7	6	7	6	7	5	5	4
Emergency Measures	1	1	1	1	1	1	1	1	1	1
Public Works:										
Public Works	34	32	34	35	33	29	31	29	31	28
Engineering	7	14	14	14	14	13	13	13	12	11
Culture & Recreation:										
Parks, Recreation & Grounds	22	23	25	25	24	24	25	24	24	24
Community Development:										
Public Safety / Community Enrichment & Development	13	14	13	12	10	10	10	11	11	11
Enterprise Funds:										
Sewer	17	17	18	18	18	18	19	19	19	17
Water	35	35	35	34	35	34	34	33	34	30
Total	317	322	328	329	320	308	311	303	302	282

Source: City of Jackson Personnel Department and Finance Department

City of Jackson, Michigan
Operating Indicators by Function/Program
Last Ten Years

Schedule 16
 UNAUDITED

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public safety										
Police:										
Physical arrests	4,357	4,013	3,651	3,511	3,513	3,628	3,562	3,206	3,314	3,660
Traffic violations	16,544	16,705	17,388	15,567	15,812	14,165	11,003	9,796	7,666	7,815
Parking violations	3,457	2,500	2,254	4,572	5,782	4,741	3,722	3,668	3,410	3,476
Fire:										
Calls answered	4,026	4,458	4,438	4,158	4,105	4,072	4,419	4,521	4,685	4,454
Inspections conducted	274	225	225	325	325	594	762	341	452	450
Sewer system										
Service connections	12,935	12,838	12,843	12,609	12,426	12,802	12,755	12,758	12,758	12,844
Daily average treatment (mg)	13.6	14.0	13.6	12.6	12.9	13.2	12.5	13.6	13.6	12.8
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	14,568	14,987	15,255	15,327	15,352	15,327	15,324	15,509	15,697	15,709
Daily average consumption (mg)	6.11	5.73	5.61	6.91	5.53	5.41	5.49	5.43	5.43	5.22
Maximum daily capacity (mg)	24	24	24	24	24	24	24	24	24	24

mg = million gallons

Source: Various City Departments

City of Jackson, Michigan
Capital Asset Statistics by Function/Program
Last Ten Years

Schedule 17
UNAUDITED

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	39	39	39	40	41	41	39	38	36	36
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Response vehicles	9	9	9	9	9	9	10	10	10	10
Culture and recreation										
Parks:										
Number	22	23	23	23	23	23	24	26	26	27
Acreage	635	636	636	636	636	636	636	637	637	638
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
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	14	14	14	14	14	14	14	14	14	14
Public works										
Miles of streets	171	165	165	165	165	165	165	171	171	171
Street lights	2,279	2,335	2,335	2,335	2,335	2,365	2,440	2,458	2,458	2,458
Sewer system										
Miles of sanitary sewers	164	161	161	160	160	160	160	160	165	165
Miles of storm sewers	105	109	109	108	108	108	108	108	110	110
Treatment plants	1	1	1	1	1	1	1	1	1	1
Water system										
Miles of water mains	214	218	234	231	232	232	244	244	244	244
Treatment plants	1	1	1	1	1	1	1	1	1	1
Fire hydrants	1,858	1,918	2,026	2,029	2,030	2,030	2,064	2,064	2,111	2,111

Source: City of Jackson Finance Department

City of Jackson, Michigan
Schedule of Insurance
As of June 30, 2009

Schedule 18
UNAUDITED

<u>Type of Coverage</u> <u>Name of Company</u>	<u>Policy Period</u>	<u>Premium</u>	<u>Description</u>
<u>Building and Contents</u> <i>Michigan Municipal Liability and Property Pool</i>	7/1/08-6/30/09	\$ 118,874	All risk coverage on buildings and contents. \$162,184,612 limit with \$2,500 deductible per occurrence.
<u>Automobile</u> <i>Michigan Municipal Liability and Property Pool</i>	7/1/08-6/30/09	\$ 84,308	\$5,000,000 liability limit per occurrence, \$1,000,000 property protection, \$100,000 uninsured motorist protection. \$1,000 comprehensive and collision deductibles.
<u>Liability</u> <i>Michigan Municipal Liability and Property Pool</i>	7/1/08-6/30/09	\$ 242,356	Law Enforcement, Public Officials, Municipal General and Employee Benefit Liability coverages. \$5,000,000 limit per occurrence with a \$5,000 deductible.
<u>Crime/Bonds</u> <i>Michigan Municipal Liability and Property Pool</i>	7/1/08-6/30/09	Included	Employee dishonesty and faithful performance blanket, loss inside/outside premises, depositors forgery, money order/counterfeit paper coverages. \$100,000 liability limit.
<u>Workers Compensation</u> <i>Midwest Employers Casualty Broadspire Services</i>	9/1/08-9/01/09 9/1/08-9/01/09	\$ 26,150 \$ 14,372	Excess insurance above \$350,000 retention. TPA for claims service.
<u>Community Blue-PPO</u> <i>Blue Cross/Blue Shield</i>	Monthly	Varies	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 retired City personnel.
<u>COPS Trust & Blue Care Network</u> <i>Blue Cross / Blue Shield</i>	Monthly	Varies	HMO offers primary care physicians, network hospitals, affiliated laboratories and other providers within the particular HMO network. Employee is responsible for co-pay amounts at time of service. Available to all full-time City employees.
<u>Prescription Drug Coverage</u> <i>ScriptGuide</i>	Monthly		City's self insured prescription drug plan available to all full-time and retired personnel. Third party administrator processes claims with a contracted fee schedule.
<u>Life</u> <i>Life Insurance Company of North America</i>	Monthly	Varies	Covers death of employee and/or AD&D. City pays for coverage of 1X annual salary up to \$50,000 with a minimum of \$30,000. All full-time employees are covered.
<u>Long-term Disability</u> <i>Life Insurance Company of North America</i>	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
Supplemental Disclosure Information
State Equalized Valuation/Taxable Valuation
Fiscal Years Ended June 30, 2006 Through 2010

Schedule 19
UNAUDITED

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)
2004	2005	2006	\$ 925,514,550	\$ 730,737,196	\$ 756,918,096
2005	2006	2007	951,807,013	741,982,298	768,149,011
2006	2007	2008	958,413,052	765,295,971	795,257,326
2007	2008	2009	936,223,012	768,262,890	783,318,402
2008	2009	2010	863,542,300	752,635,455	758,843,555

Per Capita 2009 Ad Valorem Taxable Valuation is \$ 20,781 and Per Capita 2009 Total Taxable Valuation is \$ 20,952 based on the City's 2000 U. S. Census population of 36,218.

(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				
	2005	2006	2007	2008	2009
Use:					
Commercial	27.43%	28.63%	27.57%	29.53%	29.21%
Industrial	29.10%	25.77%	27.12%	23.36%	24.64%
Residential	43.47%	45.60%	45.31%	47.11%	46.15%
	100.00%	100.00%	100.00%	100.00%	100.00%
Class:					
Real	88.60%	88.54%	89.36%	89.67%	88.76%
Personal	11.40%	11.46%	10.64%	10.33%	11.24%
	100.00%	100.00%	100.00%	100.00%	100.00%

Source: City of Jackson Assessor Department

City of Jackson, Michigan
Supplemental Disclosure Information
Revenue Bond Coverage - Sewer Fund
Last Ten Fiscal Years

Schedule 20
UNAUDITED

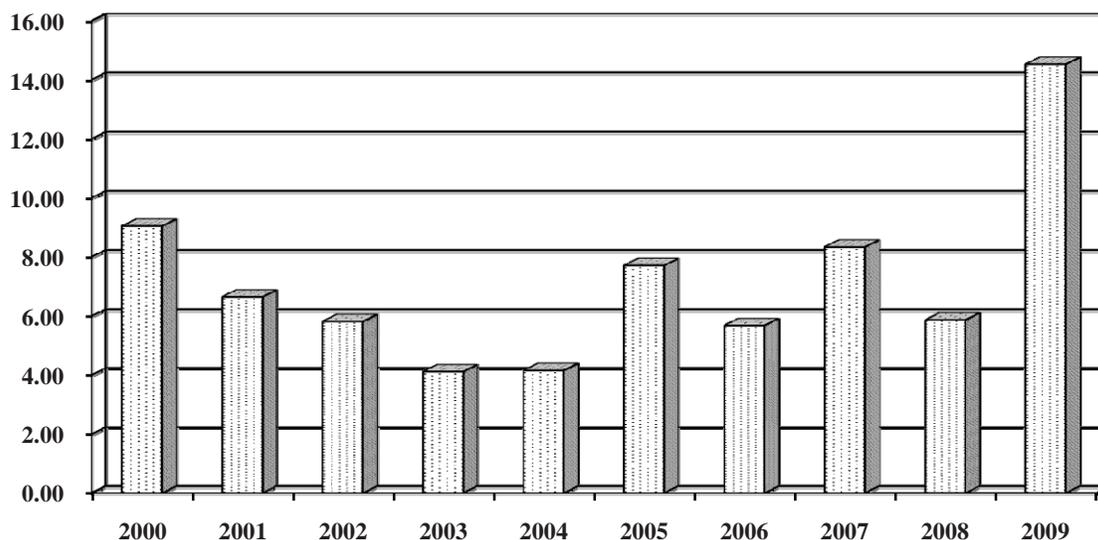
Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest and Fiscal Charges	Total	
2000	\$ 4,533,600	\$ 2,526,972	\$ 2,006,628	\$ 150,000	\$ 72,050	\$ 222,050	9.04
2001	4,737,832	2,814,061	1,923,771	200,000	89,853	289,853	6.64
2002	4,957,422	3,072,897	1,884,525	220,000	104,537	324,537	5.81
2003	4,799,168	3,389,795	1,409,373	250,000	93,256	343,256	4.11
2004	4,594,024	3,121,609	1,472,415	275,000	80,131	355,131	4.15
2005	5,037,590	3,344,441	1,693,149	150,000	69,500	219,500	7.71
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

(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.

Revenue Bond Coverage
Last Ten Fiscal Years



City of Jackson, Michigan
Supplemental Disclosure Information
Revenue Bond Coverage - Water Fund
Last Ten Fiscal Years

Schedule 21
UNAUDITED

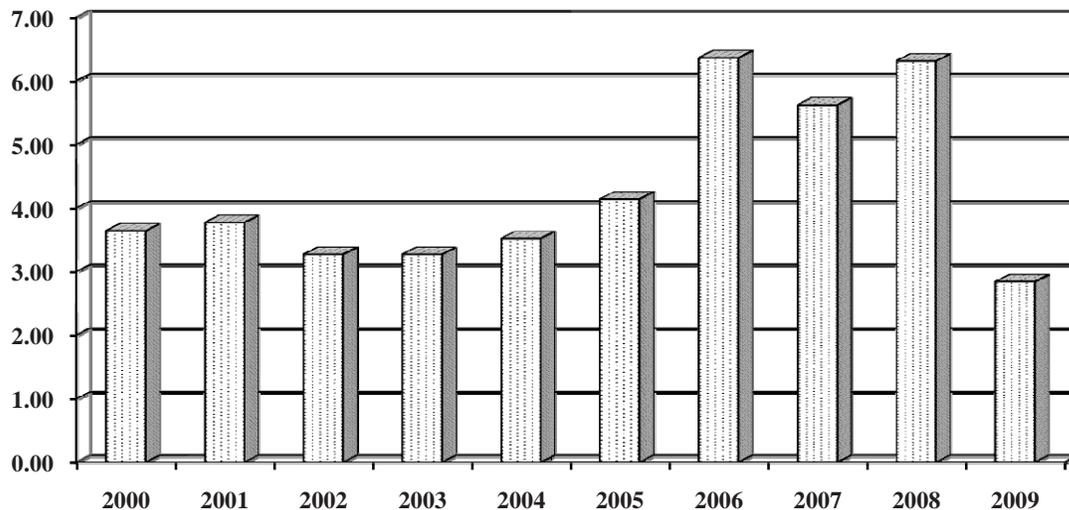
Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest and Fiscal Charges	Total	
2000	\$ 5,965,031	\$ 3,950,553	\$ 2,014,478	\$ 325,000	\$ 228,789	\$ 553,789	3.64
2001	5,937,137	3,793,227	2,143,910	375,000	194,055	569,055	3.77
2002	5,998,507	4,196,649	1,801,858	370,000	180,392	550,392	3.27
2003	6,242,449	4,487,148	1,755,301	370,000	166,403	536,403	3.27
2004	6,230,681	4,288,334	1,942,347	400,000	152,343	552,343	3.52
2005	6,517,972	4,212,878	2,305,094	420,000	137,343	557,343	4.14
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

(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.

Revenue Bond Coverage
Last Ten Fiscal Years



City of Jackson, Michigan
Supplemental Disclosure Information
Water Supply System
Last Five Fiscal Years

Schedule 22
UNAUDITED

	Fiscal Year Ended June 30				
	2005	2006	2007	2008	2009
<u>Water Pumped vs. Water Sold: (in million gallons)</u>					
Pumped	2,324.3	2,399.6	2,388.2	2,607.0	2,572.2
Sold	1,973.6	2,002.6	1,982.2	2,401.4	2,375.6
Sold as a % of Pumped	84.91%	83.46%	83.00%	92.11%	92.36%
<u>Number of Customers:</u>					
Residential	12,521	13,172	13,234	12,317	12,354
Commercial	1,814	1,948	2,065	2,136	2,116
Industrial	189	204	210	258	257
Total	14,524	15,324	15,509	14,711	14,727
<u>Percent of Water Consumption by Category:</u>					
Residential	36.66%	36.82%	36.25%	32.39%	31.60%
Commercial	42.33%	41.31%	38.44%	45.90%	47.30%
Industrial	21.01%	21.87%	25.31%	21.71%	21.10%
Total	100.00%	100.00%	100.00%	100.00%	100.00%
<u>History of Water Rates</u> <i>(average consumption - 22 HCF / average 5/8 inch meter)</i>					
Metered per quarter	\$ 57.85	\$ 57.85	\$ 57.85	\$ 57.85	\$ 57.85
% Change (in average consumption)	2.63%	0.00%	0.00%	0.00%	0.00%
<u>Water Supply System Annual Revenues:</u>					
Metered revenue	\$ 6,018,706	\$ 6,058,562	\$ 5,973,946	\$ 6,165,173	\$ 6,130,257
% Increase (Decrease)	2.00%	0.66%	-1.40%	3.20%	-0.57%
<u>Water Supply System Revenues By User Class:</u>					
Residential	\$ 2,967,222	\$ 2,879,595	\$ 2,883,727	\$ 2,903,899	\$ 2,865,759
Commercial	2,365,953	2,444,043	2,328,429	2,470,359	2,605,723
Industrial	685,531	716,448	761,790	790,915	658,774
Sewer - Billing & Collection Charges	196,936	192,184	204,129	220,418	184,459
Total	\$ 6,215,642	\$ 6,232,270	\$ 6,178,075	\$ 6,385,591	\$ 6,314,715
<u>Water Supply Revenues By User Class as a % of Total Revenues:</u>					
Residential	47.74%	46.20%	46.68%	45.48%	45.38%
Commercial	38.06%	39.22%	37.69%	38.69%	41.26%
Industrial	11.03%	11.50%	12.33%	12.39%	10.43%
Sewer - Billing & Collection Charges	3.17%	3.08%	3.30%	3.44%	2.93%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Source: City Water Department

City of Jackson, Michigan
Supplemental Disclosure Information
Water Supply System
Ten Largest Water Customers - By Usage
For the Fiscal Year Ended June 30, 2009

Schedule 23
UNAUDITED

<u>Customer</u>	(1) <u>Usage</u>	(2) <u>% of Total</u>	<u>Revenue</u>	(3) <u>% of Total</u>
* Michigan Department of Corrections	516,800	21.75%	\$ 338,640	5.36%
Kinder Morgan Michigan/Alphagen	232,072	9.77%	215,040	3.41%
Allegiance Health/Health Center	96,577	4.07%	205,971	3.26%
Certainteed/Wolverine Technologies	81,900	3.45%	84,708	1.34%
Eaton Aeroquip Corp.	67,010	2.82%	110,850	1.76%
Commonwealth Commerce Center	30,400	1.28%	31,061	0.49%
** Consumers Energy	29,970	1.26%	77,935	1.23%
Lefere Forge & Machine	23,800	1.00%	23,977	0.38%
* English Meadows Mfg. Housing	16,200	0.68%	27,351	0.43%
Libra Industries	15,580	0.66%	36,685	0.58%

(1) Unit = Hundred Cubic Feet (HCF)

(2) Based on June 30, 2009 total water consumption of 2,375,600 HCF.

(3) Based on June 30, 2009 Water Supply System Revenues By User Class (Schedule 22) of \$ 6,314,715.

* Located outside of City limits.

** Located both inside and outside of City limits

Source: City Water Department

City of Jackson, Michigan
Supplemental Disclosure Information
Industrial Facilities Tax Roll

Schedule 24
 UNAUDITED

Year of Transfer To Ad Valorem Tax Roll	(1) I.F.T. S.E.V. Amount
2010	\$ 1,506,250
2011	746,100
2012	1,218,450
2013	742,900
2014	877,600
2015	82,100
2016	2,282,100
2017	1,889,300
2018	1,161,000
2019	106,100
2020	741,700
2021	509,800
	\$ 11,863,400

(1) Represents current assessed value of abated property at time of assessment.
 Personal property will be subject to depreciation in future years.

Source: City Assessor Department

City of Jackson, Michigan
Supplemental Disclosure Information

Schedule 25
UNAUDITED

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
2002	\$ 139,394	\$ 562,866	\$ 562,866	\$ 26,922	\$ 112,472	-
2003	250,603	477,905	477,905	27,595	223,008	-
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

(1) Capitalized interest was used to pay debt service in both fiscal year 2002 and 2003.

(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 (2)	Debt Service	(3) Capitalized Interest	Excess Tax Increment Revenues	Debt Service Coverage
2002	\$ -	\$ -	\$ -	\$ -	-
2003	119,689	1,087,889	1,087,889	119,689	-
2004	845,825	955,220	955,220	845,825	-
2005	1,063,299	955,721	79,602	107,578	-
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

(1) The Bonds were sold in March, 2002; there was no debt service in fiscal year 2002.

(2) Includes only those amounts captured for the Bonds.

(3) Capitalized interest was used to pay debt service in fiscal years 2003, 2004 and 2005 (partial).

City of Jackson, Michigan
Supplemental Disclosure Information
Gas & Weight Tax Revenues, Maximum Annual Debt Service and
Historical Debt Service Coverage

Schedule 26
UNAUDITED

Fiscal Year	Gas & Weight Tax Revenues	(1) Maximum Annual Debt Service	Historical Debt Service Coverage
2000	\$ 2,527,133	\$ 350,721	7.21
2001	2,515,255	350,721	7.17
2002	2,494,306	350,721	7.11
2003	2,509,073	350,721	7.15
2004	2,561,830	350,721	7.30
2005	2,604,990	284,480	9.16
2006	2,569,413	284,480	9.03
2007	2,538,724	284,480	8.92
2008	2,499,445	284,480	8.79
2009	2,409,854	284,480	8.47

(1) Includes maximum debt service on all debt payable from Major and Local Street Funds.

**INFORMATION ON
SINGLE AUDIT
(Compliance Section)**

City of Jackson, Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Grant/ Agreement/ Account Number	CFDA Number	Accrued (Deferred) Revenue July 1, 2008	Current Year Expenditures	Current Year Receipts (Cash Basis)	Accrued (Deferred) Revenue June 30, 2009
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:						
Direct Programs:						
Community Development Block Grant-Entitlement	B07MC260021	14.218	\$ (11,405)	\$ 1,237,554	\$ 1,226,149	\$ -
Community Development Block Grant-Entitlement	B08MC260021	14.218	-	335,337	26,898	308,439
Home Investment Partnership Programs	M05MC260214	14.239	-	58,791	58,791	-
Home Investment Partnership Programs	M06MC260214	14.239	(19,667)	226,220	206,553	-
Home Investment Partnership Programs	M08MC260214	14.239	-	20,855	-	20,855
Lead Based Paint Hazard Prevention	MILHB0286-04	14.900	123,573	570,466	543,345	150,694
Total U.S. Department of Housing and Urban Development			92,501	2,449,223	2,061,736	479,988
U.S. DEPARTMENT OF JUSTICE:						
Direct Programs:						
Bulletproof Vest Partnership		16.607	907	4,942	2,553	3,296
Byrne Justice Assistance Grant-Communications Equipment		16.738	-	44,423	44,423	-
Passed-Through Michigan Department of Community Health - Byrne Formula grant-LAWNET Enhancement Project						
		16.580	7,351	34,447	41,798	-
Passed-Through Detroit Community Justice Partnership - Anti-Gang Initiative						
		16.744	23,054	46,251	61,181	8,124
Total U.S. Department of Justice			31,312	130,063	149,955	11,420
U.S. DEPARTMENT OF TRANSPORTATION:						
Passed-Through Jackson Traffic Safety Program:						
Occupant Protection - Drive Michigan Safely		20.602	1,636	14,346	13,714	2,268
Selective Traffic Enforcement Program		20.602	-	15,550	15,550	-
Total U.S. Department of Transportation			1,636	29,896	29,264	2,268
ENVIRONMENTAL PROTECTION AGENCY:						
Direct Program - Brownfield Assessment						
		66.818	2,534	128,802	111,221	20,115
DEPARTMENT OF HOMELAND SECURITY:						
Direct Program - Local Homeland Security Training Program						
		97.005	-	20,520	20,520	-
TOTAL FEDERAL ASSISTANCE			\$ 127,983	\$ 2,758,504	\$ 2,372,696	\$ 513,791

City of Jackson, Michigan

Note to Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2009

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Jackson, Michigan, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 - Outstanding Loans

The City has a HUD Section 108 loan with an outstanding balance of \$765,000 at June 30, 2009.

Note 3 - Subrecipients

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

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
HOME	14.239	\$187,800

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

December 8, 2009

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 components units, each major fund, and the aggregate remaining fund information of the *City of Jackson, Michigan* as of and for the year ended June 30, 2009, and have issued our report thereon dated December 8, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Jackson's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as identified above.

Compliance and other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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*.

We noted certain matters that we reported to management of the City of Jackson, in a separate letter dated December 8, 2009.

This report is intended solely for the information and use of the audit committee, the governing board, management, others within the organization, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

December 8, 2009

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

Compliance

We have audited the compliance of the *City of Jackson, Michigan* with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 8, 2009. The City of Jackson's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Jackson's management. Our responsibility is to express an opinion on the City of Jackson's compliance based on our audit.

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 of Jackson'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. Our audit does not provide a legal determination on the City of Jackson's compliance with those requirements.

In our opinion, the City of Jackson complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2009-1.

Internal Control Over Compliance

The management of the City of Jackson is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Jackson's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 of Jackson's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2009-1 to be a significant deficiency.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

The City of Jackson's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City of Jackson's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, the City Council, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Lehmann Johnson".

City of Jackson

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2009

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified
not considered to be material weaknesses?

_____ 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
not considered to be material weaknesses?

X yes _____ none reported

Type of auditors' report issued on compliance
for major programs:

Unqualified

Any audit findings disclosed that are required
to be reported in accordance with
Circular A-133, Section 510(a)?

X yes _____ no

City of Jackson

Schedule of Findings and Questioned Costs (Continued)

For the Year Ended June 30, 2009

SECTION I - SUMMARY OF AUDITORS' RESULTS

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grant
14.900	Lead-Based Paint Hazard Control

Dollar threshold used to distinguish
between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2009-1 **Insufficient Documentation of Payroll Expenses – Immaterial Noncompliance; Significant Deficiency in Internal Control over Compliance – Allowable Costs/Cost Principles**

Programs: CFDA 14.900 – Lead Based Paint Hazard Control;
CFDA 14.218 – Community Development Block Grant

Criteria: Office of Management and Budget Circular No. A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, requires that when employees work on multiple activities, the distribution of their salaries or wages must be supported by personnel activity reports, except when a substitute system has been approved by the cognizant Federal agency. The Circular requires these reports be prepared at least monthly and must coincide with one or more pay periods. For employees charged entirely to one federal program, the use of semiannual certifications is also permissible.

Condition: During the year ended June 30, 2009, the City did not maintain proper documentation of time records (personnel activity reports) for the six employees who worked on grant activities less than 100% of the time.

Cause: The City employees were unaware that their time had to be kept track of when working on a grant less than 100% of the time.

City of Jackson

Schedule of Findings and Questioned Costs (Concluded)

For the Year Ended June 30, 2009

**Effect/
Questioned
Costs:**

A total of \$30,493 was allocated to the Community Development Block Grant and Lead-Based Paint Hazard Control Program for wages and fringes that were not properly supported in accordance with OMB Circular A-87. Because there is no question that personnel services were provided to the program, we therefore conclude that this constitutes immaterial noncompliance.

Recommendation:

We recommend the City implement procedures to ensure the timely filing of all required reports.

**View of
Responsible
Officials:**

The City is in agreement with this finding. The Auditor's recommendations will be followed and procedures will be established to ensure that each employee will maintain a personnel activity report or allocated time spent on each program on his/her timesheet to document the time spent on grant activities.

SECTION IV – PRIOR YEAR FINDINGS

Finding 2008-1 regarding quarterly reporting for a certain HUD program has been sufficiently resolved.

* * * * *



Finance Department

161 W. Michigan Avenue - Jackson, MI 49201-1303
Telephone: (517) 788-4030 — Facsimile: (517) 768-5857

January 6, 2010

TO: Christopher Lewis, Acting City Manager

FROM: Philip Hones, Finance Director

**RE: RECEIPT OF REQUIRED COMMUNICATIONS LETTER WITH AUDIT
COMMENTS AND RECOMMENDATIONS AND CITY RESPONSE FOR
FISCAL YEAR ENDED JUNE 30, 2009**

As part of the audit process the City's auditors issue a "Required Communications Letter with Comments and Recommendations" (attached) which summarizes the auditor's responsibilities under current professional standards as well as comments and recommendations for policy and procedural improvements noted during their fieldwork. Attached is a copy of this letter for the year ended June 30, 2009.

Following page 4 of the letter is a page labeled "Comments and Recommendations" which contains the sole comment and recommendation issued at the completion of the recent audit. Below is that comment and the City's response to that comment:

Other Matters

Income Taxes Receivable - Allowance for Doubtful Accounts

Currently, the City does not have an accounting policy to provide for a uniform determination and/or calculation of an allowance for doubtful accounts relative to income taxes receivable. Such a policy should be adopted and followed.

Response:

The City Finance Department will work with the Income Tax Department to formulate a policy that will provide for a uniform determination in the calculation of the allowance for doubtful accounts relative to income taxes receivable. This policy will be put into effect within 60 days.

Please feel free to contact me (768-6384) if you have any questions on the above.

December 8, 2009

To the City Council of the
City of Jackson
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* (the “City”) for the year ended June 30, 2009, and have issued our report thereon dated December 8, 2009. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and OMB Circular A-133

As stated in our engagement letter dated September 9, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City’s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the City’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the City’s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the City’s compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City’s compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and our meeting about planning matters on September 28, 2009.

Significant Audit Observations

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

As indicated in note 4-D to the basic financial statements, the City adopted Statement of Governmental Accounting Standards (GASB Statements) No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The effect of implementing GASB 45 was to record a liability of \$3,661,826 in only the governmental activities of the government-wide financial statements for the difference between the actuarial required contribution to the retiree healthcare trust and the actual contributions; the implementation also necessitated additional note disclosures but did not result in the restatement of beginning net assets/fund balances.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future.
- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.

- Management's estimate of the insurance claims incurred but not reported is based on information provided by the entity's third party administrators and subsequent claims activity.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statements may be affected by unusual transactions, including nonrecurring transactions. The following significant unusual accounting transactions occurred during the year:

- During 2009, significant amounts of the City's water and sewer bonds were in-substance defeased through the issuance of advance refunding bonds. In accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, the difference between the amount placed in escrow to repay the refunded bonds and the carrying amount of the refunded bonds is being deferred and amortized as a component of interest expense over the remaining life of the refunded bonds.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter dated December 8, 2009.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the entity’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the governing body and management of the City of Jackson and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Lehmann Johnson". The signature is written in black ink and is positioned below the text "Very truly yours,".

City of Jackson

Comments and Recommendations

For the Year Ended June 30, 2009

In planning and performing our audit of the financial statements of the City of Jackson as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. The deficiency we noted that we consider to be a significant deficiency is described in the Schedule of Findings and Questioned Costs in the City's Single Audit report.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We do not consider the significant deficiency to be a material weakness.

Other Matters

Income Taxes Receivable - Allowance for Doubtful Accounts

Currently, the City does not have an accounting policy to provide for a uniform determination and/or calculation of an allowance for doubtful accounts relative to income taxes receivable. Such a policy should be adopted and followed.

* * * * *



December 8, 2009

Rehmann Robson
P.O. Box 449
Jackson, MI 49204

We are providing this letter in connection with your audit of the financial statements of the City of Jackson as of June 30, 2009 and for the year then ended for the purpose of expressing opinions as to whether the financial statements 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 and the respective changes in financial position and, where applicable, cash flows thereof in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of December 8, 2009, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We have made available to you all—
 - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal awards.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

6. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
8. We have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.
9. We have a process to track the status of audit findings and recommendations.
10. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of the audit being undertaken and the corrective actions taken to address significant findings and recommendations.
11. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
12. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
13. The following, if any, have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and affiliated governmental units that are not included in the financial statements as part of the reporting entity.
 - b. Guarantees, whether written or oral, under which the City is contingently liable.
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances, consistently applied, and adequately disclosed.
14. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

15. There are no—
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with *Financial Accounting Standards Board (FASB) Statement No. 5, Accounting for Contingencies*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.
 - d. Reservations or designation of fund equity that were not properly authorized and approved.
16. As part of your audit, you prepared the draft financial statements and related notes and schedule of expenditures of federal awards. We have designated a competent management-level individual to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
17. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
18. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
22. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.
23. Provisions for uncollectible receivables have been properly identified and recorded.
24. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
25. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
26. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
27. Deposits and investment securities are properly classified as to risk, and investments are properly valued.

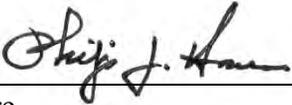
28. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
29. Required supplementary information (RSI) is measured and presented within prescribed guidelines.
30. With respect to federal award programs:
 - a. We are responsible for complying and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
 - b. We have, in accordance with OMB Circular A-133, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.
 - c. We are responsible for complying with, and have complied with in all material respects, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program.
 - d. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies (including material weaknesses) reported in the schedule of findings and questioned costs.
 - e. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to major federal programs.
 - f. We have received no requests from a federal agency to audit one or more specific programs as a major program.
 - g. We have complied, in all material respects, with the compliance requirements, including when applicable, those set forth in the *OMB Circular A-133 Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including those resulting from other audits or program reviews.
 - h. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, and OMB's *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.

- i. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- j. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- k. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- l. We have charged costs to federal awards in accordance with applicable cost principles.
- m. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- n. We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of OMB Circular A-133.
- o. We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements to ensure that subrecipients have taken the appropriate and timely corrective action on findings.
- p. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- q. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- r. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133, and we are responsible for preparing and implementing a corrective action plan for each audit finding.

No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.



 Signature



 Signature

_____ Acting City Manager

_____ Finance Director

Title

Title

JACKSON CITY COUNCIL MEETING

MINUTES

DECEMBER 15, 2009

CALL TO ORDER.

The Jackson City Council met in regular session in City Hall and was called to order at 7:00 p.m. by Mayor Karen F. Dunigan.

PLEDGE OF ALLEGIANCE – INVOCATION.

The Council joined in the pledge of allegiance. The invocation was given by Councilmember Howe.

ROLL CALL.

Present: Mayor Karen F. Dunigan and Councilmembers Carl L. Breeding, Robert B. Howe, Daniel P. Greer, Kenneth E. Gaiser, Andrew R. Frounfelker and John R. Polaczyk—7. Absent: none.

Also Present: Interim City Manager Christopher W. Lewis, City Attorney Julius A. Giglio and City Clerk Lynn Fessel.

AGENDA.

Motion was made by Councilmember Breeding and seconded by Councilmember Greer to amend the Agenda by adding Item 4. A., Consideration of Rules of Order. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Frounfelker to adopt the agenda, as amended. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Councilmember Frounfelker welcomed Boy Scout Troop No. 309 from St. John's Parish.

CONSIDERATION OF THE ADOPTION OF RULES OF ORDER FOR THE COUNCIL.

Motion was made by Councilmember Breeding and seconded by Councilmember Greer to adopt rules of order, pursuant to Section 8.3 of the City Charter, as laid down in the latest edition/version of

Roberts Rules of Order. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

PRESENTATIONS/PROCLAMATIONS.

A. PRESENTATION BY EDUCATION ASSOCIATES OF MICHIGAN REGARDING THE SECOND ROUND OF INTERVIEWS FOR THE CITY MANAGER SEARCH PROCESS.

Dave Steel, Education Associates of Michigan, reviewed a tentative schedule for second round interviews.

1. CONSIDERATION OF THE RECOMMENDATIONS MADE BY EDUCATION ASSOCIATES OF MICHIGAN.

Motion was made by Councilmember Greer to direct Education Associates of Michigan to attempt to schedule second round interviews for next Tuesday, the 22nd. The motion died for lack of a second.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Frounfelker to adopt the format for second round interviews and get back with Education Associates with a date and timeframe. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—6. Nays: Councilmember Gaiser—1. Absent: 0.

CITIZEN COMMENTS.

John Wilson, 1045 S. Durand Street, stated he doesn't understand the roll that JCEG is trying to impose on the City Council and City residents regarding the City Manager search. He encouraged the Council to finish what they started.

William Deary, 1907 N. Grovedale Avenue, discussed the success of his business and how that benefits Jackson. He expressed concern with the two City Manager finalists. He asked the Council to stop the City Manager search process and hire an interim City Manager who will provide for careful succession planning.

Salah Huwais, 4645 Eagle Drive, respectfully asked the Council to stop the City Manager search process and consider hiring someone local who knows our community.

Dale Moretz, representing the Chamber of Commerce and the Convention and Visitors Bureau, read a resolution adopted by the Chamber of Commerce on December 15, 2009, urging the City Council to stop the current search and selection process to a hire a City Manager and start over. (A copy of this resolution will be kept as a permanent record with the proceedings of this meeting.)

David Hockenbrocht, 1736 Seven Oaks Drive, urged the Council to hire someone local for the position of City Manager.

Robert Michaels, 515 S. West Avenue, asked the City Council to open up the search and see what other candidates might be out there for the position of City Manager.

State Senator Mike Nofs distributed his contact information and stated he looks forward to working with the Council. He wished everyone a Merry Christmas.

Lee Kaluza, Rives Junction, requested the Council consider adopting an ordinance requiring that shields be placed in taxicabs between the driver and the passengers.

Gordon Cannon, 1703 E. Michigan Avenue, asked that the process to revise the taxicab licensing ordinance move more quickly and that representatives from taxicab companies be included in the discussions.

Mike Sharp requested that Council slow down the process of hiring a new City Manager and look for some good, qualified local candidates. He also asked that the \$5,000.00 earnest money for the Hayes Hotel purchase option be returned.

State Representative Martin Griffin commended City staff for their hard work on the RTD Manufacturing loan request and urged the Council to approve the loan in the amount of \$100,000.00.

Lisa Dedden Cooper, Economic Development Director for Congressman Mark Schauer, read a letter in support of RTD Manufacturing's request for a Jobs Creation Loan in the amount of \$100,000.00. (A copy of this letter will be kept as a permanent record with the proceedings of this meeting.)

Bryant Ramsey, President of RTD Manufacturing, Inc., explained their need for and asked Council to support their request for a Jobs Creation Loan. He also asked Council to consider waiving interest on the loan.

Tom Mathes, 137 N. Jackson Street, introduced himself as the new downtown business owner of Fortune Tommy's Ice Cream Shop and offered Council a sample from his menu.

CONSENT CALENDAR.

Councilmember Frounfelker requested Items F, G and L be removed for separate consideration. Mayor Dunigan requested Item N be removed for separate consideration. Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the following Consent Calendar, with Items F, G, L and N removed for separate consideration. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Consent Calendar

- A. Approval of the minutes of the regular City Council meetings of November 10, and December 1, 2009.
- B. Approval of the minutes of the special City Council meetings of November 5, November 12, November 13, and December 4, 2009.
- C. Approval of the request of St. John's United Church of Christ in conjunction with Partnership Park, to conduct their annual Eve on the Ave 5K Run/Walk on December 31, 2009, beginning at 10:00 p.m. on downtown streets, with police assistance. (Recommended approval received from the Police, Fire, Traffic Engineering Departments and the Downtown Development Authority. Proper insurance has been received.)
- D. Approval of Final Change Order No. 1 to the contract with Utility Services Authority, LLC, in the amount of \$1,666.00, for the Michigan Avenue Sewer Rehabilitation –2009 Renewal,

- and authorization for the Interim City Manager, and the City Engineer to execute the appropriate document(s), in accordance with the recommendation of the City Engineer.
- E. Approval of Final Change Order No. 1 to the contract with RJT Construction Company, in the decreased amount of \$8,151.22, for the Brown Street Watermain Replacement project, and authorization for the Interim City Manager, and the City Engineer to execute the appropriate document(s), in accordance with the recommendation of the City Engineer.
 - F. *Removed for separate consideration.*
 - G. *Removed for separate consideration.*
 - H. Approval of the request to reject an offer to purchase a New Neighbor Home located at 1906 Plymouth, in accordance with the recommendation of the Community Development Director.
 - I. Receipt of the City of Jackson's summary of revenue and expenditures for four (4) months ended, October 31, 2009, and for five (5) months ended, November 30, 2009.
 - J. Receipt with regret the resignation of William Howell Wynne from the Zoning Board of Appeals, effective immediately.
 - K. Receipt with regret the resignation of Charles C. Reisdorf from the Local Development Finance Authority/Brownfield Redevelopment Authority, effective December 31, 2009.
 - L. *Removed for separate consideration.*
 - M. Receipt of CDBG Financial Summary report through October 31, 2009.
 - N. *Removed for separate consideration.*
 - O. Establishment of January 12, 2010, at the City Council meeting as the time and place to hold a public hearing on the following public improvements:
 - Roll No. 3355 – Street Construction: Daniel Road: Higby Street to Wildwood Avenue
 - Roll No. 3356 – Street Construction: Wildwood Avenue: Daniel Road to Wisner Street
 - Roll No. 3357 – Street Construction: Wildwood Avenue: Wisner Street to West Avenue.
 - P. Establishment of Community Development public hearings and approval of the timetable for the 2010-2011 Community Development Block Grant (CDBG) and HOME Funds application process.

CONSENT CALENDAR ITEM F.

Approval of Traffic Control Order No. (TCO) 2040, prohibiting parking on the east side of Mechanic Street from Cortland to 45 feet north of Cortland or from 50 feet south of Michigan Avenue to Michigan Avenue. During the enforcement hours between 8 a.m. and 5 p.m., vehicles shall not remain parked for a period to exceed two (2) hours from 45 feet north of Cortland to 50 feet south of Michigan Avenue. There shall also be a ten (10) minute load zone from 135 feet south of Michigan Avenue to 100 feet south of Michigan Avenue. This action shall rescind TCO #2017, in accordance with the recommendation of the City Engineer.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve TCO #2040 and add a loading zone at 102 Francis St. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

CONSENT CALENDAR ITEM G.

Approval of Traffic Control Order No. (TCO) 2041, prohibiting parking on the south side of Cortland Street from 80 feet west of Francis Street to Francis Street and on the north side no vehicle shall be parked from Francis Street to 30 feet west of Francis Street. On the remainder of the block during enforcement hours of 8 a.m. to 5 p.m., no vehicle shall remain parked for a period exceeding two (2) hours. This action shall rescind TCO #2015, in accordance with the recommendation of the City Engineer.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Gaiser to approve TCO #2041. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to ask staff to look at and come back with a plan to bring back some 2-hour parking on the remainder of streets in the downtown and identify some spaces in each block to have individual, signed stalls for shorter term parking, providing a mix. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

CONSENT CALENDAR ITEM L.

Receipt of the Dangerous Building Report for October 31, 2009.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to receive the Dangerous Building Report for October 31, 2009. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

CONSENT CALENDAR ITEM N.

Receipt of a Summons and Complaint filed in Circuit Court by David Klein and All Brothers Investments, LLC, v. City of Jackson, and referral to the City Attorney for appropriate action.

Mayor Dunigan stated that Mr. Klein wishes to set a date for a meeting with her, the City Attorney and the appropriate City department to see if this can be worked out so it doesn't have to go through the court system.

Motion was made by Councilmember Greer and seconded by Councilmember Breeding to receive the Summons and Complaint and refer it to the City Attorney for appropriate action. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

COMMITTEE REPORTS.

A. RECEIPT OF THE CITY AFFAIRS COMMITTEE REPORT.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to postpone consideration of the report until a future meeting since the items were deleted from this agenda. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

APPOINTMENTS.

A. APPROVAL OF THE MAYOR'S RECOMMENDATION TO APPOINT TERRENCE P. ANDERSON TO THE JACKSON HOUSING COMMISSION FILLING A

CURRENT VACANCY BEGINNING IMMEDIATELY, AND ENDING OCTOBER 31, 2014.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Howe, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: Councilmember Breeding—1. Absent: 0.

B. APPROVAL OF THE MAYOR'S RECOMMENDATION TO APPOINT CHRISTOPHER GANCOS TO THE ZONING BOARD OF APPEALS FILLING A CURRENT VACANCY BEGINNING IMMEDIATELY, AND ENDING DECEMBER 31, 2011.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

C. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT ANDREW DOTTERWEICH TO THE BUILDING CODE BOARD OF APPEALS FOR A THREE-YEAR TERM BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

D. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT CLYDE W. MAULDIN TO THE CITY PLANNING COMMISSION FOR A THREE-YEAR TERM BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

E. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT CONNIE KAY WILLIAMS AND S. BRADFORD WILLIAMS TO THE ELECTION COMMISSION FOR A FOUR-YEAR TERM EACH BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2013.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

F. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT MARTHA FUERSTENAU AND JOHN SCHAUB TO THE HISTORIC DISTRICT COMMISSION FOR A THREE-YEAR TERM EACH BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

G. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT RANDALL MCMUNN, ASSISTANT CITY ENGINEER, TO THE JACKSON COUNTY COMPREHENSIVE TRAFFIC SAFETY PROJECT FOR A TWO-YEAR TERM BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2011.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

H. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT ANDREW DOTTERWEICH TO THE REGION 2 PLANNING COMMISSION FOR A THREE-YEAR TERM BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

I. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT JOHN HENEGAR AND GARY MINIX TO THE TELECOMMUNICATIONS ADVISORY BOARD FOR A THREE-YEAR TERM EACH BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

J. APPROVAL OF THE MAYOR'S RECOMMENDATION TO REAPPOINT JEANNE L. KUBISH AND ANDREW DOTTERWEICH TO THE ZONING BOARD OF APPEALS FOR A THREE-YEAR TERM EACH BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2012.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to approve the recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

K. APPROVAL OF THE APPOINTMENT AND REAPPOINTMENT OF THE MAYOR AND CITY COUNCILMEMBERS TO VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES.

Councilmember Greer nominated Councilmember Howe to serve on the City Employees Retirement System Board.

Councilmember Howe nominated Councilmember Polaczyk to serve on the Telecommunications Advisory Board.

Councilmember Gaiser stated he would serve on the Region 2 Planning Commission.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the entire slate of committee assignments for the Councilmembers. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Councilmember Breeding asked Mayor Dunigan to consider recommending the appointment of Michelle Woods to the Ella Sharp Park Board of Trustees.

PUBLIC HEARINGS.

- A. **ITEM DELETED.**
- B. **ITEM DELETED.**
- C. **ITEM DELETED.**
- D. **ITEM DELETED.**

RESOLUTIONS.

- A. **CONSIDERATION OF A RESOLUTION ESTABLISHING CITY COUNCIL MEETING DATES FOR 2010.**

Motion was made by Councilmember Frounfelker and seconded by Councilmember Breeding to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

- B. **CONSIDERATION OF A RESOLUTION TO APPROVE, SUBJECT TO FINAL INSPECTION, A REQUEST TO TRANSFER OWNERSHIP OF A 2009 CLASS C LICENSED BUSINESS WITH DANCE-ENTERTAINMENT PERMIT, LOCATED IN ESCROW AT 128 W. MICHIGAN (FORMERLY THE CAPITOL CLUB), JACKSON, FROM WILLIAM M. DULLOCK TO HOLIDAY, INC.**

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

- C. **CONSIDERATION OF A CORRECTIVE RESOLUTION REDUCING STENCIL NO. 5-1070 ON DELINQUENT MISCELLANEOUS PUBLIC WORKS FUND ACCOUNTS RECEIVABLE ROLL NO. 4186, BY \$52.52.**

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor

Dunigan and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

D. CONSIDERATION OF A RESOLUTION SUSPENDING ENFORCEMENT OF ORDINANCES THAT WOULD PROHIBIT THE POSSESSION AND USE OF FIRE ARMS WITHIN THE CITY AS IT APPLIES TO EMPLOYEES AND AGENTS OF AARON'S NUISANCE ANIMAL CONTROL DURING SAID DEER HARVEST WITHIN ELLA SHARP PARK DURING THE MONTHS OF JANUARY AND /OR FEBRUARY 2010.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to renew the contract with Aaron's Nuisance Animal Control. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

1. AUTHORIZATION FOR THE CITY MANAGER TO CLOSE ELLA SHARP PARK AND DESIGNATED STREETS ON AN AS-NEEDED BASIS DURING THE DATES AND TIMES THE DEER HARVEST OCCURS WITHIN THE PARK.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to authorize the City Manager to close Ella Sharp Park and designated streets. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

E. CONSIDERATION OF A RESOLUTION AMENDING THE 2009-2010 BUDGET TO REFLECT RECEIPT OF THE DRIVE MICHIGAN SAFELY TASK FORCE GRANT, IN THE AMOUNT OF \$8,297.00.

Motion was made by Councilmember Greer and seconded by Councilmember Howe to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

F. CONSIDERATION OF A RESOLUTION TO APPROVE A MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT) PERFORMANCE RESOLUTION RELATED TO THE ANNUAL PERMIT FOR TRUNKLINE RIGHT-OF-WAY, AUTHORIZATION FOR THE CITY CLERK TO EXECUTE THE RESOLUTION, AND AUTHORIZATION FOR THE CITY ENGINEER (STREET ADMINISTRATOR) TO EXECUTE THE PERMIT, IN ACCORDANCE WITH THE RECOMMENDATION OF THE CITY ENGINEER.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor

Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7.
Nays: 0. Absent: 0.

ORDINANCES.

- A. CONSIDERATION OF AN ORDINANCE AMENDING CHAPTER 21, ARTICLE III, SUBSECTION 21-56(c), CITY CODE, AMENDING AGE QUALIFICATIONS FOR THE POLICE RESERVE UNIT.**

Motion was made by Councilmember Greer and seconded by Councilmember Howe to approve the ordinance and place it on the next regular Council meeting agenda for adoption. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

OTHER BUSINESS.

Motion was made by Councilmember Gaiser to stop the City Manager hiring process until after the first of the year and hire an interim City Manager and have that person hire an assistant to be mentored for the Manager's position. The motion died for lack of a second.

NEW BUSINESS.

- A. CONSIDERATION OF THE REQUEST TO APPROVE THE FULL RETURN OF THE \$5,000.00 EARNEST MONEY FROM THE HAYES HOTEL PURCHASE OPTION TO HOTEL HAYES DEVELOPMENT, LLC, CONTINGENT UPON EXECUTION OF A MUTUAL RELEASE TO BE PREPARED BY THE CITY ATTORNEY, AND EXECUTED BY HOTEL HAYES DEVELOPMENT, LLC, THE MAYOR AND THE CITY CLERK, IN ACCORDANCE WITH THE RECOMMENDATION OF THE CITY ATTORNEY.**

Motion was made by Councilmember Polaczyk and seconded by Councilmember Howe to approve the request. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

- B. CONSIDERATION OF THE REQUEST TO APPROVE THE BID AWARD TO SCOBY CONSTRUCTION, HUDSON, IN THE AMOUNT OF \$24,585.00, FOR THE OWNER-OCCUPIED COMMUNITY DEVELOPMENT REHABILITATION PROJECT LOCATED AT 404 S. GRINNELL, IN ACCORDANCE WITH THE RECOMMENDATION OF THE COMMUNITY DEVELOPMENT DIRECTOR.**

Motion was made by Councilmember Breeding and seconded by Councilmember Howe to approve the request. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

- C. CONSIDERATION OF THE REQUEST TO DIRECT COMMUNITY DEVELOPMENT STAFF TO REVISE THE CITIZEN PARTICIPATION PLAN FOR THE FIVE-YEAR CONSOLIDATED PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), IN ACCORDANCE WITH THE RECOMMENDATION OF THE COMMUNITY DEVELOPMENT DIRECTOR.**

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to refer this matter to the City Affairs Committee for a recommendation. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

D. CONSIDERATION OF THE REQUEST TO APPROVE THE MUTUAL AID AGREEMENTS BETWEEN THE CITY AND THE CHARTER TOWNSHIP OF BLACKMAN, AND THE CITY AND THE COUNTY OF JACKSON (INCLUDING THE JACKSON COUNTY SHERIFF'S OFFICE) FOR POLICE ASSISTANCE AND AID, IN ACCORDANCE WITH THE RECOMMENDATION OF THE POLICE CHIEF.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Frounfelker to approve the request. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

E. CONSIDERATION OF THE REQUEST FOR AUTHORIZATION FOR THE INTERIM CITY MANAGER TO SIGN THE RENEWAL OF THE UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT BETWEEN THE CITY AND COMCAST.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the renewal of the agreement with a 5% provider fee. The motion FAILED adoption by the following vote. Yeas: Councilmembers Howe and Greer—2. Nays: Mayor Dunigan and Councilmembers Breeding, Gaiser, Frounfelker and Polaczyk—5. Absent: 0.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to renew the agreement with a 3% provider fee. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Howe, Greer, Frounfelker and Polaczyk—5. Nays: Councilmembers Breeding and Gaiser—2. Absent: 0.

F. CONSIDERATION OF THE REQUEST FOR A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) JOBS CREATION LOAN IN THE AMOUNT OF \$100,000.00 PLUS TWO PERCENT INTEREST FOR RTD MANUFACTURING, INC., 1150 S. ELM STREET, INCLUDING THE FOLLOWING, AND AUTHORIZATION FOR STAFF TO MAKE MINOR MODIFICATIONS TO EFFECTUATE THE CLOSING AS SOON AS POSSIBLE, IN ACCORDANCE WITH THE COMMUNITY DEVELOPMENT DIRECTOR:

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to provide the \$100,000.00 Job Creation Loan to RTD and waive the 2% interest if the loan is paid back by June 30, 2010.

Motion was made by Councilmember Breeding and seconded by Councilmember Frounfelker to divide the question. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser and Polaczyk—6. Nays: Councilmember Frounfelker—1. Absent: 0.

Motion was made by Mayor Dunigan and seconded by Councilmember Gaiser to amend the motion by changing the amount of the loan from \$100,000.00 to \$64,000.00. The motion FAILED adoption by the following vote. Yeas: Mayor Dunigan and Councilmember Gaiser—2. Nays: Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—5. Absent: 0.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to provide the \$100,000.00 loan. The motion was adopted by the following vote. Yeas: Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—5. Nays: Mayor Dunigan and Councilmember Gaiser—2. Absent: 0.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to charge RTD 0% interest to June 30, 2010, and charge them a \$5,000 penalty if the loan is not repaid by June 30, 2010. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Howe, Greer, Frounfelker and Polaczyk—5. Nays: Councilmembers Breeding and Gaiser—2. Absent: 0.

1. MODIFY THE MINIMUM INVESTMENT OF \$500,000.00 TO \$250,000.00 TO INCLUDE CONSTRUCTION AND EQUIPMENT;

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to modify the minimum investment. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Howe, Greer, Frounfelker and Polaczyk—5. Nays: Councilmembers Breeding and Gaiser—2. Absent: 0.

2. MODIFY THE MAXIMUM AMOUNT OF CDBG FUNDS PER JOB FROM \$5,000.00 TO \$10,000.00;

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to modify the maximum amount of CDBG funds. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—6. Nays: Councilmember Gaiser—1. Absent: 0.

3. AUTHORIZATION FOR THE MAYOR AND CITY CLERK TO EXECUTE A DEVELOPMENT AGREEMENT;

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to authorize execution of the development agreement. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—6. Nays: Councilmember Gaiser—1. Absent: 0.

4. APPROVAL OF A SECURITY AGREEMENT;

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the security agreement. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

5. APPROVAL OF A PROMISSORY NOTE, AND

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve a promissory note. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—6. Nays: Councilmember Gaiser--1. Absent: 0.

6. ADOPTION OF A RESOLUTION FOR A BUDGET AMENDMENT TO ALLOCATE MONIES FROM THE CITYWIDE REHABILITATION ACCOUNT IN THE AMOUNT OF \$36,000.00 TO THE JOB CREATION INITIATIVE ACCOUNT.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to adopt the resolution. The motion was adopted by the following vote. Yeas: Councilmembers Breeding, Howe, Greer, Frounfelker and Polaczyk—5. Nays: Mayor Dunigan and Councilmember Gaiser—2. Absent: 0.

G. CONSIDERATION OF THE MAYOR'S REQUEST TO DIRECT THE CITY'S PARLIAMENTARIAN TO DETERMINE WHETHER THE AMENDMENT TO ELIMINATE CAR ALLOWANCES, WHICH WAS ATTACHED TO A MOTION TO GRANT NON-UNION EMPLOYEES A THREE PERCENT PAY RAISE AND WAS APPROVED BY THE COUNCIL, REMAINS IN EFFECT NOTWITHSTANDING THE FACT THAT THE MOTION TO GRANT NON-UNION PAY RAISES DID NOT RECEIVE FINAL APPROVAL BY THE COUNCIL AT A SUBSEQUENT MEETING.

Motion was made by Councilmember Breeding and seconded by Councilmember Polaczyk to confirm and/or reconfirm the action taken on October 6, 2009, to eliminate Line Item No. 861-Vehicle Allowance from the following department budgets: 172-Manager, 210-Attorney, 253-Treasurer, and 301-Police for a total savings of \$19,200.00, effective immediately.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Breeding to amend the motion to forward the vehicle allowance line item for the Treasurer to the Local Officers Compensation Commission for their information. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

The main motion, as amended, was voted on and adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Gaiser, Frounfelker and Polaczyk—5. Nays: Councilmembers Howe and Greer--2. Absent: 0.

H. CONSIDERATION OF THE MAYOR'S REQUEST TO ESTABLISH WORK SESSIONS FOR CITY COUNCILMEMBERS ONE HOUR PRIOR (6:00 P.M.) TO EACH REGULARLY SCHEDULED CITY COUNCIL MEETING.

Motion was made by Councilmember Gaiser that work sessions be established one hour prior to each Council meeting.

Motion was made by Councilmember Greer and seconded by Councilmember Howe to postpone consideration of this matter until the next regularly scheduled Council meeting. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer and Polaczyk—5. Nays: Councilmembers Gaiser and Frounfelker—2. Absent: 0.

CITY COUNCILMEMBERS' COMMENTS.

Councilmember Howe wished everyone a Merry Christmas and Happy New Year.

Councilmember Greer echoed Councilmember Howe's comments and stated that he is interested in finding out if the audio in the Council Chambers is working correctly.

Councilmember Gaiser thanked everyone who expressed their comments and concerns this evening. He wished RTD Manufacturing the most luck in the process and he looks for an early return of our money.

Councilmember Frounfelker thanked his colleagues for supporting RTD Manufacturing and stated he was happy that the City is able to offer help to businesses. He also thanked American 1 Federal Credit Union for donating passes to the Nite Lites event at the fairgrounds to residents of Partnership Park. He expressed hope that the Council could get back to Education Associates by Thursday so that the second round interviews can be scheduled.

Councilmember Polaczyk announced that Lt. Chris Simpson will conduct a neighborhood meeting on December 16 at 7:00 p.m. in the 10th floor conference room in City Hall in response to the break-ins in the 6th Ward. He thanked Tom Mathes for the offer of ice cream, but said he would like his ice cream taken to the AWARE shelter. He closed by wishing everyone a Merry Christmas.

Mayor Dunigan thanked Community Development Director Carol Konieczki and her staff for a wonderful job with the RTD Manufacturing project. She pointed out that unfortunately one of our corporate citizens got some bad press over this process. Citizens Bank has been a very responsible corporate citizen and they are one of our leading lenders for small business loans. She thanked them for all they have done and will do for our City.

CITY MANAGER'S COMMENTS.

None.

EXECUTIVE SESSION TO DISCUSS LEGAL OPINIONS.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to go into closed executive session.

Motion was made by Councilmember Gaiser and seconded by Councilmember Greer to divide the question. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Howe, Greer and Gaiser—4. Nays: Councilmembers Breeding, Frounfelker and Polaczyk—3. Absent: 0.

Motion was made by Councilmember Greer and seconded by Councilmember Gaiser to go into closed executive session to discuss the legal opinion concerning the former Director of Public Services.

The motion was adopted by the following vote. Yeas: Councilmembers Greer, Gaiser, Frounfelker and Polaczyk—4 Nays: Mayor Dunigan and Councilmembers Breeding and Howe—3. Absent: 0.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to go into closed executive session to discuss the legal opinion concerning William Ross. The motion FAILED adoption by the following vote. Yeas: Councilmembers Greer, Frounfelker and Polaczyk—3. Nays: Mayor Dunigan and Councilmembers Breeding Howe and Gaiser—4. Absent: 0.

City Attorney Giglio discussed the opinion he gave Council concerning Mr. Ross's separation benefits.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Breeding to continue with the path that we're on and direct the City Attorney to pay Mr. Ross no more than what he is legally able to receive from the City. The motion was adopted by the following vote. Yeas: Mayor Dunigan and Councilmembers Breeding, Howe, Greer, Gaiser, Frounfelker and Polaczyk—7. Nays: 0. Absent: 0.

The Council went into closed Executive Session.

RETURN TO OPEN SESSION.

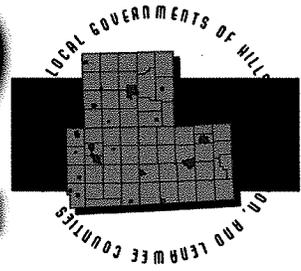
Motion was made by Councilmember Polaczyk and seconded by Councilmember Howe to return to open session. The motion was adopted by unanimous voice vote.

ADJOURNMENT.

No further business being presented, a motion was made by Councilmember Howe and seconded by Councilmember Polaczyk to adjourn the meeting. The motion was adopted by unanimous voice vote and the meeting adjourned at 9:55 p.m.

Lynn Fessel
City Clerk

Region 2 Planning Commission



INVOICE NO. 3045

DATE: December 16, 2009

TO: Mr. Chris Lewis, Interim City Manager
 City of Jackson (364 J)
 161 W. Michigan Avenue
 Jackson, MI 49201

cc: Phil Hones, CPA

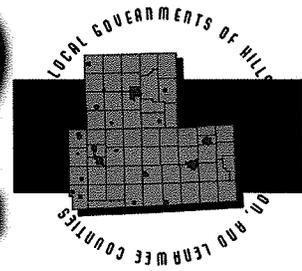
DESCRIPTION		
Planning Services for October 2009		
Historic District		\$ 565.52
Zoning Administration		1,966.26
Zoning Ordinance Rec/Information		2,797.33
Zoning Appeals/Variations		2,880.34
Metro Parks Study		546.67
Metro Parks Plan		226.20
Refer to the attached statement.		
Balance Due Region 2 Planning Commission.		\$ 8,982.32

TO: Chris Lewis, Interim City Manager
City of Jackson (364J)
161 W. Michigan Avenue
Jackson, MI 49201

cc: Phil Hones, CPA

FY 2010		
DESCRIPTION	YTD	October
	-	-
Revenues:		
Additional Allocation	-	-
4070 Membership Dues	-	-
4250 Membership Services	-	-
Total Revenues	-	-
Expenses:		
Mapping/Graphing Services	-	-
6405 Historic Structure/District	565.52	565.52
6409 Zoning Administration	1,966.26	1,966.26
6410 Zoning Ordinance Rec./Information	2,797.33	2,797.33
6411 Zoning Appeals/Variance	2,880.34	2,880.34
6453 Metro Parks Study	546.67	546.67
6454 Metro Parks Plan	226.20	226.20
	-	-
	-	-
	-	-
	-	-
Total Expenses	8,982.32	8,982.32
Over (Under) for October 31, 2009	(\$8,982.32)	

Region 2 Planning Commission



INVOICE NO. 3046

DATE: December 16, 2009

TO: Mr. Chris Lewis, Interim City Manager
 City of Jackson (364 J)
 161 W. Michigan Avenue
 Jackson, MI 49201

cc: Phil Hones, CPA

DESCRIPTION		
Planning Services for November 2008		
Historic District		\$ 1,526.27
Zoning Administration		2,227.69
Zoning Ordinance Rec/Information		3,650.29
Zoning Appeals/Variances		1,939.72
Metro Parks Study		208.71
Metro Parks Plan		858.45
Refer to the attached statement.		
Balance Due Region 2 Planning Commission.		\$ 10,411.13

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TO: Chris Lewis, Interim City Manager
City of Jackson (364J)
161 W. Michigan Avenue
Jackson, MI 49201

cc: Phil Hones, CPA

FY 2010			
DESCRIPTION	YTD	October	November
Revenues:	-	-	-
Additional Allocation	-	-	-
4070 Membership Dues	-	-	-
4250 Membership Services	-	-	-
Total Revenues	-	-	-
Expenses:	-	-	-
Mapping/Graphing Services	-	-	-
6405 Historic Structure/District	2,091.79	565.52	1,526.27
6409 Zoning Administration	4,193.95	1,966.26	2,227.69
6410 Zoning Ordinance Rec./Information	6,447.62	2,797.33	3,650.29
6411 Zoning Appeals/Variance	4,820.06	2,880.34	1,939.72
6453 Metro Parks Study	755.38	546.67	208.71
6454 Metro Parks Plan	1,084.65	226.20	858.45
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Total Expenses	<u>19,393.45</u>	<u>8,982.32</u>	<u>10,411.13</u>
Over (Under) for November 2009	<u>(\$19,393.45)</u>		



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

January 6, 2010

TO: Honorable Mayor and City Councilmembers
FROM: Angela Arnold, Deputy City Clerk *Angela Arnold*
RE: Jackson Right to Life Annual Memorial Motorcade

Jackson Right to Life is requesting to conduct their annual memorial motorcade on city streets, on January 16, 2010, beginning at 10:30 a.m. The motorcade will begin at Jackson Catholic Middle School and proceed through the city to St. John's Cemetery.

Recommended approvals have been received from the Police, Fire, Traffic Engineering and Public Services Departments. Proper insurance coverage has been received.

Please consider this request for approval at your January 12th meeting.

Attachment

C: Chris Lewis, Interim City Manager



CITY OF JACKSON
 SPECIAL EVENT APPLICATION
 City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
 (517) 788-4025

Date Received By Clerk's Office: 11/13/09 Time: 8AM By: A. Arnold

Please complete this application in accordance with the City of Jackson Special Events Policy, and return it to the Office of the City Clerk at least 30 calendar days before the first day of the event.

* P.O. Box 683 *
 Sponsoring Organization's Legal Name: Jackson Rite to Life

Organization Address: 317 W. Washington, Jackson, MI 49204

Organization Agent: Kathy Potts Title: President

Phone: Work (517) 262-4746 Home _____ During event (517) 262-4746

Agent's Address: 317 W. Washington, Jackson, MI 49201 P.O. Box 683

Agent's E-Mail Address: N/A Jackson, MI

Event Name: Annual Memorial Motorcade 49204

Please give a brief description of the proposed special event: Funeral Like Procession
from Jackson Catholic Middle School to St. John's
Cemetery. 1/16/10

Event Day(s) & Date(s): Saturday, January 16th, 2010 Event Time(s): 10AM Lineup

Set-Up Date & Time: 1/16/10 10:30AM Tear-Down Date & Time: N/A

Event Location: Assembly, Jackson Catholic Middle School

ANNUAL EVENT: Is this event expected to occur next year? YES NO How many years has this event occurred? over 26 years

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/ Time: N/A through Date/ Time: N/A

RESERVED PARKING: Are you requesting reserved parking? YES NO
 If yes, list the number of street spaces, City lots or locations where parking is requested:

VENDORS: Food Concessions? YES NO Other Vendors? YES NO

DO YOU PLAN TO HAVE ALCOHOL SOLD/SERVED AT THIS EVENT? YES NO
 If yes, are liquor license and liquor liability insurance attached? YES NO
 If yes, what time? N/A until N/A



CITY OF JACKSON
 SPECIAL EVENT APPLICATION, Page 2
 City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
 (517) 788-4025

ENTERTAINMENT: Are there any entertainment features related to this event? YES NO
 If yes, provide an attachment listing all bands/performers, type of entertainment, and performance schedule.

ATTENDANCE: What is the expected (estimated) attendance for this event? 75 to 100 vehicles

AMUSEMENT: Do you plan to have any amusement or carnival rides? YES NO
 If yes, you are required to obtain a permit through the City Clerk's Office.

REST ROOMS: Are you planning to provide portable rest rooms at the event? YES NO If yes, how many? N/A.
 As an event organizer, you must consider the availability of rest room facilities during this event. Consideration should be made regarding the type of event, the length of time it will be held, the number of people, etc. You must determine the rest room facilities in the immediate area of the event venue and then identify the potential need for portable facilities. Remember to identify accessible facilities for ADA requirements as well.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)
None.

INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson as an additional insured party on the policy. A sponsor of a Low Hazard event may request that City Council waive the insurance requirement and execute a Hold Harmless and Indemnification Agreement. This event qualifies consideration for Low Hazard because:

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:
 A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy or I am requesting that City Council waive the insurance requirement for this Low Hazard Event as identified in paragraph above related to insurance, and I have executed the Hold Harmless and Indemnification Agreement on behalf of the event sponsor.
 All food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City of Jackson with a Certificate of Insurance which names the City of Jackson as an additional named insured party on the policy.
 The approval of this special event may include additional requirements or limitations, based on the City's review of this application.
 Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.
 As the duly authorized agent of the sponsoring organization, I am applying for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the terms of the written confirmation of approval, and all other City requirements, ordinances and other laws, which apply to this Special Event. By signing this Special Event Application, I declare I am 21 years of age or older.

11/6/09
 Date

Kathy Potts (B.M.)
 Signature of Sponsoring Organization's Agent

RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
 CITY CLERK'S OFFICE - ATTN: ANGELA ARNOLD
 161 W. MICHIGAN AVENUE - JACKSON, MI 49201

CITY OF JACKSON
SPECIAL EVENT APPLICATION – Page 3
City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
(517) 788-4025

Event Title: Jackson Right to Life Memorial Motorcade – January 16, 2010

DEPARTMENTAL USE ONLY: Please contact applicant directly with any questions or concerns. Sign and return to the City Clerk's office, as soon as possible.

Approvals noted below by departments, indicate they have been made aware of the request and the responsibility of their department has been met.

Police Dept: <u>C. Simpson</u>	Recommend Approval: <u>YES</u>	NO	Est. Economic Impact: \$ <u>50.00</u>
Fire Dept.: <u>D. Wooden</u>	Recommend Approval: <u>YES</u>	NO	Est. Economic Impact: \$ <u>-0-</u>
Traffic Eng.: <u>R. Dietz</u>	Recommend Approval: <u>YES</u>	NO	Est. Economic Impact: \$ <u>-0-</u>
Public Services: <u>S. Porter</u>	Recommend Approval: <u>YES</u>	NO	Est. Economic Impact: \$ <u>-0-</u>
Parks/Forestry: <u>N/A</u>	Recommend Approval: YES	NO	Est. Economic Impact: \$ <u>-0-</u>
DDA: <u>FYI</u>	Recommend Approval: YES	NO	Est. Economic Impact: \$ <u>-0-</u>

Have businesses been notified for street closures?: YES NO

Reason for disapproval: _____

Any special requirements/conditions:

Insurance/Indemnification Received: 11/12/2009 Insurance Approved: 11/13/2009

City Council Approved: _____ Denied: _____ Approval/Denial Mailed: _____



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

January 6, 2010

TO: Honorable Mayor and City Councilmembers
FROM: Angela Arnold, Deputy City Clerk 
RE: Jackson National Day of Prayer

The Jackson National Day of Prayer Task Force is requesting use of Bucky Harris Park to conduct their annual National Day of Prayer event on Thursday, May 6, 2010, beginning at 12:00 p.m.

Recommended approvals have been received from the Police, Fire, and Parks/Forestry Departments and the Downtown Development Authority. A Hold Harmless Agreement has been executed in lieu of insurance coverage.

Please consider this request for approval at your January 12th meeting.

Attachment

C: Chris Lewis, Interim City Manager



CITY OF JACKSON
 SPECIAL EVENT APPLICATION
 City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
 (517) 788-4025

Date Received By Clerk's Office: 11/30/09 Time: 2 PM By: A. Aenold

Please complete this application in accordance with the City of Jackson Special Events Policy, and return it to the Office of the City Clerk at least 30 calendar days before the first day of the event.

Sponsoring Organization's Legal Name: Jackson National Day of Prayer Task Force
 Organization Address: 400 Richard St Spring Arbor, MI 49283
 Organization Agent: Jolene Pearl Title: Co-Coordinator
 Phone: Work vacation - 863-859-3221 Home 517-750-2983 During event 517-750-2983
 Agent's Address: 400 Richard St Spring Arbor, MI 49283
 Agent's E-Mail Address: jolene.p@arbor.edu
 Event Name: National Day of Prayer

Please give a brief description of the proposed special event:
Special prayer and music

Event Day(s) & Date(s): Thursday 5/6/10 Event Time(s): 12:00 - 1:30 (or a little later)
 Set-Up Date & Time: 10am Thurs 5/6/10 Tear-Down Date & Time: 5/6/10, 2:00pm
 Event Location: Bucky Harris Park

ANNUAL EVENT: Is this event expected to occur next year? YES NO How many years has this event occurred? 10-13 yrs

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/ Time: None through Date/ Time: —

RESERVED PARKING: Are you requesting reserved parking? YES NO
 If yes, list the number of street spaces, City lots or locations where parking is requested:

VENDORS: Food Concessions? YES NO Other Vendors? YES NO

DO YOU PLAN TO HAVE ALCOHOL SOLD/SERVED AT THIS EVENT? YES NO
 If yes, are liquor license and liquor liability insurance attached? YES NO
 If yes, what time? — until —



ENTERTAINMENT: Are there any entertainment features related to this event? YES NO
 If yes, provide an attachment listing all bands/performers, type of entertainment, and performance schedule.

ATTENDANCE: What is the expected (estimated) attendance for this event? 75-150

AMUSEMENT: Do you plan to have any amusement or carnival rides? YES NO
 If yes, you are required to obtain a permit through the City Clerk's Office.

REST ROOMS: Are you planning to provide portable rest rooms at the event? YES NO If yes, how many? —
 As an event organizer, you must consider the availability of rest room facilities during this event. Consideration should be made regarding the type of event, the length of time it will be held, the number of people, etc. You must determine the rest room facilities in the immediate area of the event venue and then identify the potential need for portable facilities. Remember to identify accessible facilities for ADA requirements as well.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)
none

INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson as an additional insured party on the policy. A sponsor of a Low Hazard event may request that City Council waive the insurance requirement and execute a Hold Harmless and Indemnification Agreement. This event qualifies consideration for Low Hazard because:

as a Low Hazard event, we ask the city of Jackson to waive insurance requirement + execute Hold Harmless + indemnification Agreement

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:
 A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy or I am requesting that City Council waive the insurance requirement for this Low Hazard Event as identified in paragraph above related to insurance, and I have executed the Hold Harmless and Indemnification Agreement on behalf of the event sponsor.
 All food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City of Jackson with a Certificate of Insurance which names the City of Jackson as an additional named insured party on the policy.
 The approval of this special event may include additional requirements or limitations, based on the City's review of this application.
 Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.
 As the duly authorized agent of the sponsoring organization, I am applying for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the terms of the written confirmation of approval, and all other City requirements, ordinances and other laws, which apply to this Special Event. By signing this Special Event Application, I declare I am 21 years of age or older.

_____ Date

_____ Signature of Sponsoring Organization's Agent

RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
 CITY CLERK'S OFFICE - ATTN: ANGELA ARNOLD
 161 W. MICHIGAN AVENUE - JACKSON, MI 49201

CITY OF JACKSON
SPECIAL EVENT APPLICATION – Page 3
City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
(517) 788-4025

Event Title: **Jackson National Day of Prayer Task Force – Thursday, May 6, 2010**

DEPARTMENTAL USE ONLY: Please contact applicant directly with any questions or concerns. Sign and return to the City Clerk's office, as soon as possible.

Approvals noted below by departments, indicate they have been made aware of the request and the responsibility of their department has been met.

Police Dept: <u>C. Simpson</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>
Fire Dept.: <u>M. Beyerstedt</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>
Traffic Eng.: <u>FYI</u>	Recommend Approval: YES NO	Est. Economic Impact: \$ <u>-0-</u>
Public Services: <u>FYI</u>	Recommend Approval: YES NO	Est. Economic Impact: \$ <u>-0-</u>
Parks/Forestry: <u>T. Steiger</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>
DDA: <u>J. Greene</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>

Have businesses been notified for street closures?: YES NO

Reason for disapproval: _____

Any special requirements/conditions:

Insurance/**Indemnification** Received: 11/30/2009 Insurance Approved: _____

City Council Approved: _____ Denied: _____ Approval/Denial Mailed: _____



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

January 5, 2010

TO: Christopher Lewis, Interim City Manager
FROM: **Carol L. Konieczki, Community Development Director**
RE: CDBG Financial Summary through November 2009

Attached is a Financial Summary for the CDBG funds through November 2009.

Please place this item for consideration on the January 12, 2010 City Council agenda.

Cc: Heather Soat, Financial Analyst
Michelle Pultz, Project Coordinator

CLK:hls

City of Jackson
Community Development Block Grant
Monthly Financial Summary
For the Five Months Ended November 30, 2009

	Budgeted	Expended Prior Year	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended- to-Date	Balance	Percent Spent
<u>Public Services</u>							
1 American Red Cross (FY 2008/2009)	2,000	1,899	-	-	1,899	101	95.0%
2 Center for Family Health	15,000	-	-	-	-	15,000	0.0%
3 Fair Housing Services (FY 2004/2005)	10,000	-	-	-	-	10,000	0.0%
4 Family Services & Children's Aid	10,000	-	-	1,072	1,072	8,928	10.7%
5 Human Relations Comm (Cool Cities Youth Council)							
FY 2007/2008	5,000	2,503	162	162	2,665	2,335	53.3%
FY 2008/2009	1,000	-	-	-	-	1,000	0.0%
6 JAHC - Homeownership Training	6,000	-	1,667	3,355	3,355	2,645	55.9%
7 JAHC - Foreclosure Prevention & Housing Counseling							
FY 2008/2009	27,273	11,381	-	8,306	19,687	7,586	72.2%
FY 2009/2010	12,500	-	-	-	-	12,500	0.0%
8 Legal Services of SE Michigan (FY 2007/2008)	1,500	919	-	281	1,200	300	80.0%
9 MLK Summer Program	40,000	-	40,000	40,000	40,000	-	100.0%
10 Neighborhood Resource Centers (FY 2008/2009)	13,187	13,177	-	10	13,187	-	100.0%
11 Partnership Park-After School Programs	5,000	-	-	-	-	5,000	0.0%
12 Salvation Army - Heating Assistance							
FY 2008/2009	63,000	18,001	-	44,999	63,000	-	100.0%
FY 2009/2010	52,000	-	-	-	-	52,000	0.0%
13 United Way - 211 Services							
FY 2008/2009	10,000	7,500	-	2,500	10,000	-	100.0%
FY 2009/2010	12,000	-	-	3,000	3,000	9,000	25.0%
<u>Administration</u>							
14 Administration & Planning							
FY 2008/2009	248,600	145,276	15,929	83,117	228,393	20,207	91.9%
FY 2009/2010	216,425	-	-	-	-	216,425	0.0%
<u>Code Enforcement</u>							
15 City Code Enforcement Division							
FY 2008/2009	500,000	368,816	-	131,184	500,000	-	100.0%
FY 2009/2010	450,000	-	39,332	60,813	60,813	389,187	13.5%
<u>Housing Rehabilitation Projects</u>							

	Budgeted	Expended Prior Year	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended- to-Date	Balance	Percent Spent
16 Owner Occupied Housing Rehabilitation							
FY 2007/2008	309,035	47,053	-	63,387	110,440	198,595	35.7%
FY 2008/2009	58,980	-	-	-	-	58,980	0.0%
FY 2009/2010	124,000	-	-	-	-	124,000	0.0%
17 City Emergency Hazard Repair Program							
FY 2008/2009	175,000	99,867	-	75,133	175,000	-	100.0%
FY 2009/2010	75,000	-	18,146	31,944	31,944	43,056	42.6%
18 New Neighbor Program (FY 2005/2006)	80,000	64,082	-	65	64,147	15,853	80.2%
19 World Changers							
FY 2007/2008	45,000	35,980	-	100	36,080	8,920	80.2%
FY 2008/2009	38,250	-	-	-	-	38,250	0.0%
20 Spring Cleanup (FY 2007/2008)							
FY 2007/2008	5,000	4,428	234	572	5,000	-	100.0%
FY 2009/2010	5,000	-	1,762	1,762	1,762	3,238	35.2%
21 City Rehab Administration (Denied Loans)							
FY 2008/2009	3,000	851	60	(148)	703	2,297	23.4%
FY 2009/2010	1,000	-	-	-	-	1,000	0.0%
22 Downtown Development Authority - Façade Loans							
FY 2007/2008	15,000	12,820	-	-	12,820	2,180	85.5%
FY 2008/2009	18,000	-	-	-	-	18,000	0.0%
23 John George Home - building repairs	50,000	-	-	50,000	50,000	-	100.0%
24 Grace Haven - shelter repairs (2008/2009)	18,000	-	-	-	-	18,000	0.0%
Street Projects							
25 Mason - Jackson to Mechanic	91,000	-	-	-	-	91,000	0.0%
26 Mason - Mechanic to Francis	72,000	-	-	-	-	72,000	0.0%
27 Loomis - Leroy to North	90,000	-	-	-	-	90,000	0.0%
28 Loomis - North to Argyle	47,000	-	-	-	-	47,000	0.0%
29 Monroe Street Sidewalk	30,000	-	-	-	-	30,000	0.0%
30 Special Assessments	22,718	-	-	-	-	22,718	0.0%
Other Projects							
31 Public Works - curb ramps							
FY 2008/2009	40,000	11,347	-	11,223	22,570	17,430	56.4%
FY 2009/2010	67,523	-	-	-	-	67,523	0.0%
32 Tree Removal/Replacement							
FY 2008/2009	25,000	19,257	-	-	19,257	5,743	77.0%
FY 2009/2010	25,000	-	-	-	-	25,000	0.0%
Economic Development							

	<u>Budgeted</u>	<u>Expended Prior Year</u>	<u>Actual Month-to-Date</u>	<u>Actual Year-to-Date</u>	<u>Total Funds Expended- to-Date</u>	<u>Balance</u>	<u>Percent Spent</u>
33 Job Creation Loans (FY 2006/2007)							
FY 2006/2007	30,000	-	-	-	-	30,000	0.0%
FY 2008/2009	34,000	-	-	-	-	34,000	0.0%
<u>Public Improvements</u>							
34 Riverwalk Project (FY 2005/2006)	35,429	30,781	-	3,785	34,566	863	97.6%
35 Grand River Arts Walk (FY 2008/2009)	328,906	199,878	9,195	9,195	209,073	119,833	63.6%

NOTE: All funds are FY 2009/2010 allocations unless otherwise indicated



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

January 4, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: Receipt of Proposal Books and Establish a Public Hearing to
Receive Comments on Housing and Community Development Needs

The proposal books containing applications for 2010-2011 CDBG and HOME funding have been distributed to City Councilmembers, City Planning Commission, and Human Relations Commission for review and comment. Staff has estimated receipt of \$1,466,364 in CDBG funding and \$329,378 in HOME funding for program year 2010-2011.

On December 15, 2009, City Council adopted a Timetable for the 2010-2011 CDBG and HOME programs. The Timetable included establishing a Public Hearing on January 26, 2010 to receive public comments regarding housing and community development needs, as required by 24 CFR 91.105(e)(1). Agencies requesting CDBG funding will also be able to make presentations regarding their funding applications, if they so desire.

Requested action is for City Council to formally receive the 2010-2011 CDBG and HOME Proposal Books and to reaffirm establishment of the January 26, 2010 City Council meeting as the date and time to hold a Public Hearing to receive comments on housing and community development needs and allow applicants to present their proposals. Please place this item on the January 12, 2010 City Council agenda for consideration.

cc: Heather L. Soat, Financial Analyst
Michelle L. Pultz, CD Project Coordinator



January 7, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: Request to Establish the January 26, 2010 City Council Meeting As the Time and Place to Hold a Public Hearing For the Consideration of an Amendment to a Brownfield Plan for MiraMed Revenue Group, for Property Located at 249-269 West Michigan Avenue

At their regularly scheduled meeting on November 4, 2009, the JBRA accepted the amendment to the Brownfield Plan for **MiraMed Revenue Group**, a sister company of Anesthesia Business Consultants (ABC), and moved to recommend the plan to City Council for approval.

The original Brownfield Plan was adopted May 24, 2005 and included property located at 249-269 West Michigan Avenue. The amended plan will include property located at 230 West Cortland. The amendment includes the renovation of approximately 13,000 square feet of building at 230 West Cortland Street. The amendment will allow ABC to pursue a Michigan Business Tax Credit based on \$1.6 million of eligible investments they intend to make with the redevelopment of the property. The site has been designated as functionally obsolete by a Level IV Property Assessor (Attachment B) and thus meets the definition of an eligible property in a Core Community as defined by the Brownfield Redevelopment Financing, Act, PA 381 of 1996.

The Developer does not plan to use Brownfield Tax Increment Financing for reimbursement of eligible activities.

Requested action at this time is to establish the January 26, 2010 City Council meeting as the time and place to hold a Public Hearing to approve the amended Brownfield Plan for 249-269 West Michigan Avenue to include property located at 230 West Cortland Street. Please place this item on the January 12, 2009 agenda for consideration. If a hearing date is established, staff will provide all public notices in accordance with Public Act 381 of 1996.

cc: Michael Ordonez, MiraMed Revenue Group
Barry Hicks, Economic Development Project Manager

Att': A: Legal Descriptions
B: Letter from Assessor

ATTACHMENT A – LEGAL DESCRIPTIONS

Legal Description for 249-269 West Michigan Avenue, Jackson, MI 49201

LOTS 7, 8 & 9 B1S R1W THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG

Legal Description for 230 West Cortland Street, Jackson, MI 49201

E 50 FT 11 INCHES OF W 83 FT 11 INCHES OF LOTS 3 & 4 B1S R1W THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG

ATTACHMENT B – LETTER FROM ASSESSOR



City Assessor

161 W. Michigan Ave. • Jackson, MI 49201-1303
(517) 788-4033 • Facsimile (517) 780-4762

October 20, 2009

Mike Ordonez
MiraMed
991 Oak Creek Drive
Lombard, IL 60148

RECEIVED
OCT 19 2009

Re: Obsolescence of 230 W Cortland Street

Dear Mr. Ordonez:

An inspection of the above-referenced property was completed on September 1, 2009 by the City Assessor David Taylor. The Assessor was accompanied by Debi Koehn, Deputy City Assessor, and Brian Guth and Mike Ordonez, Project Assistants for MiraMed.

Based on my observations are the following regarding the building:

1. Building was built about 1910 as office and retail.
2. Building is a 2-1/2 story brick building with a basement.
3. The last use of this building was as a school.
4. Floor layout is inconsistent with the proposed use.
5. Electrical systems are inadequate for the proposed use.
6. Plumbing on second floor is inadequate for proposed use.
7. Building needs to be completely rewired for computer cabling.
8. The building does not have fire suppression.
9. The third floor is inaccessible except thru a hatch.

Based on the above, I would estimate 230 W Cortland Street to be more than 50% obsolete, therefore making it eligible for designation as an obsolete building.

Sincerely,

David Taylor
City Assessor

DT:ty

cc: Barry Hicks, Economic Development Project Manager

N:\word_doc\ty\Letters\MiraMed-MOrdonez



January 7, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: **Request to Establish the January 26, 2010 City Council Meeting as the Time and Place to Hold a Public Hearing for Consideration of a Resolution Creating an Obsolete Property Rehabilitation District (OPRD #7) at Property Located at 230 West Cortland Street**

The Developer, **MiraMed Properties, LLC**, is requesting City Council hold a Public Hearing to consider establishing an Obsolete Property Rehabilitation District (OPRD) for the property located in the Downtown Development Authority District at 230 West Cortland Street (Attachment A: Legal Description), in accordance with the Obsolete Property Rehabilitation Act of 2000, PA 146 (OPRA).

Placing the property within an OPRD will allow a developer to apply for a Tax Exemption Certificate through the State of Michigan Treasury Department that would assist with the rehabilitation and redevelopment of the property. Approval of such a certificate would freeze the existing Ad Valorem property taxes collected under the General Property Tax Act of 1893, PA 206, on a designated building (not land) for up to 12 years. An application to the State Tax Commission is subject to City Council approval prior to submission.

Requested action at this time is to establish the January 26, 2010 City Council Meeting as the time and place to hold a Public Hearing for consideration of establishing OPRD #7 for property located at 230 West Cortland Street. Please place this request on the January 12, 2010 agenda for consideration. If a hearing date is established, staff will provide all public notices in accordance with Public Act 146 of 2000.

CLK/bjh

cc: Michael Ordonez, MiraMed Revenue Group
Jonathan Greene, DDA Executive Director
Dave Taylor, City Assessor
Barry Hicks, Economic Development Project Manager

Att': A: Legal Description

ATTACHMENT A – LEGAL DESCRIPTION

Legal Description for 230 West Cortland Street, Jackson, MI 49201

E 50 FT 11 INCHES OF W 83 FT 11 INCHES OF LOTS 3 & 4 B1S R1W THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG



January 7, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: Request to Establish the January 26, 2010 City Council Meeting as the Time and Place to Hold a Public Hearing for Consideration of an Obsolete Property Rehabilitation Act Tax Exemption Certificate for Property Located at 230 West Cortland Street

The Developer, **MiraMed Properties, LLC**, is requesting City Council hold a Public Hearing for the consideration of an application for an Obsolete Property Rehabilitation Act (OPRA) Tax Exemption Certificate for the property located in the Downtown Development Authority District at 230 West Cortland Street (Attachment A: Legal Description), in accordance with the Obsolete Property Rehabilitation Act of 2000, PA 146.

An OPRA will allow a developer to submit their request for a Tax Exemption Certificate to the State of Michigan Treasury Department. Approval of the certificate would freeze the Ad Valorem property taxes collected under the General Property Tax Act of 1893, PA 206, on a designated building (not land) for up to 12 years.

Requested action at this time is to establish the January 26, 2010 City Council Meeting as the time and place to hold a Public Hearing for consideration of an OPRA Tax Exemption Certificate for the property located at 230 West Cortland Street. Please place this request on the January 12, 2010 agenda for consideration. If a hearing date is established, staff will provide all public notices in accordance with Public Act 146 of 2000 and will analyze the request to determine the appropriate length of the abetment in accordance with the adopted City Policy.

CLK/bjh

cc: Michael Ordonez, MiraMed Revenue Group
Jonathan Greene, DDA Executive Director
Dave Taylor, City Assessor
Barry Hicks, Economic Development Project Manager

Att': A: Legal Description

ATTACHMENT A – LEGAL DESCRIPTION

Legal Description for 230 West Cortland Street, Jackson, MI 49201

E 50 FT 11 INCHES OF W 83 FT 11 INCHES OF LOTS 3 & 4 B1S R1W THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG



January 7, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: **Request to Establish the January 26, 2010 City Council Meeting as the Time and Place to Hold a Public Hearing for Consideration of a Personal Property Act Tax Exemption Certificate for Property Located at 230 West Cortland Street**

The Developer, **MiraMed Properties, LLC**, is requesting City Council hold a Public Hearing for the consideration of an application for a New Personal Property Act (PA 328) Tax Exemption Certificate for the property located in the Downtown Development Authority District at 230 West Cortland Street (Attachment A: Legal Description), in accordance with the Personal Property Act of 1998, PA 328.

A PA 328 will allow a developer to submit their request for a Tax Exemption Certificate to the State of Michigan Treasury Department. Approval of the certificate would abate all taxes collected on new personal property.

Requested action at this time is to establish the January 26, 2010 City Council Meeting as the time and place to hold a Public Hearing for consideration of a PA 328 Tax Exemption Certificate for the property located at 230 West Cortland Street. Please place this request on the January 12, 2010 agenda for consideration. If a hearing date is established, staff will provide all public notices in accordance with Public Act 328 of 1998.

CLK/bjh

cc: Michael Ordonez, MiraMed Revenue Group
Dave Taylor, City Assessor
Barry Hicks, Economic Development Project Manager

Att': A: Legal Description

ATTACHMENT A – LEGAL DESCRIPTION

Legal Description for 230 West Cortland Street, Jackson, MI 49201

E 50 FT 11 INCHES OF W 83 FT 11 INCHES OF LOTS 3 & 4 B1S R1W THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG



Office of the Mayor

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

MEMO TO: City Councilmembers
FROM: Karen F. Dunigan, Mayor
DATE: January 4, 2010
SUBJECT: Local Development Finance Authority/Brownfield Redevelopment

In accordance with a Resolution adopted by the City Council on June 4, 1991, created by Authority, designated its boundaries and appointed members. (MCMLA 125.2152) Board consists of 11 members, seven appointed by the Mayor subject to City Council confirmation. Members serve four-year terms.

It is my desire, therefore, to appoint Steven Duke to the Local Development Finance Authority to a current vacancy beginning immediately, and ending June 3, 2011.

KFD:skh



City of Jackson Board/Commission Application

Name: STEVEN DUKE

Address: 1219 HOMEWILD AVENUE Zip: 49201

Home Phone: 783-6244 Other Phone: 414-3963

Occupation: EXEC DIRECTOR REGION 2 PLANNING COMMISSION

Community Involvement/Activity

REPRESENT RRPC ON NUMEROUS CITY & COUNTY COMMITTEES

Are you a registered voter? YES Ward? _____

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

1. LDFA/BROWNFIELD REDEV. AUTHORITY

3. _____

List additional information you feel may be pertinent to board or commission
I WOULD BE REPLACING MR. CHARLES REISDORF ON THIS
COMMITTEE AS THE RRPC REPRESENTATIVE

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

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR


Signature of Applicant

12/18/09
Date

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



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

January 6, 2010

TO: Honorable Mayor and Councilmembers
FROM: Angela Arnold, Deputy City Clerk *Angela Arnold*
RE: Public Hearings and Resolutions Confirming Assessment Rolls

Please place the attached resolutions confirming the following special assessment rolls for street construction on the January 12th City Council agenda for consideration after the public hearings are held:

Roll No. 3355 – Daniel Road from Higby Street to Wildwood Avenue
Roll No. 3356 – Wildwood Avenue from Daniel Road to Wisner Street
Roll No. 3357 – Wildwood Avenue from Wisner Street to West Avenue

At the June 23, 2009 City Council meeting, Council approved the following recommendation: “To establish a five (5) percent interest rate on special assessments, and preparation of an analysis of estimated interest rates on bonds to be presented to the City Council each time the Council levy’s special assessments in order to establish the interest rate on assessments at the time of the levy, in accordance with the recommendation of the City Manager as requested by the City Council at the May 26, 2009, City Council meeting.”

On December 16, 2009 City Council established a public hearing date of January 12, 2010 for the above-mentioned special assessment rolls. On December 17th the interest rates on 10 Year Municipal A Bonds were set at 3.05%. This rate has been reflected in the attached resolutions presented to you for confirmation.

The required notice was published in the Jackson Citizen Patriot and a notification letter was sent to each property owner included on the rolls.

Thank you.

Attachments

C: Jon Dowling, City Engineer
Phil Hones, Finance Director
Dave Taylor, City Assessor
Andrew J. Wrozek, City Treasurer

RESOLUTION
STREET CONSTRUCTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did prepare special assessments concerning street construction on Daniel Road from Higby Street to Wildwood Avenue which assessments were by him placed on Assessment Roll No. 3355 in the amount of \$34,701.97 and reported to the City Council at its meeting held on the 15th day of December, 2009; and

WHEREAS, notice has been duly given that the City Council and Assessor would sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 12th day of January, 2010, at 7:00 p.m. to hear any and all objections and suggestions by interested parties to said special assessments as contained in said roll; and

WHEREAS, the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all suggestions and objections made thereto and having fully considered the same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the special assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to turn said roll over to the City Treasurer for collection; and

BE IT FURTHER RESOLVED that each and all of the special assessments contained in Roll No. 3355 shall be divided into ten (10) equal installments, the first of which shall be payable within the next sixty (60) days without interest charge; and one of which, plus a 3.05% annual interest charge on each installment, shall be due annually on each anniversary of the adoption of this resolution until each of the special assessments has been paid in full; provided, however, that in the event the City issues obligations in anticipation of special assessments, the unpaid balance of said special assessments shall, in accordance with Section 22-9 of the Jackson City Code of Ordinances, bear a rate of interest which may not be in excess of six percent (6%) per annum, or one percent (1%) above the average interest cost if bonds were sold to finance the public improvement.

BE IT FURTHER RESOLVED that the unpaid balance of any special assessment, including pro rata interest charges, may be paid in full at any time and that each and any special assessment may be paid without interest if payment in full is made within thirty (30) days from the date of adoption of this resolution.

* * * * *

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Lynn Fessel, City 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 sitting as a Board of Review on the 12th day of January, 2010.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 13th day of January, 2010.

Lynn Fessel, City Clerk

RESOLUTION
STREET CONSTRUCTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did prepare special assessments concerning street construction on Wildwood Avenue from Daniel Road to Wisner Street which assessments were by him placed on Assessment Roll No. 3356 in the amount of \$68,391.42 and reported to the City Council at its meeting held on the 15th day of December, 2009; and

WHEREAS, notice has been duly given that the City Council and Assessor would sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 12th day of January, 2010, at 7:00 p.m. to hear any and all objections and suggestions by interested parties to said special assessments as contained in said roll; and

WHEREAS, the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all suggestions and objections made thereto and having fully considered the same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the special assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to turn said roll over to the City Treasurer for collection; and

BE IT FURTHER RESOLVED that each and all of the special assessments contained in Roll No. 3356 shall be divided into ten (10) equal installments, the first of which shall be payable within the next sixty (60) days without interest charge; and one of which, plus a 3.05% annual interest charge on each installment, shall be due annually on each anniversary of the adoption of this resolution until each of the special assessments has been paid in full; provided, however, that in the event the City issues obligations in anticipation of special assessments, the unpaid balance of said special assessments shall, in accordance with Section 22-9 of the Jackson City Code of Ordinances, bear a rate of interest which may not be in excess of six percent (6%) per annum, or one percent (1%) above the average interest cost if bonds were sold to finance the public improvement.

BE IT FURTHER RESOLVED that the unpaid balance of any special assessment, including pro rata interest charges, may be paid in full at any time and that each and any special assessment may be paid without interest if payment in full is made within thirty (30) days from the date of adoption of this resolution.

* * * * *

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Lynn Fessel, City 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 sitting as a Board of Review on the 12th day of January, 2010.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 13th day of January, 2010.

Lynn Fessel, City Clerk

RESOLUTION
STREET CONSTRUCTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did prepare special assessments concerning street construction on Wildwood Avenue from Wisner Street to West Avenue which assessments were by him placed on Assessment Roll No. 3357 in the amount of \$27,122.74 and reported to the City Council at its meeting held on the 15th day of December, 2009; and

WHEREAS, notice has been duly given that the City Council and Assessor would sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 12th day of January, 2010, at 7:00 p.m. to hear any and all objections and suggestions by interested parties to said special assessments as contained in said roll; and

WHEREAS, the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all suggestions and objections made thereto and having fully considered the same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the special assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to turn said roll over to the City Treasurer for collection; and

BE IT FURTHER RESOLVED that each and all of the special assessments contained in Roll No. 3357 shall be divided into eight (8) equal installments, the first of which shall be payable within the next sixty (60) days without interest charge; and one of which, plus a 3.05% annual interest charge on each installment, shall be due annually on each anniversary of the adoption of this resolution until each of the special assessments has been paid in full; provided, however, that in the event the City issues obligations in anticipation of special assessments, the unpaid balance of said special assessments shall, in accordance with Section 22-9 of the Jackson City Code of Ordinances, bear a rate of interest which may not be in excess of six percent (6%) per annum, or one percent (1%) above the average interest cost if bonds were sold to finance the public improvement.

BE IT FURTHER RESOLVED that the unpaid balance of any special assessment, including pro rata interest charges, may be paid in full at any time and that each and any special assessment may be paid without interest if payment in full is made within thirty (30) days from the date of adoption of this resolution.

* * * * *

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Lynn Fessel, City 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 sitting as a Board of Review on the 12th day of January, 2010.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 13th day of January, 2010.

Lynn Fessel, City Clerk



161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4160 — Facsimile: (517) 788-4639

DATE: January 6, 2010
TO: Christopher W. Lewis, Interim City Manager
FROM: Jon H. Dowling, P.E., City Engineer
RE: Resolution for Approval of Contract with MDOT for Grand River Artswalk Project

Attached is a resolution to enter into a contract with the Michigan Department of Transportation for construction of the Grand River Artswalk project. The project will develop a non-motorized trail along Mechanic Street, from Louis Glick Highway through the Armory Arts Village to North Street, then along the Grand River to Monroe Street with a connection to Lions Park, then a sidewalk east and west on the south side of Monroe Street. The project will include restoration of the brick road, installation of decorative lights, and watermain replacement on Mechanic Street north of Ganson.

The total construction cost for the Grand River Artswalk project is estimated at \$1,671,000. Construction of the non-motorized path will be paid for with Federal Transportation Enhancement Grant in the amount of \$976,600. The City will be required to pay for the remainder of the project costs, which include non-participating items. The City's share will come from the Major Street Fund, Water Fund, and a Michigan Department of Environmental Quality (MDEQ) Waterfront Redevelopment Grant. The estimated project costs and funding for Grand River Artswalk are as follows:

Non-motorized Path (MDOT/Federal Funds)	\$ 976,600
MDEQ Grant	\$ 356,229
Water Fund	\$ 69,890
Major Street Fund	<u>\$ 268,281</u>
Total Project Cost:	\$1,671,000

With your concurrence, I am requesting the attached resolution to enter into contract with the Michigan Department of Transportation be submitted to Council for their approval, and the Mayor and City Clerk be authorized to sign the appropriate contract documents.

Please do not hesitate to contact me if you should have any questions.

JD:tjs

c: Lynn Fessel, City Clerk
Randall T. McMunn, Assistant City Engineer
Lucy Schultz, Accounting Manager

RESOLUTION

By the City Council:

WHEREAS, the City of Jackson has developed a master plan for a trail system that will connect the downtown business corridor with existing trails in outlying City areas; and

WHEREAS, the Jackson City Council on November 28, 2006 adopted a resolution approving the non-motorized project along the Grand River between Louis Glick Highway and North Street; and authorizing the City Engineer to apply for a Michigan Department of Transportation Enhancement Grant; and

WHEREAS, construction plans have been developed for a route along Mechanic Street from Louis Glick Highway through the Armory Arts Village to North Street, then along the Grand River to Monroe Street with a connector to Lions Park, then east and west on Monroe Street; and

WHEREAS, the Jackson City Council on September 8, 2009 adopted a resolution committing the matching funds necessary to carry out the project and to owning, operating and implementing a maintenance plan over the design life of the facility constructed with Transportation Enhancement Funds; and

WHEREAS, the cost-participation agreement and contract for these projects have been prepared by the Michigan Department of Transportation and forwarded to the City of Jackson for approval; and

WHEREAS, the estimate for the construction work is \$1,671,000 with the Federal share being \$976,600 and the City Share being \$694,400.

NOW THEREFORE BE IT RESOLVED, that the City of Jackson does approve the non-motorized path project along the Grand River between Louis Glick Highway and North Street, and the watermain replacement on Mechanic Street north of Ganson; and

BE IT FINALLY RESOLVED, that the City Council does authorize the Mayor and the City Clerk to sign the contract documents on behalf of the City.

State of Michigan)
County of Jackson)ss
City of Jackson)

I, Lynn Fessel, City 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, 2010.

IN WITNESS WHEREOF, I have
hereto affixed my signature and
the Seal of the City of Jackson,
Michigan, on this 13th day of
January, 2010.

Lynn Fessel, City Clerk



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

January 5, 2010

TO: Christopher Lewis, Interim City Manager
FROM: **Carol L. Konieczki, Community Development Director**
RE: Resolution to Amend the Fiscal Year 2009/2010 (Year 35) HOME Budget

Jackson Affordable Housing Corporation (JAHC) recently received an allocation of 2009/2010 HOME funds for their homebuyer Downpayment Assistance program (DPA). As such, JAHC is also eligible to receive an allocation for administrative expenses; however, this allocation was inadvertently omitted when the original budget amendment for DPA was prepared.

In order for JAHC to recover their administrative expenses related to the DPA program, Staff recommend reallocating funds from the HOME Administration account to JAHC Administration in the amount of \$5,000. A resolution to amend the HOME budget for fiscal year 2009/2010 is attached to reallocate the funds.

Please place this item for consideration on the January 12, 2010 City Council agenda.

Cc: Heather Soat, Financial Analyst
Michelle Pultz, Project Coordinator

CLK:hls



Community Development

161 W. Michigan Avenue - Jackson, MI 49201

Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

January 5, 2010

TO: Christopher Lewis, Interim City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: Resolution to Amend the Fiscal Year 2008/2009 and 2009/2010 Community Development Block Grant (CDBG) Budgets

A City-wide Fall Cleanup campaign funded by CDBG was held Saturday, November 14, 2009. As previously reported, the cleanup was an overwhelming success collecting over 80 tons of trash. The total cost of the cleanup was \$8,901 and includes the following expenditures: dumpsters, incinerator fees, equipment rental and labor to operate the equipment, biodegradable leaf collection bags and flyers. In comparison, the Spring Cleanup held in April 2008 collected 39 tons of trash at a cost of \$4,428.

The original amount budgeted and available for the cleanup day was \$5,572, leaving a shortfall of \$3,329. Staff recommend utilizing CDBG program income received in fiscal year 2008/2009 in excess of amounts budgeted to cover the shortfall.

Staff is requesting approval of the attached budget resolution to allocate additional CDBG program income in the amount of \$3,329 to the CDBG Cleanup. Please place this item for consideration on the January 12, 2010 City Council agenda.

Cc: Heather Soat, Financial Analyst
Michelle Pultz, Grant Project Coordinator

RESOLUTION

BY THE CITY COUNCIL:

WHEREAS, it is a special privilege to thank Charles Reisdorf, Executive Director for the Region 2 Planning Commission, for his exceptional dedication to the City of Jackson, Michigan. For the past 38 years, Mr. Reisdorf has worked with diligence and integrity as an important member of local government; serving 25 of those years as the Executive Director of the Region 2 Planning Commission. We are grateful to have this opportunity to acknowledge his contributions; and

WHEREAS, the Region 2 Planning Commission assists local governments in Jackson, Lenawee, and Hillsdale Counties prepare for future development by providing planning services, doing research and offering advice; and

WHEREAS, under Mr. Reisdorf's distinguished leadership the Commission has earned a reputation for being independent and non-political - representing the interests of the community as a whole, so members of the local governments often turn to it to address controversial issues; and

WHEREAS, Mr. Reisdorf also represented the local community by serving on the Local Development and Finance Authority/Brownfield Redevelopment Authority for 19 years, and the Downtown Development Authority for 15 years; and

WHEREAS, on January 22, 2010, Charles Reisdorf will retire from employment with the Region 2 Planning Commission.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Jackson, Michigan, hereby wishes to express their sincere appreciation to Charles Reisdorf for a job well done. His ability, commitment and integrity has been reflected in all of his 38 years of service. May he know of our admiration and warmest wishes for happiness and health in the years to come.

DATED this 12th Day of January, 2010.

Karen F. Dunigan, Mayor

Carl L. Breeding
1st Ward Councilmember

Kenneth E. Gaiser
4th Ward Councilmember

Robert B. Howe
2nd Ward Councilmember

Andrew R. Frounfelker
5th Ward Councilmember

Daniel P. Greer
3rd Ward Councilmember

John R. Polaczyk
6th Ward Councilmember

OFFICE OF THE

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney
Gilbert W. Carlson
Assistant City Attorney



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM

TO: Hon. Mayor and City Council Members
FROM: Susan G. Murphy, Deputy City Attorney 
RE: Demolition of Buildings Ordinance
DATE: January 5, 2010

Following the demolition of properties with NSP funding, city staff determined that the general demolition ordinance required amendment. The current ordinance is very minimal and does not leave the property clean and build-able. The proposed ordinance will ensure that all demolitions will create lots that can enable new development to occur quickly and efficiently by starting with clean build-able sites. For your convenience, I attach a copy of the current ordinance for comparison.

This is on the January 12, 2010 City Council agenda for consideration of an Ordinance amending Chapter 5, Section 5-3, Code of Ordinances, City of Jackson, Michigan to modify the requirements for building demolition as recommended by the Chief Building Official, Building Inspector, and Deputy City Attorney.

cc: Julius A. Giglio, City Attorney
Christopher W. Lewis, Interim City manager
Carol Konieczki, Director Community Development Department
Jon Dowling, City Engineer
Frank Donovan, Chief Building Official
Brian Taylor, Building Inspector

CURRENT ORDINANCE

Sec. 5-3. Demolition of buildings; special provisions.

Whenever a structure is demolished or removed, the person, firm or corporation doing such demolition or removal shall do all of the following:

- (1) Remove all paper, wood, rubbish and debris from the site;
- (2) Remove all concrete and masonry to a minimum of two (2) feet below finished grade, including all approach walks and exterior stairs;
- (3) Replace or repair all public sidewalks, curbs and drive approaches damaged during demolition;
- (4) Repair and reseed any damage to the area between the curb and sidewalk which is caused by demolition and removal activities;
- (5) Plug existing sewer and record location of sewer plug by furnishing a sketch with measured dimensions to the department of public works;
- (6) Arrange for proper abandonment of utility services;
- (7) Break up basement floor to permit water discharge.

(Ord. No. 91-6, § 2, 2-12-91)

ORDINANCE 2010 - _____

An Ordinance amending Chapter 5, Section 5-3, Code of Ordinances, City of Jackson, Michigan to modify the requirements for building demolition.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. That Chapter 5, Section 5-3, of the Code of Ordinances, City of Jackson, Michigan be amended to read as follows:

Sec. 5-3. Demolition of structures.

The purpose of this ordinance is to provide a clean, level, seeded, build-able site at the conclusion of the demolition process. Whenever a structure is demolished or removed, the person, firm, or corporation doing such demolition or removal must do all of the following:

A. Before Demolition

- (1) Submit a completed demolition permit application and pay the appropriate fee before beginning demolition.
- (2) Arrange for proper abandonment of all utility services before beginning demolition.

B. During Demolition

- (1) Demolish the entire structure including all appurtenances attached to or part of the structure being demolished.
- (2) Remove all footings, foundations, basement walls, and basement floors from the site.
- (3) Remove all concrete, masonry, and asphalt from the site excluding public sidewalks, street curbs, and driveway approaches in the city right of way.
- (4) Remove all debris from basements, part basements, and foundation excavations from the site.

C. After Demolition

- (1) Have all basement and foundation excavations inspected by the city inspection department before beginning any backfilling.
- (2) Plug all existing sewer laterals and record the location of the sewer plug with measured dimensions on the demolition permit checklist.
- (3) Backfill all excavations with clean fill and compact to prevent settling.
- (4) Remove all paper, wood, rubbish, and debris from the site before final site restoration.
- (5) Grade the site so that it is suitable for mowing with a push mower, free of rocks, voids, and pockets, having 3" of topsoil and seeded with a climate appropriate grass seed, and covered with straw.

- (6) Repair and reseed any damage to the area between the curb and sidewalk caused by demolition and removal activities consistent with item C (5) above.
- (7) Replace or repair all public sidewalks, curbs, drive approaches, curb stops, or city owned property damaged during demolition.
- (8) Submit a completed demolition permit checklist to the inspection and engineering departments.

D. Exception

The building department may allow, in writing, for a basement and foundation to remain for reconstruction of a structure if the reconstruction will begin immediately following demolition and if the basement and foundation comply with the current building codes. The building department may require third party certification of the basement, foundation, and walls before approval.

Section 2. This Ordinance takes effect thirty (30) days from the date of adoption.



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

January 5, 2010

TO: Honorable Mayor and City Councilmembers
FROM: Angela Arnold, Deputy City Clerk *Angela Arnold*
RE: Final Adoption of Ordinance No. 2010.01

Attached is Ordinance No. 2010.01, which amends Chapter 21, Article III, Subsection 21-56 (c), City Code, amending the age qualifications for the police reserve unit. This Ordinance was approved on December 15, 2009.

Please place this item on the Council's January 12th agenda for final adoption.

Attachment

C: Christopher Lewis, Interim City Manager
Matthew Heins, Police Chief
Julius Giglio, City Attorney

ORDINANCE 2010- 01

AN ORDINANCE AMENDING CHAPTER 21, ARTICLE III OF THE CODE OF ORDINANCES, CITY OF JACKSON, TO AMEND AGE QUALIFICATIONS FOR THE POLICE RESERVE UNIT AS CONTAINED IN SUBSECTION 21-56 (c).

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. That Subsection 21-56 (c) of Chapter 21, Article III of the Code of Ordinances, City of Jackson, Michigan, be amended to read as follows:

ARTICLE III. POLICE RESERVE

Sec. 21-56. Police reserve unit.

...

- (c) *Qualifications.* The police reserve unit shall be comprised of not more than sixty (60) qualified members. Such members shall be not less than twenty-one (21) years of age at time of appointment, and shall have such other qualifications as the appointing authority may determine. At the discretion of the appointing authority, a screening board may be created to determine the qualifications herein mentioned. Such screening board shall consist of three (3) members: (a) the chief of police; (b) the police reserve coordinator; and upon his appointment, (c) the captain of the police reserve unit.

...

Section 2. This ordinance takes effect thirty (30) days from the date of adoption.

* * * * *

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney
Gilbert W. Carlson
Assistant City Attorney

OFFICE OF THE



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM
January 5, 2010

TO: Honorable Mayor and City Council

FROM: Julius A. Giglio, City Attorney

RE: Christian Science Reading Room
Hayes Building Lease

Attached is an email from the First Church of Christ, Scientist (Church), in reference to an extension of time to vacate the Christian Science Reading Room (Reading Room) at the former Hayes Hotel property. As you may remember, Council agreed to allow the Church to remain in the Reading Room until December 31, 2009. Apparently, the Church's new location will not be ready until the end of February 2010. The Church is requesting it be allowed to continue in their current status until they are ready to move into their new location. I informed the Church representative I would present this matter to Council at the January 12 meeting.

The requisite action is to authorize the Church to remain in the Christian Science Reading Room premises until February 28, 2010, and authorize the City Attorney to execute the appropriate documents to effectuate the extension of time. If Council has any questions, please contact me.

JG/cr

cc: Christopher Lewis, Interim City Manager
Lynn Fessel, City Clerk

S:COUNCIL,READING ROOM MEMO

Julius Giglio

From: walzka@aol.com
Sent: Thursday, December 31, 2009 1:32 PM
To: Julius Giglio
Subject: First Church of Christ Scientist Extension

Dear Mr Giglio,

The Christian Science Church has found a new location for our Reading Room at 145 E Michigan Avenue. Before we can move in, equipment that is currently stored in this location needs to be removed and the space needs to be painted, new carpeting put down and the ceiling tiles of the drop ceiling need to be replaced. At this time we are hoping to have this completed no later than the end of February and hopefully before then.

On behalf of the Church, I am requesting that the City allow us to continue to store our Reading Room furniture and supplies in our current location in the Hayes Hotel until it is possible for us to move into our new location. This will enable us not to have to move twice and find a place to store everything.

I will not be available for the next three weeks so please use Bill Clemons, 784-7864, as your contact. I do not have an e-mail address for Bill so a phone contact, if needed, will be appreciated. He is planning to attend the City Council meeting on Tuesday, January 12 @ 7:00 PM to answer any questions the Council might have.

Thank you very much for your assistance in this matter. We appreciate the Council's willingness to work with us during this transition.

Sincerely,

Andy Walz

Click [here](#) to report this email as spam.



Office of the Mayor

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

MEMO TO: City Council Members
FROM: Karen F. Dunigan, Mayor
DATE: December 10, 2009
SUBJECT: Proposed Establishment of Work Sessions

I would propose, for your consideration and approval, the establishment of City Council work sessions one-hour prior (6:00 p.m.) to each regularly scheduled City Council meeting. These work sessions will help to answer any questions we might have of staff regarding a particular agenda item, and would hopefully help meetings to run more efficiently and eliminate the necessity of most Executive Sessions.

Your consideration and approval of this proposal is appreciated.

KFD:skh



161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4160 — Facsimile: (517) 788-4639

DATE: January 5, 2010
TO: Christopher W. Lewis, Interim City Manager
FROM: Jon H. Dowling, P.E., City Engineer
RE: Request to Purchase 2010 GMC Sierra 2500 HD Work Truck

The Department of Public Works needs to replace vehicle number 433, a mechanics service truck. The cab, chassis and service body/liftgate can be purchased thru the Oakland County Co-Operative Purchasing Contract, document number USCTY-2457. The vendor and cost is as follows:

Red Holdman Pontiac – GMC, Westland, MI	
Chassis Price:	\$22,851.00
Service Body/Liftgate	<u>\$12,453.00</u>
TOTAL COST:	\$35,304.00

The Department of Public Works requests that the mechanics service truck be purchased from Red Holdman Pontiac - GMC. This truck will be paid from the Motor Pool and Garage Fund. The truck is in the 2009/2010 budget for \$50,000. With your concurrence, I request that this award be submitted for City Council approval and the Mayor and City Clerk be authorized to sign the contract.

If you have any questions, please do not hesitate to contact me.

JD:tjs

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney
Gilbert W. Carlson
Assistant City Attorney

OFFICE OF THE



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM
January 5, 2010

TO: Honorable Mayor and City Council
FROM: Julius A. Giglio, City Attorney
RE: Glenn Chinavare Separation Agreement

Attached please find correspondence received from Sue Ellen Eisenberg, attorney for Glenn Chinavare. Mr. Chinavare has agreed to the terms and conditions contained in the proposed Separation Agreement and Release of Claims (Separation Agreement). Under the terms of the Separation Agreement, the City will pay \$25,000.00 as full and complete compensation to Mr. Chinavare. In return, Mr. Chinavare will release all claims against the City. The \$25,000.00 is approximately equivalent to three months' salary. It is my understanding that three months' salary severance pay was discussed with Mr. Chinavare at the time of his termination.

It is my recommendation we agree to the Separation Agreement. I have discussed this matter with the City's insurance carrier and have been informed this matter is covered by our insurance policy, and that we will be reimbursed by our carrier for the money paid to Mr. Chinavare minus our policy deductible of \$5,000.00. The requisite action is to approve the Separation Agreement, authorize the Mayor and City Manager to execute same, and authorize the City Attorney to take all other action necessary to effectuate the terms of the Separation Agreement.

If Council has any questions, please contact me.

JG/cr

cc: Christopher Lewis, Interim City Manager, w/enc.

**SEPARATION AGREEMENT AND RELEASE OF CLAIMS
GLENN CHINAVARE
AND THE CITY OF JACKSON**

This SEPARATION AGREEMENT AND RELEASE OF CLAIMS ("*Agreement*") is made and entered into on the 28th day of December, 2009, by and between the City of Jackson, a Michigan municipal corporation, with offices at 161 West Michigan Avenue, Jackson, Michigan 49201 ("*City*"), and Mr. Glenn Chinavare, City of Jackson Employee #7117, whose address is 2009 Glen Drive, Jackson, Michigan 49203 ("*Mr. Chinavare*").

STATEMENT OF PURPOSE

Mr. Chinavare's employment with the City was terminated on August 11, 2009. The City had offered Mr. Chinavare an opportunity to resign his employment with City in lieu of termination. However, such offer was rejected by Mr. Chinavare. As a result, the City is now offering to provide compensation to Mr. Chinavare not otherwise owed to him and in exchange for the obligations, covenants and promises of Mr. Chinavare as described below.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the City and Mr. Chinavare hereby agree as follows:

1. Date of Termination. Mr. Chinavare's employment with the City ended as of August 11, 2009.

2. Termination Payment. Subject to Mr. Chinavare's full compliance with the terms of this Agreement, including the conditions set forth below, Mr. Chinavare shall be paid Twenty Five Thousand Dollars (\$25,000.00). Compensation will be paid to Mr. Chinavare under this Agreement if same is approved by the Jackson City Council and after expiration of the requisite time limits established in section 11 of this Agreement. City shall issue a Form 1099 MISC to Mr. Chinavare. Mr. Chinavare will be responsible for any federal, state, and city taxes.

3. Retirement. Mr. Chinavare was employed by the City for approximately 10.5 years. Therefore, he is eligible for a deferred pension under the City's Employee Retirement System (ERS), when/if he satisfies all requirements and/or conditions of the ERS.

4. No Retiree Health Care. From and after August 11, 2009, except as otherwise provided in this Agreement, Mr. Chinavare shall not have the right to participate in or receive any benefits under any employee benefit plan of the City, any fringe benefit plan of the City, or any other plan, policy or arrangement of the City providing benefits to employees of the City generally or individually. Provided, however, that Mr. Chinavare shall be entitled, if otherwise eligible, to exercise his right to continued coverage under the City medical benefit plan as provided under COBRA.

5. Vacation Leave. Mr. Chinavare shall be paid for his accrued, unused vacation leave according to the City's Personnel Policy.

6. Return of Company Property. Mr. Chinavare agrees to return immediately to the City all equipment, tools or any other materials or property (including keys) relating to his employment or obtained in the course of such employment.

7. Admissions. Mr. Chinavare acknowledges that the payment by the City of the benefits described herein is made in good faith and shall never for any purpose be considered an

admission of liability on the part of the City, by whom liability is expressly denied, and no past or present wrongdoing on the part of the City shall be implied by such payment.

8. Release. As consideration for the payments to be made by the City to Mr. Chinavare pursuant to paragraph 2 hereof, Mr. Chinavare agrees for himself and for his heirs, successors, executors, administrators and assigns, to release and forever discharge the City together with its City Manager, Mayor, City Council Members, respective agents, employees, managers and attorneys (hereinafter collectively the "Releasees") from and to waive any and all rights with respect to all manner of claims, actions, causes of action, suits, judgments, rights, demands, debts, damages, including attorney fees, or accountings of whatever nature, legal, equitable or administrative, whether the same are now known, unknown, foreseen, or unforeseen, which Mr. Chinavare ever had, now has or may claim to have, upon or by reason of the occurrence of any matter, cause, or thing whatsoever up to the date of this Agreement, including without limitation: any claim whatsoever (whether under federal or state statutory or common law) arising from or relating to Mr. Chinavare's employment or changes in his employment relationship with the City, including Mr. Chinavare's separation, termination or resignation therefrom, all claims and rights for additional compensation or benefits of whatever nature; any claim for breach of contract, implied or express, impairment of economic opportunity, intentional or negligent infliction of emotional distress, wage or benefit claim, prima facie tort, defamation, libel, slander, negligent termination, wrongful discharge, or any other tort, whether intentional or negligent; and all claims and rights under Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866, 1871, or 1991, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act, the Americans With Disabilities Act of 1993, the Family and Medical Leave Act, all as amended, or any other federal, state, county or municipal statute or ordinance relating to any condition of employment or employment discrimination.

9. Governing Law and Forum Selection. Mr. Chinavare agrees that any claim against the Releasees arising out of or relating in any way to this Agreement or to Mr. Chinavare's employment with the City shall be brought exclusively in the Circuit Court of Jackson County. Mr. Chinavare hereby irrevocably consents to the personal and subject matter jurisdiction of the said court for the purpose of adjudicating any claims subject to this forum selection clause.

10. Acknowledgment of Waiver. Mr. Chinavare acknowledges that his rights have been thoroughly explained to him and that he knowingly and voluntarily waives those rights. Further, Mr. Chinavare acknowledges that his waiver of rights and claims under this Agreement includes a waiver of rights and claims under the Federal Age Discrimination in Employment Act of 1967, as amended, and that such waiver and the waiver and release of all other rights and claims contemplated by the release set forth in paragraph 8 above are made knowingly and voluntarily. Mr. Chinavare acknowledges he has been given a period of at least twenty-one (21) days to consider the provisions of the release stated above, and to consult with his attorney, accountant, tax advisor, or other persons prior to making a decision to sign this document. Mr. Chinavare further acknowledges that the City has not pressured or coerced him to execute this Agreement prior to the expiration of 21 days from the date it was furnished to him and that any decision to execute this Agreement prior to such time is done freely and voluntarily. Mr. Chinavare certifies that the City has advised him in writing to consult an attorney regarding the legal consequences of the execution of this Agreement.

11. City's Obligation Ends. The obligations of the City set forth in paragraph 2 hereof are conditional upon Mr. Chinavare's execution of this Agreement no later than twenty-one (21) days following the date on which such Agreement is submitted to the him, as well as Mr. Chinavare's failure to revoke the same following the expiration of seven (7) days following such

execution. In the event that Mr. Chinavare fails to execute such Agreement within such 21-day period or revokes the execution thereof, the City's obligations under paragraph 2 shall be null and void.

12. Waiver of Right or Claim to Reinstatement. Mr. Chinavare waives any right or claim he may have to reinstatement as an employee of the City at any time and agrees never to file or submit an application for employment with the City.

13. Entire Agreement. This Agreement contains the entire agreement between the City and Mr. Chinavare and supersedes all prior agreements relating to the subject matter hereof, and may be changed only by a writing signed by the parties hereto. Any and all prior representations, statements and discussions regarding the subject matter of this Agreement have been merged into and/or replaced by the terms of this Agreement. The terms of this Agreement are contractual and not a mere recital.

14. Ratification and Return of Consideration. Any attempt by Mr. Chinavare to challenge this Agreement or attempt to declare any provision herein void or voidable, must be preceded by a return of any and all consideration received hereunder, including all payments made to him pursuant to paragraph 2 herein. In particular, should Mr. Chinavare fail to return any part of such consideration within forty-five days hereof, Mr. Chinavare shall be deemed to have accepted the full benefits of this Agreement and shall be bound by all provisions herein. Provided, however, that nothing in this paragraph shall be deemed to preclude Mr. Chinavare's ratification of this Agreement in any other way allowed or permitted by law.

15. Severability. If any of the provisions set forth in this Agreement be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

16. Voluntary Agreement. Mr. Chinavare hereby represents that he has carefully read and completely understands the provisions of this Agreement, including the knowing and voluntary waiver of his rights to any grievance process including Arbitration allowed him under the City's laws, ordinances, regulations and Personnel Policy, and that he has entered into this Agreement voluntarily and without any coercion whatsoever, and in order to receive benefits not otherwise owed to him by the City.

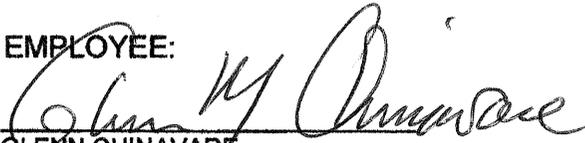
The parties hereto have duly executed this Agreement, or caused this Agreement to be duly executed by their authorized representatives as of December 28th, 2009.

FOR THE CITY OF JACKSON

By: _____
CHRISTOPHER W. LEWIS
Acting City Manager

By: _____
Karen F. Dunigan
Mayor

EMPLOYEE:



GLENN CHINAVARE

Approved as to Form:



Sue Ellen Eisenberg
Attorney for Glenn Chinavare

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney
Gilbert W. Carlson
Assistant City Attorney

OFFICE OF THE



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM

January 6, 2010

TO: Honorable Mayor and City Council
FROM: Julius A. Giglio, City Attorney
RE: William R. Ross

Attached is correspondence received from William P. Hampton, attorney for Bill Ross, in reference to the proposed Separation Agreement and Release of Claims (Separation Agreement). Mr. Ross has agreed to the proposed Separation Agreement. Under the terms of the agreement, the City will pay Mr. Ross his accrued vacation time in the amount of \$8,360.39. In return, Mr. Ross has released all claims against the City concerning his separation of employment.

It is my recommendation that we agree to the Separation Agreement. The requisite action is for Council to approve the Separation Agreement, authorize the Mayor to sign same, and authorize the City Attorney to take all other actions necessary to effectuate the execution and implementation of the Separation Agreement. If Council has any questions, please contact me.

JG/cr

Enc.

cc: Christopher Lewis, Interim City Manager, w/enc.

January 4, 2010

30903 Northwestern Highway
P.O. Box 3040
Farmington Hills, MI 48333-3040
Tel: 248-851-9500
Fax: 248-851-2158
www.secrestwardle.com

WILLIAM P. HAMPTON
whampton@secrestwardle.com

Julius A. Giglio, City Attorney
City of Jackson
161 West Michigan Avenue
Jackson, MI 49201

Re: William R. Ross

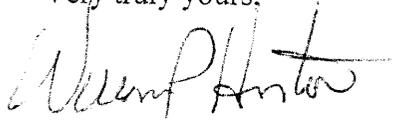
Dear Mr. Giglio:

Attached for the signature of Mayor Karen F. Dunigan are two partially executed originals of the Separation Agreement and Release of Claims between William R. Ross and the City of Jackson.

I would ask that you return to me one fully executed original of the Separation Agreement and Release of Claims between William R. Ross and the City of Jackson for my client once it has been signed by the Mayor.

Thank you for your courtesy in this matter.

Very truly yours,



WILLIAM P. HAMPTON

WPH:dah
enclosures
cc: William R. Ross
1353445_1

RECEIVED
CITY OF JACKSON

JAN 06 2010

ATTORNEY'S OFFICE

By: _____

**SEPARATION AGREEMENT AND RELEASE OF CLAIMS
WILLIAM R. ROSS
AND THE CITY OF JACKSON**

This SEPARATION AGREEMENT AND RELEASE OF CLAIMS ("*Agreement*") is made and entered into on the ___ day of December, 2009, by and between the City of Jackson, a Michigan municipal corporation, with offices at 161 West Michigan Avenue, Jackson, Michigan 49201 ("*City*"), and Mr. William R. Ross, City of Jackson Employee #8077, whose address is 2148 Cascade Drive, Jackson, Michigan 49203 ("*Mr. Ross*").

STATEMENT OF PURPOSE

Mr. Ross's employment with the City ended on October 2, 2009. His separation of employment was a result of written notice provided to the City Council dated September 18, 2009, attached hereto Exhibit 1 and incorporated by reference. Mr. Ross has approached the City requesting various payments and health insurance coverages. The City is now offering to provide compensation to Mr. Ross as provided herein and in exchange for the obligations, covenants and promises of Mr. Ross as described below.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the City and Mr. Ross hereby agree as follows:

1. Date of Separation. Mr. Ross's employment with the City ended as of October 2, 2009.

2. Vacation Payment. Subject to Mr. Ross's full compliance with the terms of this Agreement, including the conditions set forth below, Mr. Ross shall be paid Eight Thousand Three Hundred Sixty Dollars and Thirty Nine Cents (\$8,360.39). Compensation paid to Mr. Ross under this Agreement shall be paid into Mr. Ross's City of Jackson 401(a) account.

3. No Retiree Health Care. From and after October 31, 2009, except as otherwise provided in this Agreement, Mr. Ross shall not have the right to participate in or receive any benefits under any employee benefit plan of the City, any fringe benefit plan of the City, or any other plan, policy or arrangement of the City providing benefits to employees of the City generally or individually including, without limitation, retiree health care. Provided, however, that Mr. Ross shall be entitled, if otherwise eligible, to exercise his right to continued health coverage under medical benefit coverage as provided under COBRA.

4. Release. As consideration for the payments to be made by the City to Mr. Ross pursuant to paragraph 2 hereof, Mr. Ross agrees for himself and for his heirs, successors, executors, administrators and assigns, to release and forever discharge the City together with its City Manager, Mayor, City Council Members, respective agents, employees, managers and attorneys (hereinafter collectively the "*Releasees*") from and to waive any and all rights with respect to all manner of claims, actions, causes of action, suits, judgments, rights, demands, debts, damages, including attorney fees, or accountings of whatever nature, legal, equitable or administrative, whether the same are now known, unknown, foreseen, or unforeseen, which Mr. Ross ever had, now has or may claim to have, upon or by reason of the occurrence of any matter, cause, or thing whatsoever up to the date of this Agreement, including without limitation: any claim whatsoever (whether under federal or state statutory or common law) arising from or relating to Mr. Ross's employment or changes in his employment relationship with the City, including Mr. Ross's separation, termination or resignation therefrom, all claims and rights for

additional compensation or benefits of whatever nature; any claim for breach of contract, implied or express, impairment of economic opportunity, intentional or negligent infliction of emotional distress, wage or benefit claim, prima facie tort, defamation, libel, slander, negligent termination, wrongful discharge, or any other tort, whether intentional or negligent; and all claims and rights under Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866, 1871, or 1991, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act, the Americans With Disabilities Act of 1993, the Family and Medical Leave Act, all as amended, or any other federal, state, county or municipal statute or ordinance relating to any condition of employment or employment discrimination.

5. Governing Law and Forum Selection. Mr. Ross agrees that any claim against the Releasees arising out of or relating in any way to this Agreement or to Mr. Ross's employment with the City shall be brought exclusively in the Circuit Court of Jackson County. Mr. Ross hereby irrevocably consents to the personal and subject matter jurisdiction of the said court for the purpose of adjudicating any claims subject to this forum selection clause.

6. Acknowledgment of Waiver. Mr. Ross acknowledges that his rights have been thoroughly explained to him and that he knowingly and voluntarily waives those rights. Further, Mr. Ross acknowledges that his waiver of rights and claims under this Agreement includes a waiver of rights and claims under the Federal Age Discrimination in Employment Act of 1967, as amended, and that such waiver and the waiver and release of all other rights and claims contemplated by the release set forth in paragraph 8 above are made knowingly and voluntarily. Mr. Ross acknowledges he has been given a period of at least twenty-one (21) days to consider the provisions of the release stated above, and to consult with his attorney, accountant, tax advisor, or other persons prior to making a decision to sign this document. Mr. Ross further acknowledges that the City has not pressured or coerced him to execute this Agreement prior to the expiration of 21 days from the date it was furnished to him and that any decision to execute this Agreement prior to such time is done freely and voluntarily. Mr. Ross certifies that the City has advised him in writing to consult an attorney regarding the legal consequences of the execution of this Agreement.

7. City's Obligation Ends. The obligations of the City set forth in paragraph 2 hereof are conditional upon Mr. Ross's execution of this Agreement no later than twenty-one (21) days following the date on which such Agreement is submitted to the him, as well as Mr. Ross's failure to revoke the same following the expiration of seven (7) days following such execution. In the event that Mr. Ross fails to execute such Agreement within such 21-day period or revokes the execution thereof, the City's obligations under paragraph 2 shall be null and void.

8. Waiver of Right or Claim to Reinstatement. Mr. Ross waives any right or claim he may have to reinstatement as an employee of the City at any time and agrees never to file or submit an application for employment with the City.

9. Entire Agreement. This Agreement contains the entire agreement between the City and Mr. Ross and supersedes all prior agreements relating to the subject matter hereof, and may be changed only by a writing signed by the parties hereto. Any and all prior representations, statements and discussions regarding the subject matter of this Agreement have been merged into and/or replaced by the terms of this Agreement. The terms of this Agreement are contractual and not a mere recital.

10. Ratification and Return of Consideration. Any attempt by Mr. Ross to challenge this

Agreement or attempt to declare any provision herein void or voidable, must be preceded by a return of any and all consideration received hereunder, including all payments made to him pursuant to paragraph 2 herein. In particular, should Mr. Ross fail to return any part of such consideration within forty-five days hereof, Mr. Ross shall be deemed to have accepted the full benefits of this Agreement and shall be bound by all provisions herein. Provided, however, that nothing in this paragraph shall be deemed to preclude Mr. Ross's ratification of this Agreement in any other way allowed or permitted by law.

11. Severability. If any of the provisions set forth in this Agreement be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

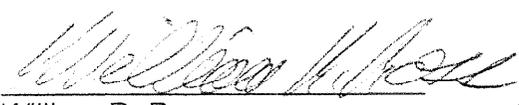
12. Voluntary Agreement. Mr. Ross hereby represents that he has carefully read and completely understands the provisions of this Agreement, including the knowing and voluntary waiver of his rights to any grievance process including Arbitration allowed him under the City's laws, ordinances, regulations and Personnel Policy, and that he has entered into this Agreement voluntarily and without any coercion whatsoever, and in order to receive benefits not otherwise owed to him by the City.

The parties hereto have duly executed this Agreement, or caused this Agreement to be duly executed by their authorized representatives as of December ____, 2009.

FOR THE CITY OF JACKSON

EMPLOYEE:

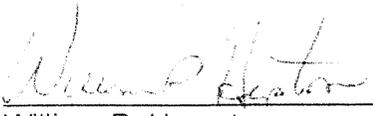
By: _____
Karen F. Dunigan
Mayor, City of Jackson



William R. Ross

Approved as to Form:

SECRET WARDLE

By: 

William P. Hampton
Attorney for William R. Ross



EXHIBIT 1

City Manager's Office

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

MEMO TO: Honorable Mayor and City Councilmembers

FROM: William R. Ross, City Manager

DATE: September 18, 2009

SUBJECT: Notice of Date of Retirement

I had previously notified the Council of my intention to retire. I have now established October 2, 2009, as my retirement date. Please accept this notice of resignation as of October 2, 2009.

Thank you.

WRR:skh



Jackson Historic District Commission

Staffed by the Region 2 Planning Commission (R2PC)
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 788-4426 • Fax (517) 788-4635

January 12, 2010

Honorable Mayor and City Council
City of Jackson, Michigan

Subject: **Proposed Mechanic Street Historic District**

Dear Mayor and Councilpersons:

The City of Jackson's Historic District Commission recently completed its revised Report on Proposed Additional Resources to Chapter 13 Historic Preservation Ordinance: "Mechanic Street Historic District." I am transmitting a copy of the report to City Council for informational purposes in accordance with the requirements of Jackson's historic preservation ordinance and Michigan's PA 169 of 1970. The Historic District Commission is looking forward to establishing a new historic district later this year.

Sincerely,

Grant E. Bauman, AICP
HDC Staff

cc: HDC Files

Report on Proposed Additional Resources to Chapter 13 Historic Preservation Ordinance

“Mechanic Street Historic District”



Prepared by:



Jackson

Historic District Commission

161 W. Michigan Avenue
Phone: 517-768-6433

Jackson, Michigan 49201
Fax: 517-768-5832

Contact Information: Prepared by the
Grant Baumann, Interim Staff
Jackson Historic District Commission
Jackson County Tower, 120 West Michigan Avenue
Jackson, MI 49201
(517) 788-4426/ fax: (517) 788-4635
e-mail: GBauman@co.jackson.mi.us

**City of Jackson, Michigan
Historic District Commission
December, 2009
revised September, 2005
Adopted by City Council:**

ACKNOWLEDGEMENTS

The Jackson Historic District Commission wishes to acknowledge the contributions of the following individuals in the preparation of this report and the ongoing preservation of historic resources in Jackson:

The Mechanic Street Study Committee

- James "Steve" Shotwell, a respected long-time community member and owner of a property and business included in the proposed district boundaries.
- Ron Luce, also the owner of a prominent and historic building within the property district boundaries. Mr. Luce is a recent resident of Jackson and shared his views of working and living in other historic districts in the state.
- Elaine Robinson, Jackson resident and architectural historian. Ms. Robinson has an M.S. Historic Preservation, 1991 and a B.F.A (with distinction) Interior Architecture, 1982. She is experienced in urban, suburban, and rural Midwestern architectural survey and is especially well-versed in vernacular architecture. Ms. Robinson has experience with historic district identification and delineation, above-ground resources surveys (including engineering structures), and National Register evaluations and nominations. She authored the original study of Jackson's historic resources referenced in this report, "SURVEY OF DOWNTOWN JACKSON, MICHIGAN WITH INTENSIVE LEVEL SURVEY OF TWENTY-FIVE PROPERTIES."
- John Schaub, local historian and long-time resident of Jackson. Mr. Schaub has a dedicated interest in the history of Jackson, resides in a designated historic site, and has cataloged the presence of Antebellum homes in the area as well as homes by local architect Claire Allen.
- Karessa Weir, recent resident of Jackson. Ms. Weir has an avid interest in history and also in promoting a healthy downtown business district.

The Jackson City Council

Mayor	Jerry F. Ludwig
1st Ward	Carl L. Breeding
2nd Ward	Robert B. Howe
3rd Ward	Daniel P. Greer
4th Ward	Kenneth Gaiser
5th Ward	Andrew R. Frounfelker
6th Ward	John R. Polaczyk

HDC & Study Committee Staff - Grant Baumann

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INTRODUCTION

The purpose of the Historic District Commission (HDC) is, in part, to create and designate historic sites, which will:

- 1) Safeguard the heritage of the City of Jackson by preserving a historic district, including areas, sites, landmarks, buildings, structures, works of art, and objects, which reflect elements of Jackson's cultural, social, economic, political and/or architectural history;
- 2) Stabilize and improve property values in the historic district;
- 3) Foster civic beauty;
- 4) Strengthen the local economy; and
- 5) Promote the use of the historic district, including areas, sites, landmarks, buildings, structures, works of art and objects, for the education, pleasure and welfare of the citizens of the City of Jackson and the State of Michigan.

For purposes of this report, each site recommended by the HDC, and ultimately approved and designated by the City Council, becomes a "**Historic District**", meaning: *"an area, or group of areas not necessarily having contiguous boundaries, that contains one resource or a group of resources that are related by history, architecture, archaeology, engineering, or culture."* *The proposed district described herein includes a number of "Historic Resources".*

Historic Resource means:

"a publicly or privately owned building, landmark, structure, site, feature or open space that is significant in the history, architecture, archaeology, engineering, or culture of the state, the City of Jackson, or the United States".

To date, the Jackson City Council has designated forty-two individual sites as historic landmarks and established one historic district entitled the "Under the Oaks Historic District" (see Chapter 13 of the Municipal Code of Ordinances, Section 13-21 and 13-22). This report proposes to add one new historic district entitled the **Mechanic Street Historic District**.

Benefit to Community: Designation of sites as historic landmarks preserves the historic integrity of structures and sites, and also allows owners and developers an opportunity to utilize historic preservation tax credits as part of their financial package to allow renovation of historic buildings that might otherwise be lost to vacancy, blight,

or worse, demolition. Designation also assists the HDC to fulfill their mission to stabilize and improve property values; foster civic beauty; strengthen the local economy; and promote the use of historic districts.

The Historic District Commission, created by ordinance in 1977, which was amended in 1990 by creation of the Historic Preservation Ordinance, Chapter 13 of the Municipal Code of Ordinances, was charged with the review of historic resources in the City of Jackson. Further, the Historic District Study Committee was charged on March 30, 2004, by the Jackson City Council, with the review of historic resources in the City of Jackson. The HDC, by recommendation of its Study Committee, has reviewed and approved the proposed Historic District and recommends it be incorporated into the ordinance.

PROPOSED MECHANIC STREET HISTORIC DISTRICT

See Attached Exhibit A for Intensive Level Survey of the Proposed Mechanic Street Historic District.

Statement of Significance

Mechanic Street Historic District, Jackson, Michigan

Mechanic Street has is one of the major north/south thoroughfares within the City of Jackson's downtown commercial center. Historically, Mechanic Street featured commercial, civic, and religious activities; which continues into the twenty-first century. Within the boundaries of the proposed district, the properties retain a high level of historic integrity and meet National Register of Historic Places requirements under Criteria A, B, and C, for their association with the events, people, and architecture that have been significant in the history of Jackson. The proposed Mechanic Street District includes low-rise commercial, religious and entertainment areas and residential properties.

Background

Mechanic Street connects two major areas of activity in downtown Jackson, Michigan. On the south is the residential Partnership Park area while the northern terminus of the street is situated at the front entry to the Armory Arts Village, a residential and commercial neighborhood. The activity anchoring each end of Mechanic Street, coupled with the fact that several properties have previously been listed on the National Register of Historic Places or are designated as a local historic district (Michigan Theatre at 124 N Mechanic and the site of the Jackson Gas Company store at 227-229 S. Mechanic), also focused attention on the street.

From the mid-1860s through the late 1920s, Jackson has been a center of arts, transportation, industry and the burgeoning power production business. One early firm, headquartered on Mechanic Street, went on to become Consumers Energy (227-229 Mechanic). Other early enterprises along Mechanic Street include: the Michigan Theater, a vaudeville theater; the Elks Club, a gathering spot for the movers and shakers of business and industry; and hotels and retail businesses that catered to the needs of the nearby railway station.

Additionally, the activities on Mechanic Street have addressed the city of Jackson's long involvement in social issues such as abolition, modern education and care of the underprivileged. Properties which illustrate this concern include the 'kindergarten' daycare center for children of working mothers; and the site of the first public library serving the city.

Architecturally, the Mechanic Street Historic District features several of the best examples of high-style architecture such as the Richardson Romanesque style of 236-244 S. Mechanic and the Commercial Italianate of 130 N. Mechanic. The mix of modest and ornate, and representative buildings erected over a long period of development, makes the Mechanic

Street Historic District an interesting collection of buildings that represents many of the aspects of history and society in Jackson.

The Mechanic Street Historic District meets three of the Secretary of the Interior's four criteria in the course of evaluation for the National Register of Historic Places:

Criteria A: *Is associated with events that have made a significant contribution to the broad patterns of our history.* As described in Exhibit A, most of the historic buildings in the proposed district are associated with broad patterns of our history. (Table 5.1-1)

Criteria B: *Is associated with the lives of persons significant in our past.* As described in Exhibit A, 201-205 S. Mechanic and 236-244 S. Mechanic are associated with persons significant to our past. (Table 5.1-1)

Criteria C: *Embodies the distinctive characteristics of a type, period or method of construction, or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components may lack individual distinction.* As described in Exhibit A, there are many examples of unique buildings of high artistic value, and/or distinctive characteristics of a type, period or method in the proposed district. (Table 5.1-1)

Boundary Justification Statement

The boundaries of the proposed Mechanic Street Historic District are the four lane Glick Highway the Grand River and the empty lots or modern construction on the north, the much reduced commercial area to the east, the parking lot and modern construction on the south, the generally more vertical commercial buildings to the west, and. The visual disconnect and pedestrian barrier of the Highway, parking lots and empty lots or properties with setbacks inconsistent with the average setbacks in the proposed Historic District made these elements natural boundaries for the District. The taller buildings to the east also provided a natural boundary for the District.

Historic and Non-Historic Resources

Historic and Non-Historic Resources

Property 15 is a non-contributing building. Properties 1, 6, 9, 19 and 29 are parking lots. Sidewalks and streets are in their historic locations but have been substantially rebuilt in recent years. The parking lots, sidewalks and streets, in and of themselves, are non-contributing. The *locations* of the sidewalks and streets are historic and should be recognized as such. The remainder of the buildings in the District are Historic Structures and contribute the Proposed Historic District.

Attachment A
Excerpts from the

**SURVEY OF DOWNTOWN
JACKSON, MICHIGAN
WITH INTENSIVE LEVEL SURVEY
OF TWENTY-FIVE PROPERTIES**

Prepared for

**CITY OF JACKSON HISTORIC DISTRICT COMMISSION
161 W. MICHIGAN AVENUE
JACKSON, MICHIGAN 49201**

By

**COMMONWEALTH CULTURAL RESOURCES GROUP, INC.
2530 SPRING ARBOR ROAD
JACKSON, MICHIGAN 49203-3602**

3.1.4 Richardson Romanesque

Popular in the later years of the nineteenth century, the Richardson Romanesque style follows the examples of Boston architect H. H. Richardson (Gordon 1992:94). Typically of masonry construction, buildings in this style often feature broad roof planes and a select distribution of windows that emphasizes the mass, volume, and scale of the structure (Blumenson 1983:47). Features associated with the Richardson Romanesque building include heavy rounded arches; rugged (tapered) lower walls and mortar tinted dark red; thick walls resulting in deep window reveals and cavernous door openings; rock-faced stone piers with cushioned and foliated capitals; short, robust columns; belt courses that emphasize the horizontality of the building; windows with one-over-one configuration frequently featuring transoms and stone mullions, often placed in pairs or sets of three (Gordon 1992:94; Blumenson 1983:47). An excellent example of the Richardson Romanesque style is found in the Bloomfield Building at 236-244 S. Mechanic (Figure 3.1.4-1).

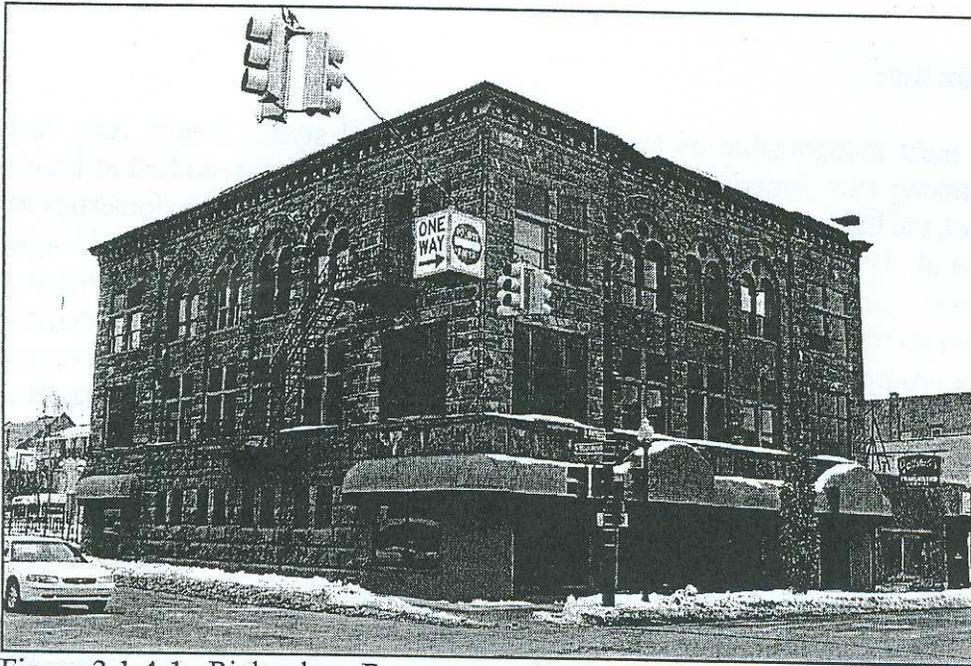


Figure 3.1.4-1. Richardson Romanesque Revival Style, 236-244 S. Mechanic

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3.1.7 Chicago School

Popular for tall office buildings constructed between 1890 and 1910, the buildings in this style took advantage of technological advances in construction technology (Gordon 1992:96; Poppeliers et al. 1981:33). Constructed with a steel skeleton, these buildings did not rely on the support of thick masonry walls, freeing their architects to design tall structures whose walls were dominated by the windows. Another common feature of the Chicago Style buildings is a three-part division of the height, following the base, shaft, and capital configuration of classical order columns (Figure 3.1.7-1)(Gordon 1992:96). Windows of the Chicago School were of two distinctive forms, either projecting as a bay or oriel or in the form identified as the Chicago window (Poppeliers et al. 1981:34). Chicago windows feature a large fixed central pane flanked by two narrow casements for ventilation (Figure 3.1.7-2 *omitted*).



Figure 3.1.7-1. Chicago School Style (Tripartite Construction), 101 E. Michigan

3.1.9 Vernacular Commercial Forms

Like residential architecture, commercial buildings frequently can not be assigned style names. These structures tend to be astylistic, lacking any discernable features to link the building with an identified style. Unfortunately, there is no known body of work that identifies commercial buildings based on form. As a result vernacular vocabulary similar to that developed over time for residential and farm structures is lacking.

For the purposes of this survey, buildings that lack stylistic features are noted as “commercial” and attributed a time period of construction. Thus the term “late nineteenth century commercial” indicates a simply constructed building built in the closing decades of the nineteenth century. In Jackson’s commercial district, these buildings are predominately of masonry construction, although frame examples are located in the outlying areas of the community. Examples of the late nineteenth century commercial can be seen in Figure 3.1.9-1 with early twentieth century commercial shown in Figure 3.1.9-3 (*omitted*).



Figure 3.1.9-1. Late Nineteenth Century Commercial, 101 W. Michigan

3.2.3 North Construction Company, builders

One of the most prolific building firms in Michigan, North Construction, is centered in Jackson. Established in 1885 by George M. North Sr., the firm operated for over 100 years, entirely as a family owned business (North Construction Company 1985). Adding the name of major business partners, the firm has operated variously as North Radcliffe Co., North Bradshaw, North Griffin Co., and North Moller Co. Although the name of the firm has varied, the company has never strayed from its stress on construction and engineering excellence, never failing to complete a construction project. Most of the North Construction Co. projects were centered in Jackson and south-central Michigan, however, they also undertook projects in Traverse City, Saline, Ann Arbor, Three Rivers, Chelsea, and Dexter. Post Office buildings constructed by them in Jackson and Port Huron, Michigan; Lawrence Ville, Illinois; Trenton, Missouri; Merced and Redlands, California.

Typically the architects names tend to linger in association with certain buildings, however, the North Construction Company was responsible for many of Jackson's landmarks. The company undertook a variety of projects-such as school buildings, shopping centers and retail stores; restaurants, office buildings, hospitals and nursing homes, public buildings and institutions, sewage plant, factory complexes, and luxury homes (North Construction Company 1985). Among their City of Jackson projects are: *Michigan Theatre* (Figure 3.2.3-1), Jackson Citizen Patriot, Union and People's National Bank of Jackson (now Jackson County Building), Jackson Elks Club (now Jackson County Court House), Otsego Hotel, Sparks Foundation Cascades, Sparks Cascades Club House, Queens Church and Elementary School, and *Adams Hotel* (Figure 3.2.3-2). (*Italicized buildings are in the Proposed Mechanic Street Historic District.*)



Figure 3.2.3-1. Michigan Theatre, 124 N. Mechanic



Figure 3.2.3-2. Adams Hotel, 212-216 S. Mechanic

Page 4-1

4.1 Previously Listed Buildings

Eleven properties within the study area were previously determined to be of historic or architectural significance, and listed on the State Register of Historic Sites (SRHS), National Register of Historic Places (NRHP), or designated as a Jackson Local Historic District. Due to their previous recognition, it was determined that, with the exception of the Masonic Temple, no further research would be carried out on these structures. A list of previously documented or listed properties is presented in Table 4.1-1.

Table 4.1-1 Previously Surveyed Properties Located within the APE

Name	Address	Type of Listing	Date Listed
First Congregational Church	120 N. Jackson	SRHS	1987
Michigan Theater	124 N. Mechanic	SRHS NRHP	1979 1980
		Jackson Historic District	September 8, 1992
Unique Clothing/Jackson Gas Company	227-229 S. Mechanic	Jackson Historic District	February 13, 2001
Stone Post Office	125 N. Jackson	SRHS NRHP	1971 1972
		Jackson Historic District	September 8, 1992

Name	Address	Type of Listing	Date Listed
Michigan Central Depot	501 E. Michigan	SRHS NRHP Jackson Historic District	September 8, 1992
Horace Ismon Building	171 W. Michigan	SRHS	1997
Jackson District Library- Carnegie Branch	244 W. Michigan	SRHS NRHP Jackson Historic District	1979 1980 September 8, 1992
First United Methodist Church	275 W. Michigan	Jackson Historic District	September 8, 1992
Masonic Temple	157 W. Cortland	Jackson Historic District	September 8, 1992
W. E. Reynolds Block	149-151 W. Michigan	Jackson Historic District	September 8, 1992
Express Building	901 Elizabeth	Jackson Historic District	February 25, 2003

4.3.9 130 N Mechanic

The actual date of construction for the building is unclear. A clear chain of title was not possible for the property, with the earliest clearly recorded legal reference to the property not occurring until 1943, well after the building would have been erected (JCAO, Jackson, Michigan 1943: DB 422:45). The building features a simple version of the architectural details of the Italianate Style which experienced its greatest popularity between 1850 and 1880. In spite of this, no building is indicated at the site on Jackson maps produced in either 1853 or 1858 (Hart 1853; Geil and Jones 1858). While a building is illustrated near the site on the 1868 bird's-eye view (Ruger 1868) of the area, the small residential building can not be confused with the three-story commercial structure currently at the site. By 1881 (Ruger 1881), a blocky commercial building is indicated on Mechanic Street, perhaps the building currently located at 132-142 N. Mechanic. The angle of the image, drawn from above and from the west, obscures the small structure at 130 N. Mechanic, although it must have been present at the time of the drawing was made. This assumption give the building a construction date between 1863 and 1881.

Because prior to 1917 the business or its owners name must be know for the city directory to offer assistance in determining the occupant, little information exists on 130 N. Mechanic prior to that date. Advertisements, both newspaper and in the city directory, prior to 1917 often included street addresses, however, without being able to confirm which building was under discussion, it is difficult to determine earlier tenants. The earliest known building occupants include the grocery store of Pierce & Cooper at street level, with Mrs. Belle Van Court providing furnished rooms in the upper level of the building (Polk 1915:554; 1917:163). Mrs. Van Court continued to operate the furnished rooms through the 1920s, but the ownership of the street level grocery store changed frequently. Pierce & Cooper, owned by Edward J. Pierce and Otis H. Cooper,

remained in the building several years. By 1917, two grocery stores shared the small building, including Pierce & Cooper and F. L. Hopkins (Polk 1917:163). Hopkins may have added fresh produce to the selection, since just two years earlier he was noted as the owner of a produce booth in the city market (Polk 1915:368). In 1918 the business was under the ownership of Hopkins & Smith, John Coon in 1924, and C. R. Town in 1929 (Polk 1918:168; 1924:128; 1929:622).

The building housed Stuart's Fish Grill in 1932 and the Blossom Café in 1933, but is listed as vacant in 1934 and 1935 (Polk 1932:474; 1933:451; 1935:490; 1936:496). This information is probably incorrect based on information from Vince Genco, son of the original shoe repair shop owners. Mr. Genco explained that his father was an immigrant from Italy, and spoke broken English. When approached for information on the business by firms such as Polk City Directory, the elder Mr. Genco would not give them any information. This may have resulted in no record of his business at the location from 1934 to 1937 (Vince Genco, personal communication 2004). The shoe repair was for sometime without a proper name, but by 1937 called Cut Rate Shoe Repair (Polk 1937:473). Today the business, now under ownership of the third generation, is known as Genco Boot Shop (Figure 4.3.9-1).

For many years, the second story of the building provided either a private residence or a residence and furnished rooms. Mrs. Belle Van Court. At one time, the upper floors of the building, along with the space above the building to the north, were reputed to be a brothel (Vince Genco, personal communication 2004). Unfortunately there is no way to substantiate this claim through written documentation.

Description

Located on the west side of N. Mechanic, the building (Figure 4.3.9-1) is immediately north of the Michigan Theatre. Three stories tall, upper floors of the brick building are visually separated from the street level store by a projecting wood shingle clad awning. The store has a recessed center door flanked by large plate glass display windows. A

door, originally providing access to the upper stories of the building, is located at the north corner of the facade. Like the low wood walls below the display windows, the door has been clad with vertical wood sheathing.



Figure 4.3.9-1. 130 N. Mechanic

Brick clads the upper wall of the building, rising to an unadorned parapet in front of the flat roof. The dark brown paint of the walls contrasts with the cream paint applied to each of the three windows at each upper level story. The long narrow windows rest on a stone sill and are topped by a segmental arched hood molding. The glazing material is no longer visible, with what appears to be wood shutters nailed closed filling the opening. A small rectangular sign advertising Genco Boot Shop is placed perpendicular to the building facade between the center and south windows of the second story.

4.3.10 132-142 N Mechanic

Like the building at 130 N. Mechanic, the larger structure at 132-142 N. Mechanic features architectural details associated with the Italianate Style popular between 1850 and 1880. No building is indicated on published maps at the site through the 1850s (Hart 1853; Geil and Jones 1858). A small structure, apparently a residential structure, is located near the site on the 1868 bird's-eye view of the area (Ruger 1868), but the small dwelling can not be confused with the three-story commercial structure currently at the site. A second bird's-eye drawing of the area completed in 1881, does indicate a blocky commercial building on Mechanic Street (Ruger 1881).

The first definitive published evidence of the building's construction occurs in 1886, when a three-story structure consisting of six storefronts is located at the southwest corner of N. Mechanic and W. Pearl Streets (Sanborn Map 1886:4). The six storefronts are each labeled with the type of commercial business housed within, including a grocery store, two saloons, a tea business, music business, and furniture store. The presence of the furniture store may assist in pushing the construction date back to ca. 1869, with an advertisement placed in the Jackson Citizen Daily. The newspaper ad was taken by C. B. Simmons announced his successorship to the business of M. Collamer, and the opening of Coffin Rooms in connection with Furniture "at the old stand" (Figure 4.3.10-1)(*JDC* 1870:1). The city directory published just five years later

indicates that Simmons still occupied the location on Mechanic, where he was a "pall table mfr." (Polk 1875:180).

MISCELLANEOUS.

C. B. Simmons,

SUCCESSOR TO THE LATE

M. COLLAMER,

Takes this opportunity of announcing to the citizens of Jackson and vicinity, that he has opened

Coffin Rooms

IN CONNECTION WITH

FURNITURE,

AT THE OLD STAND,

124 Mechanic St. North.

Jackson, April 5, 1870.

Source: JDC 1870

Figure 4.3.10-1. Advertisement for Early Building Occupant

Additional building occupants during the nineteenth century included the saloon of J. G. Neesley, grocery stores held by W. R. Dodge & Co. and National Union Tea Co (Polk 1885:336, 318, 319). J. A. Tucker also sold sewing machines from one of the storefronts, with Miss Carrie Piper providing music classes and C. A. Steele selling furniture as well (Polk 1885:337, 329, 317). In 1891, the northern portion of the building was given over to the Jackson Glass Works, under the direction of Henry C. Ransom (Polk 1891:198).

Due to changes in the city directory during the late 1910s, a fuller record of the building tenants since 1917 is possible. Stores occupying the building in 1917 included Grand Union Tea Co, grocer F. L. Hopkins, the clothing store of E. C. Greene and Shaw Storage & Transfer Co. (Polk 1917:163). E. C. Greene a long-time clothier in Jackson, established his first store, Center City Clothing Company, near the Hibbard House hotel in 1883. After opening several other locations, Greene established the store on N. Mechanic in 1913(*JW* 1924:2). Greene had his N. Mechanic Street location into the early 1930s (Polk 1932:474). After E. C. Greene's clothing store closed, the space was occupied by Miller's Clothing Store, specializing in men's clothing and shoes (Polk 1935:490).

Grocery stores were also popular as building tenants. In 1918, Taylor & Leedy were located in the southern storefront only to be replaced by the grocery of Larry A. Miller in 1924 (Polk 1918:168; 1924:128). By the early 1930s, the grocery store was owned and operated by Hawley C. Wilson. Wilson remained at the location through the 1940s, sharing the space in later years with Mrs. Stella Wilson, who sold real estate and insurance (Polk 1932:474; 1942:434; 1949:499).

Portions of the building appear to have been utilized for residences. In 1918, Harry M. Knapp is listed along with the grocery store, suggesting he may have occupied at least a portion of the space above the store (Polk 1918:168). This trend continued in the

1920s, with George W. Kingsley offering furnished rooms in one portion of the building, and the Central Hotel at the north end of the building (Polk 1924:128).

Building businesses continued to change over time, with a laundry added to the tenant list in the early 1930s (Polk 1932:474). Owned and operated by James Lum, the laundry into the 1940s when it was replaced by McLain Business Service (Polk 1946:504). McLain's included a letter shop and insurance agency. Also sharing the space were the Michigan Travel Agency and Doubleday Bros. & Co, printer (Polk 1946:504). Just a few years later, the same portion of the building had added Burrows Window & Screen Co., Hydra-Sana Rest who sold funeral directors supplies, Marchant Calculations an adding machine sales location, the Gates Rubber Co., Airways Inc, vacuum cleaners, and Moore's Business Forms (Polk 1949:499).

By the second half of the twentieth century, the extensive use of the buildings upper floors seems to have ended. City directory listings for the building in 1954 indicate the space was shared by the Appliance Service Center, a refrigeration repair firm; Wilk's Distribution Corp., radio and household appliances; and the Miller's Clothing Store (Polk 1954:486). Ten years later the building occupants were reduced to Wilk's Appliances, then specializing in televisions, and Miller's Clothing Store (Polk 1964:157). In the mid-1970s the appliance store was replaced by Walt's Health Food, but by the mid-1980s, both listed addresses for the building indicated they were vacant (Polk 1974:192; 1984:196). The upper floors appear to remain empty today, however, the storefronts are fully occupied. Current building tenants include Merle Norman Cosmetics, C.K. Barrymore's, and the Crafter's Bazaar.

Description

The large three-story brick building is located at the southwest corner of N. Mechanic and W. Pearl Streets. Rectilinear in form, the long side of the building fronts on N.

Mechanic Street. Currently divided into three storefronts, with two small storefronts near the south corner of the building and a single larger store filling the northern portion of the facade. In addition to the storefronts, a pedestrian door is situated between the two smaller storefronts to provide access to the upper floors of the building. Although the storefronts vary greatly in appearance, each includes a centrally placed recessed door flanked by large plate glass display windows. Wood panels fill the area above the windows on the smaller store fronts. A similar panel extends above the windows on the larger store front, terminating at a simple metal cornice below the second story windows.

The upper stories of the front, east, facade are divided into thirteen fenestration bays, with six bays dividing the north facade. Brick pilasters separate each fenestration bay, which features a single double hung window with a one-over-one sash pattern at each story. The otherwise simple windows rest on a stone lintel and are topped by an ornately carved hood molding. The fenestration on the north facade is slightly different, including a now boarded door in the fourth fenestration bay on the second story, as well as a boarded window near the northwest corner and a segmental topped entry at the corner. The wall above the third story windows rises to a series of five courses of corbelled bricks that appear to have once rested below a now missing cornice. The brick parapets that rise above the third story are constructed of a yellow brick, in contrast to the soft red brick of the rest of the building.

4.3.11 131 S Mechanic

History

Jackson boasted eight different building savings and loan companies in the last decade of the nineteenth century. This number had dropped to five in the early twentieth century with combined assets amounting to nearly \$17,000,000 and thousands of members (*JCP* 1927d:4-2). Among the more prominent of the firms was the American Building Savings & Loan Association, lead by W. J. O'Dwyer, president; T. D. Grant,

vice-president; H. R. Trumbull, secretary-treasurer; Gertrude Bangs, assistant secretary-treasurer; J. J. Beer, recording secretary; assistant recording secretary, Byron Sullees; attorney, N. M. Ladie; directors, J. D. Riley, A. T. Morrill, J. F. Waldelick and Manely Hoffman. Founded in 1880, by the early twentieth century the company had a capital stock of \$1,000,000 (*Jackson Citizen Press* 1912:84). The American Building Savings and Loan policy was "so fair, liberal and safe that it is as easy to pay for a home under its arrangement as it is to pay rent" (*Jackson Citizen Press* 1912:84).

Ironically, although in the business of providing a means for Jackson's citizens to build and own their own homes, most of the savings and loan firms in the late nineteenth century did not have a permanent location of their own. Typically, the firms held rooms in one of the larger buildings in town, with regularly scheduled meetings in one of the association halls. The American Building S & L held an office in the Carter Block, which was open Monday evenings for its patrons (*Jackson Citizen Press* 1912:84).

Beginning in the early twentieth century, the savings and loan firms began to erect buildings for themselves. In 1920, American Building obtained ownership of the parcel of land on Mechanic Street, although the building was not included for the city directory by 1924 (Polk 1924:129). Known as the American Building and Loan Association Building, occupants included on the first floor the American Building and Loan Association; the photography study of Palmer Art Studio; Jason J. Foley, chiropractor; and R. C. Davis, insurance. The second floor of the building was occupied by Mrs. Adda Dansereau, hairdresser, while the third floor was shared by Ruby Walton, dancing; the First Spiritualist Church; and the office of Bryon Stillson (Polk 1924:129).

The small building must have been quite crowded initially but by the end of the decade the number of tenants began to dwindle. In 1929, the building tenants included the American Building & Loan Association, the studio of photographer Palmi, and on the third floor the Walton School of Dancing and the First Spiritualist Church (Polk 1929:624).

During the 1930s the number of building tenants fell even further. In 1932 only the American Building and Loan Association and Palmi Art Studio shared the space, with the third floor completely vacant (Polk 1932:475). In 1937, Ben Franklin Savings and Loan purchased the building on a warranty deed from American Building & Loan Association (JCAO, Jackson, Michigan, 1937 DB:367:116). By the end of the 1930s, the building was renamed the Ben Franklin Savings & Loan Building, and shared by both the Ben Franklin Saving & Loan Association and the American Building and Loan Association (Polk 1939:442). The two savings and loan associations appear to have shared the space into the mid-1940s, but by 1946, the sole occupant of the building was the Ben Franklin Savings and Loan Association (Polk 1942:434; 1946:504).

The building retained its connection to the banking business through the 1950s, with owners Ben Franklin Savings & Loan Assn being replaced by First Federal Savings and Loan of Jackson in the mid-1940s (Polk 1946:504). First Federal retained the building over a decade, but by the mid-1960s, city directory's noted it's sole use was as the offices of Stanley Travioli, real estate (Polk 1956:658; 1964:157). The building changed hands several times since the 1960s, with tenants including M. J. Murphy Beauty Corp, the Listing Exchange Group Inc, Jackson Board of Realtors, and currently the Body Fitness Express 30 Minute Workout for Women (JCAO, Jackson, Michigan 1984: DB 1077:644; Polk 1984:196).

Description

Rectilinear in form, the building is located on the east side of S. Mechanic, just south of E. Michigan Avenue (Figure 4.3.11-1). The three story building features a stone clad front, west, facade, with exposed brick on both the south facade and a coat of concrete with a spray-on material at the top of the north facade. Just storefront wide, fenestration at the street level includes a door placed near the north corner, and a large plate glass window. The building's upper stories are pierced by four double hung

windows, evenly spaced across the facade. One of the most ornately decorated buildings in the City of Jackson, the building includes carved details below the front display windows, a cartouche above the door, and bands of carving on the stone door surround. Additional cartouches are placed at each end of the frieze band between the first and second stories. Topping the frieze is a carved Greek key pattern with a projecting shelf above. The final cartouche is located at the center of the wall between the second and third floors. A simple carved band, featuring a flower design, runs across the lower edge of the elaborate frieze above the third story windows. This frieze includes four carved baskets of fruit and flowers with a festooned rope above.

In addition to the ornate carving, the building has a metal grate below the third story windows, which curves to form a plant shelf just beneath the windows. Another early feature of the building is the ghost of a painted sign still visible on the building's south facade. The advertisement for Ben Franklin Savings and Loan can still be distinguished, along with their promise of "Insured Savings" and "Home Loans".



Figure 4.3.11-1. 131 S. Mechanic

4.3.12 201-205 S Mechanic

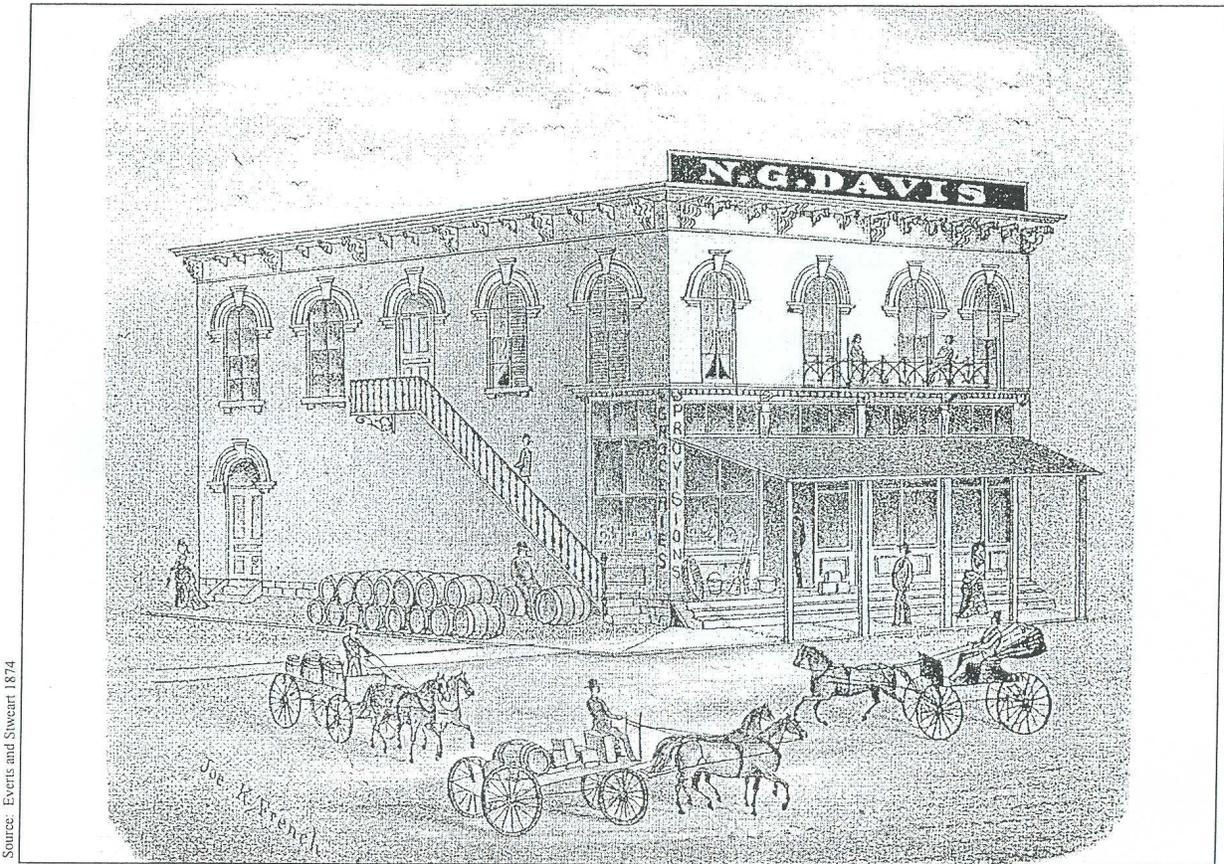
History

On November 2, 1859, John and Sally Hurd of Jackson, sold the property at the southeast corner of Mechanic and Cortland to Nathan G. Davis (JCAO, Jackson, Michigan 1859:43:474). At the time of his land purchase, Davis and partner Orson Codge, were listed the State of Michigan Gazetteer as early as 1859 (Lee and Sutherland 1856:134). Unfortunately, the listing did not include the location of their business. To further confuse the issue, published references to grocers working in Jackson in 1867 and 1869 did not include any mention of Davis or Codge (Polk 1867:152; 1869:271). The earliest written reference to the store on the site occurred in December 1871, when N. G. Davis, no longer partnered with Codge, advertised his grocery store at 233 and 235 Mechanic Street (Figure 4.3.12-1) (JDC 1871:1). At last, Davis is noted as "grocer, 233 Mechanic, h 175 Mechanic" in the 1871 city directory (Polk 1871:86). Collaboration that the building at 201-205 S Mechanic was Davis' grocery store came in an illustration in the 1874 Jackson County map (Figure 4.3.12-2)(Everts & Stewart 1874:119).

Source: JDC 1871

GREAT SALE OF
GROCERIES
At Old Prices
Before the War.
Two Stores combined in one, and my
big store and cellar is filled full
of Groceries.
Teas, Sugar
AND
SYRUP
At Astonishingly Low Prices.
Goods Delivered Free.
I pay no Rent. I Buy for Cash. I Sell
for Cash.
N. G. DAVIS.
233 and 235 Mechanic Street. dldaw

Figure 4.3.12-1. N. G. Davis Groceries
Advertisement



Source: Everts and Stewart | 1874

Figure 4.3.12-2. N. G. Davis Groceries Illustration, 1874

By 1876, Davis had abandoned the grocery business, and was listed in the city directory as the proprietor of the Davis Exchange located at 121-123 Main (Polk 1876:64). Although Davis' home and business location had changed, he and his heirs continued to retain title of the property until 1917 (JCAO, Jackson, Michigan 1917:DB 237:547). The change of business and residence was unfortunately, the indirect result of Davis' death in 1889. In his March 21, 1889, obituary, it explained that Davis bought the Exchange Hotel in 1874, and while moving his household goods there he contracted the cold which gradually developed into consumption and finally terminated his life" (JDC 1889e:6).

Beginning in 1876, the former N. G. Davis Grocery was rented by Charles C. Bloomfield (Polk 1876:36). Bloomfield's business, Bloomfield and Co., was his first company in what would be a long and hugely successful career. The store was the branch of the

Bliss & Ingalls store that sold kerosene, purchased outright by Bloomfield and relocated to the southeast corner of Mechanic and Cortland streets (Polk 1876:36). Initially known as Bloomfield & Company, in reference to his partnership with Addison B. Robinson, the firm was renamed Bloomfield Oil Company in 1887 and absorbed by Standard Oil in 1889 (*JCP* 1923:1; Polk 1887:76).

After Bloomfield Oil closed, the store was occupied by the Delavan D. and Frank S. Holden, who operated a flour and feed store in the space (Polk 1890:186). After nearly a decade in the location, the Holden Bros. move their business further south on Mechanic Street to 305 S. Mechanic (Polk 1898:244). The new tenant, Jackson Engraving Co., under the direction of proprietor Horatio E. Carter, provided engraving, stencil cutting and rubber stamp production (Polk 1898:259). By 1901, Jackson Engraving had relocated to a store at 158 W. Main (Polk 1901:277).

In 1901, the building once again served as a grocery store. Stephen E. Lewis and Reid C. Cary under the firm name of Lewis, Cary & Co., operated the Maynard Cash Grocery from the first floor of 201 S. Mechanic (Polk 1901:313). The same year, Dr. Tilmon Rittenhouse, a dentist, maintained his office and residence on the second floor of the building (Polk 1901:418). While Lewis & Cary maintained their grocery store at the corner of Mechanic and Cortland until 1905, Rittenhouse remained in the building just one year (Polk 1905:660). Another short term tenant was the grocery store of Chamberlain & Eaton, who also remained just one year (Polk 1906:609).

In 1907, the building at 121 (old numbering system) Cortland was occupied by M & M Corset Co. (Polk 1907:631). Three years later, in 1910, the firm's name was listed as M & K Corset Co. (Polk 1910:700). M & K Corset Co., named for their owners Douglas C. Kellogg and John Mark, was the predecessor firm of Kellogg Corset, which went on to be one of the longest surviving and popular corset manufacturers located in the city.

After standing vacant a year, in 1915, Cowley's Cut Rate Shoe Store began their almost two decade long occupancy of the building (Polk 1915:862; 1935:491). Cowley's occupied the first story of the building and by 1917 the Addison Awning Co., was located in the second story (Polk 1917:165). For almost 30 years the Addison Awning Co., sharing with Jackson Tent and Awning Co. the for almost 20 years, maintained their business on the second floor of 201-205 S. Mechanic (Polk 1922:186; 1943:434). Also sharing the second story with Addison Awning was Harold Butterfield, an investment broker and the Jackson Glove Company factory (Polk 1937:474; 1945:464).

From 1935 through 1937, 201-205 S. Mechanic was the home of Brighter Home Stores, a paint supply business (Polk 1935:491; 1937:474). By 1938, Brighter Home Stores was replaced by John Seven Paint & Wall Paper Company. Seven's remained in the building 30 years, most of that time as the only business occupying the premises (Polk 1938:488; 1969:191). After a short occupancy by the Office Supply House, a drapery showroom, and a period the building was vacant, the Modern Paint & Wallpaper store located in the building. Located in the building by 1977, Modern Paint & Wallpaper remained in the space until 1991 (Polk 1977:178; 1992:101).

During the last 20 years three different tenants have occupied the building at 201-205 S. Mechanic. Graphics Support Specialists, a print shop, was in the building from 1992 through 1997 (Polk 1992:101; 1998:241). In 1998, the space was occupied by Yount Custom Cabinets and Tile. Since 2001, the Jackson County Democratic Party headquarters has been located in the old grocery store (Figure 4.3.12-3).



4.3.12-3. 201-205 S. Mechanic

Description

The two-story brick building (Figure 4.3.12-3) is located at the southeast corner of S. Mechanic and Cortland Streets. The entry to the first story of the building is recessed in from both the south and west facades of the structure with a heavy square post placed in front of the door to support the buildings second story. Wide plate glass windows fill the east side of the recessed entry and wrap around the north facade wall a short distance. Similar windows also extend to form the south side of the entry recess, wrapping across the entire width of the buildings west facade. A glazed frieze band begins above the windows on the north facade, wrapping around the corner to terminate at the south end of the windows on the west facade.

Four windows pierce the brick wall of the second story front facade, with five more openings located along the building's north facade. The center and easternmost opening on the north facade have been filled with a large glazed panels. A historic drawing of the building indicates the center opening was a door, with the rear one probably converted at a later date (Everts & Stewart 1874). Second story windows are double hung, with four-over-four sashes. Each window is placed in an arched opening, echoed by a corbeled brick arched hood molding complete with an oversized keystone detail. Shadows of additional fenestration elements are visible at the first story level of the north facade, but a coat of red paint on the brick unifies the facade into a solid surface.

4.3.13 223-225 S Mechanic

History

This tiny building was constructed in 1900 and since that time has served primarily as the location of two well-known business. Separated by a decade long span, the building was constructed for Schafer dry cleaners. The firm remained at the S. Mechanic location for 50 years. For the last 44 years the building ha been the home of the B-Z-B Café.

In 1898 H. S. Schafer established his "dyeing, cleaning, and repairing" business, what is today known as a dry cleaners (Figure 4.3.13-1)(Polk 1898:403). The small firm held an office at what was then 137 E Cortland with the shop at the corner of Liberty and Milwaukee. In 1900, the company was consolidated under one roof at the S. Mechanic street location (Figure 4.3.13-2). Although the name changed slightly over time, Schafer's remained at the Mechanic Street location for 50 years before moving to their present location at 115 W. Washington (*JCP* 1993:E-1).

Source: Jackson Citizen Press 1912



Figure 4.3.13-1. H. S. Shafer-Dyeing and Cleaning

CLEANERS AND DYERS

**SCHAFFER'S
ODORLESS DRY CLEANING**

Hats Cleaned and Reblocked

223-225 MECHANIC ST.

PHONE OAKWOOD 834

Source: Polk 1925

Figure 4.3.13-2. H. S. Shafer-Dyeing and Cleaning Advertisement

Over the next ten years, the small building was the home of a number of small businesses, including the Jackson branch of Air-Way, a vacuum cleaner sales office (Polk 1954:487). The building was also home to a manufacturers agent and the McLain Business Service, a bookkeeping service (Polk 1954:487). Since 1960 the building has been the home of the B-Z-B Café (Figure 4.3.13-3)(*JCP* 1984:F-10).



Figure 4.3.13-3. 223-225 S. Mechanic

Description

The two-story building (Figure 4.3.13-3) is located on the east side of S. Mechanic Street between Cortland and E. Washington streets. Exterior walls of the building were originally clad with brick, as can be seen on the second story of the building. The walls of the building are sheathed with a golden brown color brick with corbeled pilasters and arcade just below the parapeted facade completed in a darker red-brown brick. Currently the first story of the building has been covered with smooth panels above the windows and recessed wood panels below. The entire first story, including the pilasters flanking the first story fenestration has been painted a unifying grey.

Fenestration on the first facade includes the centrally placed entry with a pilastered surround. The door surround is topped by a shelf molding and adorned with an exaggerated keystone at its center. A second front door situated in the north corner of the west facade provides access to the second story of the building. Large plate glass display windows extend between the two doors and from the south side of the center door to fill the remaining first story facade. The only fenestration element on the second story front facade is a simple three-sided bow window framed by a projecting band of dark red-brown brick. The brick band is further detailed with stone caps in each corner, angled to create a flat or soldier arch. A third stone detail forms the center keystone for the arch.

4.3-13 236-244 S Mechanic

History

Constructed in 1893, the Bloomfield Building was erected by Jackson businessman Charles C. Bloomfield. Bloomfield, a native of Jackson County, began his business career in the city as a clerk in the crockery store of Bliss & Ingalls (*JCP* 1923:1). After 5 years, Mr. Bloomfield bought out the branch of the store that sold kerosene oil, moving his business to the building at 201 S. Mechanic Street (Polk 1876:36). Initially known

as Bloomfield & Company, the firm was renamed Bloomfield Oil Company in 1887 and absorbed by Standard Oil in 1889 (*JCP* 1923:1; Polk 1887:76).

After the sale of his oil business, Bloomfield served as president of the Coronet Corset Co, Standard Gig Saddle Co., and as vice-president and later president of the Union Bank (Polk 1890:83; *JCP* 1923:1). Concerned with the welfare of the community, Bloomfield served ten years on the city's hospital board beginning with its organization in 1889 (Michigan Central Railroad 1895:38). Among the numerous tasks undertaken for civic benefit was the construction of the building at the corner of S. Mechanic and Washington, which housed the public library beginning in 1896 (Figure 4.3.14-1)(Polk 1896:98, 278). When the library first moved into the Bloomfield Block (also known as the Library Block during their occupation of the space), the library consisted of 15,513 volumes, which continued to grow over the next decade. The library soon outgrew their location in the Bloomfield Block, and plans were implemented to build a new library. The library remained in the Bloomfield Block until their Carnegie Library was opened on Michigan Avenue in 1907 (*JCP* 1927e:16).

Source: Photograph Collection, Carnegie Branch, Jackson District Library



Figure 4.3.14-1. Bloomfield Block

As well as housing the public library, the building served as the entrance and lobby of the Anthaneum Theatre housed in a separate building to the west (Sanborn-Perris 1898:15; Koschik 1984:92). The theater building itself opened in 1898, as a legitimate theater and later became the first vaudeville and motion picture theater in the city (Deming 1884:61). Major theater stars performed at the Anthaneum, including Ethel Barrymore and Lillian Russell in 1907 and Al Jolson in 1910. In 1915, the Anthaneum became the Majestic Theater, which continued in the building to the mid-1950s (Polk 1954:487).

The large Bloomfield Building also served as the permanent home of the Jackson Business University from 1928 into the 1990s (Koschik 1984:92; 1993:105). The Knights of Pythias Castle Hall was located on the third floor of the building from the early years of the twentieth century through 1941 (Polk 1917:165; 1941:468). In 1942, the third floor was used as the Maxine Felter School of Dance, then the Jackson County Federation of Labor Carpenters Local No. 651 (Polk 1942:434; 1945:464). Michigan Bell Telephone Company occupied a portion of the building as well. Initially, the telephone company used their portion of the building for storage, but soon had the engineering and rate offices before housing the yellow pages division in the building (Polk 1947:507; 1949:499; 1955:521).

By 1958, the Michigan Bell offices had been relocated, and Fellows Sales & Service, auto dealers, was located in the Bloomfield Block (Polk 1958:740). The Montgomery Ward catalog store was housed in the building between 1959 and 1971 (Polk 1959:99; 1971:189). In the mid-1970s the State Vocational Rehabilitation Service (later Michigan Rehabilitation Service) moved into the Bloomfield Block, remaining to the early 1980s (Polk 1975:187; 1982:182). Currently the building is occupied by Digital Arts and Design, Page Engineering, and Capstone Partners, investment bankers/brokers and corporate financiers.

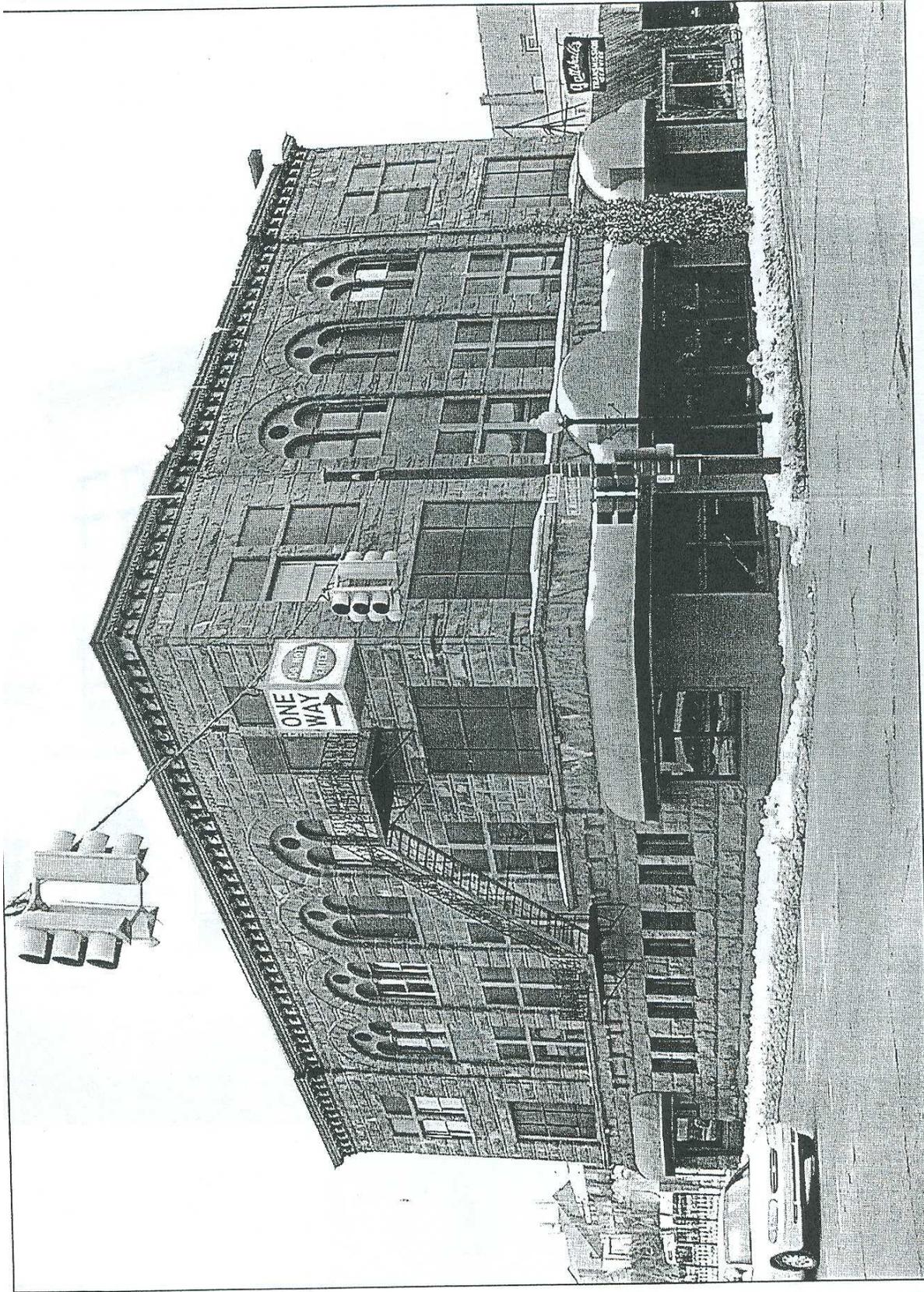


Figure 4.3.14-2. 236-244 S. Mechanic

Description

The Bloomfield Building (Figure 4.3.14-2) is located at the northwest corner of S. Mechanic and E. Washington Streets. An example of the Richardson Romanesque style, the three-story building utilizes the rugged masonry construction associated with the style to create a stately edifice. Horizontally, the building is divided into two sections, including the heavily rusticated base forming the first story, and the two upper floors which have been pierced by a larger number of fenestration elements, giving it a somewhat lighter appearance. An ornately detailed cornice extends from the parapeted walls. Vertically, the building features five fenestration bays across the front, east, facade. The north facade is divided into six fenestration bays.

The lower portion of the walls on the front facade, and wrapping a short distance across the north facade, have been clad with a smoothly finished material, completely eliminating the rusticated stone appearance. Fenestration at the first story of the front facade has also been extensively altered from its original configuration. Currently the building has two doors on the front facade, one placed near the north facade, with the second situated in the second fenestration bay from the south corner. Each door is recessed slightly from the front wall, and emphasized by a contemporary arched awning. Large tinted plate glass windows fill most of the remaining first story front facade, and are topped by a barrel vaulted contemporary awning. A similar contemporary awning is also situated above an entry at the southwest corner of the building. An emergency exit door is located at the southeast corner of the third story. This door accesses an ornately detailed metal platform, and stairs down to a second platform at the center of the second story. The center four bays of the south facade are each pierced by two small double hung windows, situated high on the first story wall.

Fenestration on the second and third stories of the building have also been altered, although for the most part the changes have included replacement of original glazing

materials with metal panels. The exception to this is the removal of the bay window originally located at each end of the east facade. Extant windows are double hung, each with a one-over-one sash configuration. These windows have been set in place in original window openings, leaving original stone mullions and muntins intact. The center three fenestration bays on the front facade, and four bays on the south facade, are created by stone pilasters supporting rusticated stone arches at the third story level. The arches are pierced by two windows at each story level, with the third story windows also featuring a semi-circular arched top. The third story arched windows are divided by a carved stone engaged column, which in turn provides a the center springing point for the arches. Centered above the two arched window openings, within the larger arched detail on the wall, is a small round window.

Among the additional details on the building includes a wide corbeled ledge situated immediately below the second story window sills on the south facade. Carved details on the building include a dentil course immediately below the projecting cornice and delicate engaged columns at each corner and defining the outer fenestration bays on each facade. Two carved name plates are located on the front facade. The first, located directly below the third story center window reads:

PUBLIC LIBRARY
MDCCCXCIII

Between the center third story window and the cornice, the second name plate is simply carved with the original building owner's name:

BLOOMFIELD

5.1 PROPERTIES RECOMMENDED INDIVIDUALLY ELIGIBLE FOR LISTING ON THE NATIONAL REGISTER

Eleven of the buildings included in the intensive level survey were determined to be individually eligible for inclusion on the NRHP. Buildings identified as potentially eligible are enumerated in Table 5.1-1. This table identifies both the building and the NRHP Criteria of Significance under which it was found eligible.

Table 5.1-1 Intensive Level Properties Determined NRHP Eligible

Current Name	Historic Name	Address	NRHP Criteria of Eligibility
US Com	Michigan Bell Telephone Building	146 W. Cortland Street	A, C
Vermuelun's Furniture	Masonic Temple	157 W. Cortland Street	A, B, C
Otsego Apartments	Otsego Hotel	102, 104-106 Francis	A, C
Jackson Business Development Center	Geo. Walcott & Sons	414 N. Jackson/201-215 Calhoun	A, C
Howard Feed Warehouse	Eldred Mill Powerhouse	138 Louis Glick Highway	A
<i>Jackson Democratic Party Headquarters</i>	N. G. Davis Grocery	201-205 S. Mechanic	A, B, C
<i>Bloomfield Building</i>	Bloomfield Building	236-244 S. Mechanic	A, B, C
The Elaine Apartments	People's National Bank	101 E. Michigan	A, C
C	C	105 E. Michigan	A, C
Holda's Appliances	N. S. Potter Building	528 E. Michigan	A, C
Hayes Hotel	Hayes Hotel	225-234 W. Michigan	A, C

(Italicized buildings are in the Proposed Mechanic Street Historic District)

Nine of the identified resources are considered eligible, in part, based on their architectural significance (Criterion C). Among these resources is the Claire Allen designed Masonic Temple, and the Otsego Hotel. Further investigation of the Otsego Hotel building may reveal that the architect, so far known simply as Malcomson, may in fact be the well known Detroit area architect, William Malcomson of the firm of Malcomson and Higginbotham. Other buildings determined NRHP eligible under Criterion C are excellent examples of their architectural style, and have retained a high level of historic integrity.

Two of the buildings are recommended eligible under Criterion B, association with persons significant in our past. The former Masonic Temple, with its association with celebrated Jackson architect, Claire Allen meets this criterion. C. C. Bloomfield, one of Jackson's leading business men of the nineteenth century, is associated with the building he constructed, the *Bloomfield Building*, and the building which housed his business during his early career, the *N. G. Davis Grocery Store*.

Each of the eleven properties identified for individual recognition on the NRHP were found eligible under Criterion A, association with events that have made a significant contribution to the broad patterns of history. Two of the buildings, the Otsego and Hayes Hotels, were erected to accommodate the large number of visitors brought to Jackson, in part due to its role as a hub on numerous railroad lines. The former Detroit, Jackson & Chicago Railway interurban car barn is also linked to Jackson's golden era of railway travel, in this instance as a part of the extensive interurban system that linked many of Michigan's communities. The Michigan Bell Telephone building was the first structure constructed in Jackson to house a telephone office, while the Masonic Temple was the first building erected to specifically house the Masons. *The Bloomfield Building* was for years associated with entertaining and educating Jackson residents, serving over the

years as the public library, Atheneum (or Majestic) Theater, Knights of Pythias hall, and Jackson Business University.

Criterion A is applicable for both the *N. G. Davis Grocery Store* and the building at 105 E. Michigan, which were constructed to accommodate commercial endeavors in the city during the mid- to late-nineteenth century. The Geo. Walcott & Sons building similarly is representative of the industrial activities of the city during the same time period. Early twentieth century additions to the Jackson streetscape, the People's National Bank building and the N. S. Potter building, represent the growing influence of the banking and automobile industries in the city. Finally, the Eldred Mill powerhouse is the last extant element associated with the flouring mill business which once thrived in the city.

Excerpts from
Appendix A
PROJECT AREA SURVEYED PROPERTIES

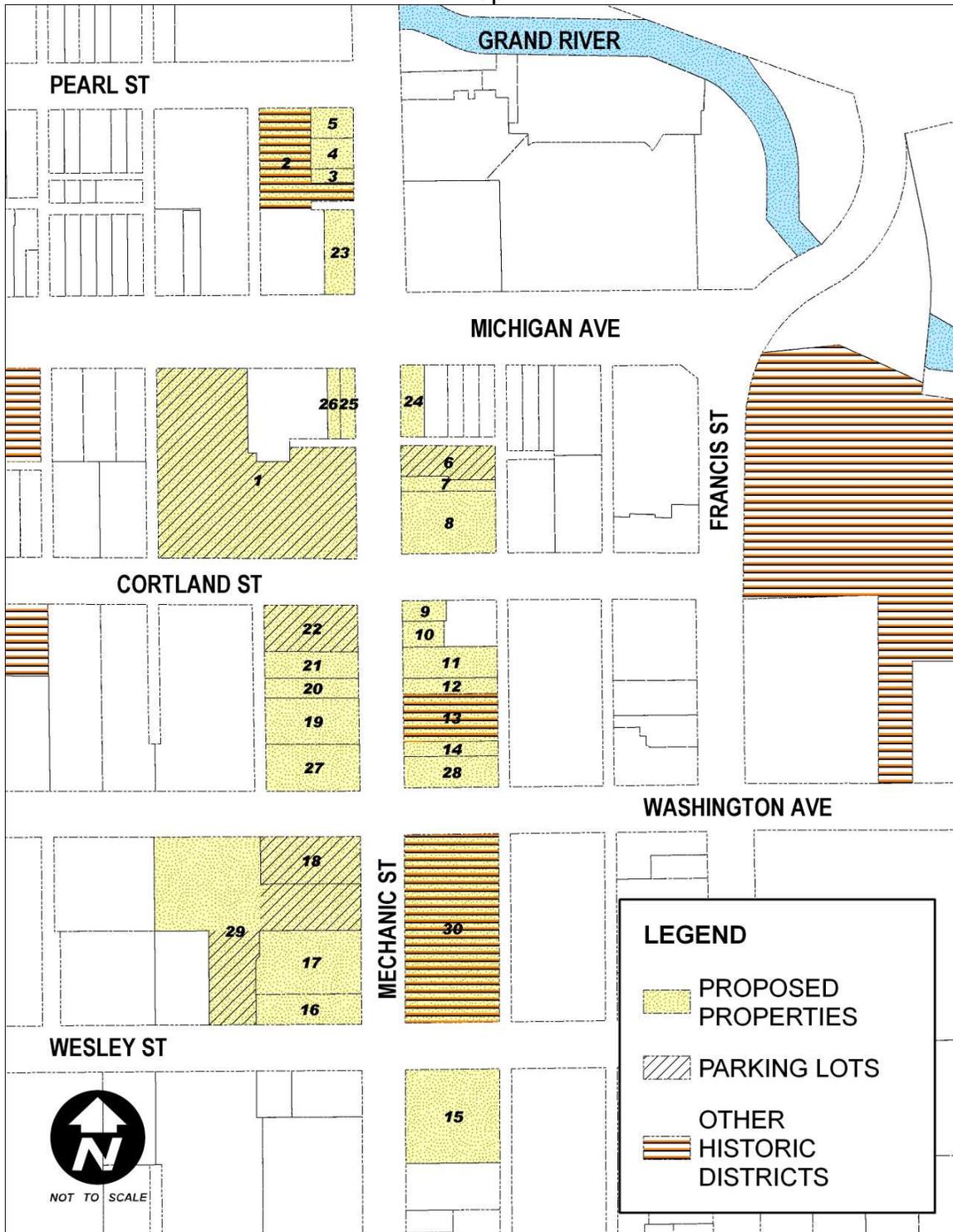
Photo No.	Address	Jackson Stencil Number	Current Name	Historic Name	Date Built	Architectural Style	Comments
B-44	124 N. Mechanic	1-004100000	Michigan Theatre	Michigan Theatre	1927-1930	Romanesque	Maurice H. Finkel, architect SRHS 1979; NRHP 1980
B-45	130 N. Mechanic	1-004700000	Genco Boot Shop	Unknown	ca. 1875	Italianate	
B-46	132-142 N. Mechanic	1-004800000	Merle Norman Cosmetics/C K Barrymores/Crafters Bazaar	Unknown ca.	1875	Italianate	
B-47	131 S. Mechanic	5-000900000	Body Fitness Express 30 Minute Workout for Women	American Building Savings and Loan	ca. 1923	Beaux Arts	
B-48	201 S. Mechanic	5-002600000	Jackson County Democrat Committee	N. G. Davis, grocery	1871	Italianate	
B-49	215 S. Mechanic	5-002800000	Crazy Cowboy Restaurant	Howard & Mills, grocers	ca. 1915	Early 20 th Century Commercial	
B-50	212-216 S. Mechanic	4-005600000	Hotel Adams	Hotel Adams/Adams Block	1915	Early 20 th Century Commercial	constructed by North Construction Co.
B-51	218-220 S. Mechanic	4-005700000	Munchies and More	218) Nicholls, meats/ Engmark, barber 220)	ca. 1915	Early 20 th Century Commercial	

				DeLamater,builders supplies			
B-52	224 S. Mechanic	4-005800000	Gattshall's Transmission	Peninsular Mfg Co, steel Service parts	1942	Unknown	
B-53	223-225 S. Mechanic	5-002900000	BzB Cafe	H. S. Schafer Dyeing and Cleaning	1900	Early 20 th Century Commercial	
B-54	227-229 S. Mechanic	5-003000000	Unique Clothing and Home	Jackson Gas Company	1905	Neo -Classic Revival	
B-55	241 S. Mechanic	5-003100000	Alternatives Clinical Spa	Barnard Music Co/ Brunswick Phonograph Shop	ca. 1920	Early 20 th Century Commercial	
B-56	236-244 S. Mechanic	4-005200000	Bloomfield Building	Bloomfield Building	1893	Richardson Romanesque	
B-57	E. Michigan	5-001000000	City National Bank/ Elaine, apartments	The People's National Bank	ca. 1915	Chicago School	constructed by North Construction Co.
B-71	101 W. Michigan	4-004100000	Vacant	Kassick Block	ca. 1895	Late 19 th Century Commercial	
B-72	102 W. Michigan	1-004400000	Walt's/Miner- Haehnle Condominiums	The Miner Building	1914	Late 19 th Century Commercial	Originally four stories tall, the top two floors were razed in 1963s
B-73	103 W. Michigan	4-004000000	Miller Shoes	Security Drug Co.	1918	Early 20 th Century Commercial	
B-113	102 E. Washington	5-003200000	The Grotto	Citizen Job Printing House	ca. 1920	Unknown	original address was on Mechanic Street

Photographs not included here

Appendix I

Map



Appendix II

PROPOSED DISTRICT HISTORICAL BACKGROUND AND INVENTORY

1. Name of Property

Historic Name: NA

Other Names: Mechanic Street Historic District

2. Location

PID	PIN	Address	Owner	Year	C/N	OHD
<i>Cortland Street</i>						
1	4-002700000	120 W Cortland St -122	Parking Lot (City of Jackson)		C	N
<i>North Mechanic Street</i>						
2	1-004100000	124 N Mechanic St -126	Michigan Theater of Jackson Inc	1927-30	C	Y
3	1-004700000	130 N Mechanic St	Genco Family Trust	c 1875	C	N
4	1-004800000	132 N Mechanic St -138	Moller, Arthur C Jr Trust	c 1875	C	N
5	1-004900000	140 N Mechanic St -142	Moller, Arthur C Jr Trust	c 1875	C	N
<i>South Mechanic Street</i>						
6	5-0003.1000	129 S Mechanic St	Parking Lot (Main Street Jackson LLC)		C	N
7	5-000900000	131 S Mechanic St	Luce, Ronald M Jr & Kristen J	c 1923	C	N
8	5-001000000	135 S Mechanic St -145	Rampage Real Estate Inc	c 1960	N	N
9	5-002600000	201 S Mechanic St -205	Surgener, Brian)	1871	C	N
10	5-0027.1000	209 S Mechanic St -213	Potter Commercial Properties LLC		C	N
11	5-002800000	215 S Mechanic St -221	215 S Mechanic LLC	c 1915	C	N
12	5-002900000	223 S Mechanic St -225	C & G Holdings LLC	1900	C	N
13	5-003000000	227 S Mechanic St	Studio Res LLC	1905	C	Y
14	5-003100000	241 S Mechanic St	R C Lynn Investors LLC	c 1920	C	N
15	5-008500000	401 S Mechanic St -405	Klein Brothers LLC		C	N
16	4-007500000	338 S Mechanic St -340	Bruey, Alfred J Trust		C	N
17	4-007400000	310 S Mechanic St -314	310 S Mechanic Lofts LTD Div Housing		C	N
18	4-0073.1000	300 S Mechanic St	Parking Lot (101 Washington LLC)		C	N

19	4-005800000	224 S Mechanic St -232	Chesser, George C/Cynthia	1942	N	N
20	4-005700000	218 S Mechanic St -220	Rampage Real Estate Inc	c 1915	C	N
21	4-005600000	212 S Mechanic St -216	Fady, Inc	c1915	C	N
22	4-005500000	200 S Mechanic St	Parking Lot (113 W Michigan LLC)		C	N

Michigan Avenue

23	1-004500000	100 W Michigan Ave	Miner Haehnle Condominium)		C	N
24	5-000100000	101 E Michigan Ave -103	Jackson Apartments LLC	c 1915	C	N
25	4-004100000	101 W Michigan Ave	Webb, Donald P		C	N
26	4-004000000	103 W Michigan Ave	Shotwell, James & Letha et al	c 1890	C	N

Washington Avenue

27	4-005200000	100 W Washington Ave	Morano, Gregory T	1893	C	N
28	5-003200000	100 E Washington Ave -106	Grotto Club		C	N
29	4-0071.0100	109 W Washington Ave	ESSC LLC		C	N

Wesley Street

30	5-005800000	100 E Wesley St -104	St Mary's Parish & School	c 1928/30	C	Y
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Notes: **PID** = Property ID No. for the Historic District; **PIN** = Property ID No.; **C/N** = Contributing/Noncontributing; **OHD** = Other Historic District.

PID	Address	Business
West side of N. Mechanic, Michigan to Pearl		
2.	124 N. Mechanic	Michigan Theater of Jackson
3.	130 N. Mechanic	Genco Boot Shop
4.	140 N. Mechanic	CK Barrymore's Inc.
East Side of S. Mechanic, Michigan to Cortland		
7.	131 S. Mechanic	Luce & Associates
8.	135 S. Mechanic	Hodge Podge Shop
8.	139 S. Mechanic	Anderson Printing and Mailing
8.	145 S. Mechanic	Salon Breathe and Spa
East Side of S. Mechanic, Cortland to Washington		
9.	201 S. Mechanic	Jackson Coffee Company
10.	209 S. Mechanic	Dicker & Deal Cash Center
11.	215 S. Mechanic	Crazy Cowboy
12.	225 S. Mechanic	B-z-B Café
13.	229 S. Mechanic	Nomad Bookhouse
14.	241 S. Mechanic	Ideal Office Products Ye Olde Skull tattoos
East Side of S. Mechanic, South of Wesley		
15.	401 S. Mechanic	Kindergarten Building
West Side of S. Mechanic, Wesley to Washington		
16.	338 S. Mechanic	Tailors Corner
17.	310 S. Mechanic	310 Mechanic Lofts
West Side of S. Mechanic, Washington to Cortland		
19.	224 S. Mechanic	Gattshall's Transmission
19.	226 S. Mechanic	Celestian Water
20.	218 S. Mechanic	Jackson County Democratic Headquarters
21.	212 S. Mechanic	Matt's Café & Catering
Michigan @ Mechanic		
23.	100 W. Michigan <i>104 N. Mechanic</i>	Walt's Health Food & Specialty Shop <i>Catholic Shoppe</i>
24.	101 E. Michigan	Elaine Apartments National City Bank
25.	101 W. Michigan	Nutrition Connection
26.	103 W. Michigan	Miller Shoe Parlor
Washington @ Mechanic		
27.	100 E. Washington	Bloomfield Block
28.	102 E. Washington	Grotto Club
29.	109 W. Washington	City View Lofts
Wesley @ Mechanic		
30.	101 E. Wesley <i>301 S. Mechanic</i>	St. Mary Star of the Sea Catholic Church <i>St. Mary's Rectory</i>
Notes: PID = Property ID No. for the Historic District;		

Appendix III – Photographs



Figure 1 PID 2,3 &4



Figure 2 PID 2



Figure 3 PID 3



Figure 4 PID 4



Figure 5 PID 7



Figure 6 PID 8



Figure 7 PID 9



Figure 8 PID 10



Figure 9 PID 11



Figure 10 PID 12



Figure 11 PID 13



Figure 12 PID 14



Figure 13 PID 15



Figure 14 PID 16



Figure 15 PID 17



Figure 16 PID 17



Figure 17 PID 19



Figure 18 PID 20



Figure 19 PID 21



Figure 20 PID 23



Figure 21 PID 24



Figure 22 PID 25



Figure 23 PID 26



Figure 24 PID 27



Figure 25 PID 28



Figure 26 PID 29



Figure 27 PID 29

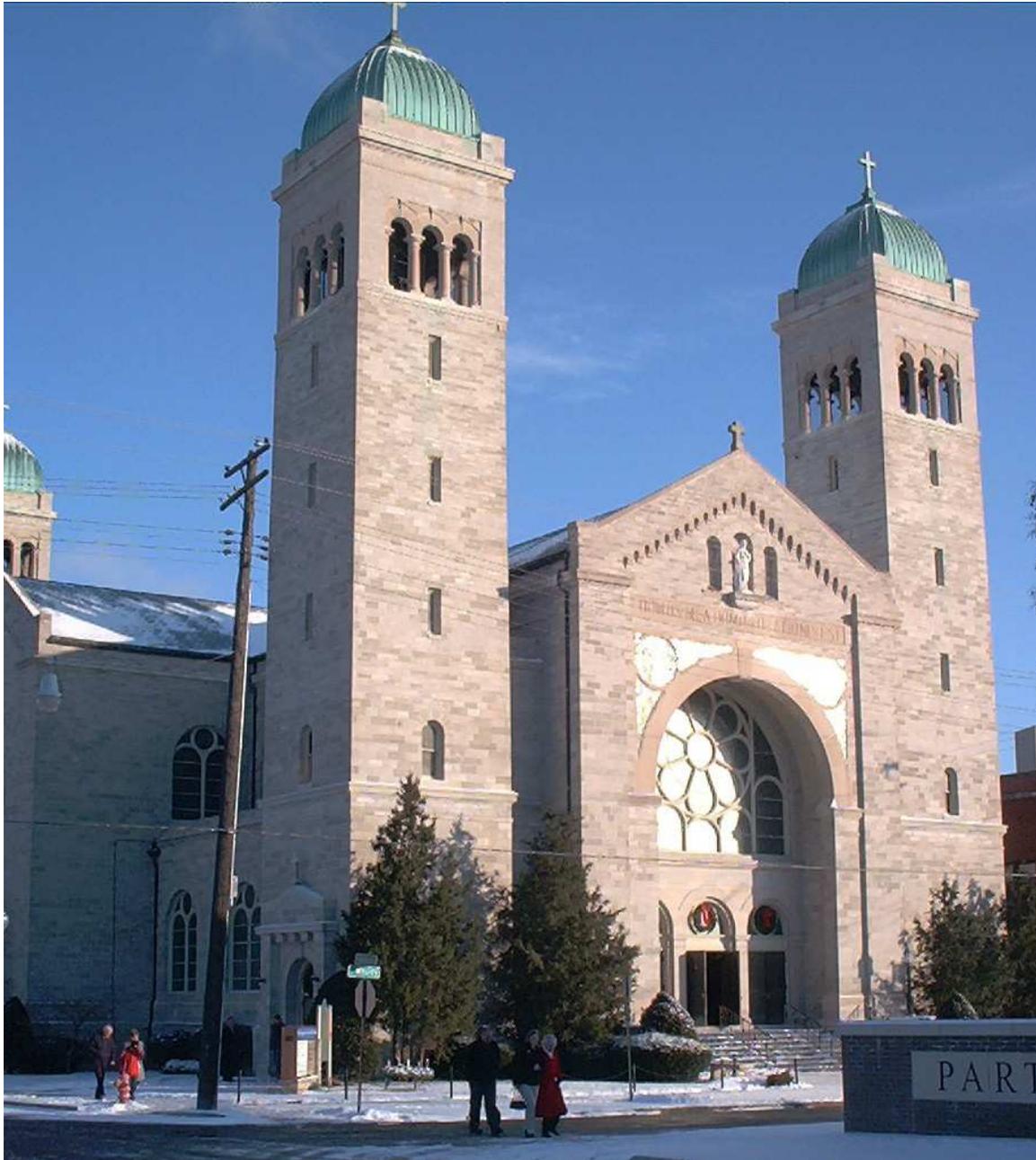


Figure 28 PID 30



Figure 29 PID 30



Figure 30 PID 30

APPENDIX IV - LEGAL DESCRIPTION

Mechanic Street Historic District

BEG AT THE NE COR OF LOT 15 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH W ALG N LN OF SD LOT 132 FT TO THE NW COR OF SD LOT TH S ALG W LN OF LOT 15 AND LOT 13 139.66 TH ELY TO A PT 60 FT W AND 7.66 FT S OF THE SE COR OF LOT 15 TH N 7.66 FT TH E 60 FT TO THE SE COR OF SD LOT 15 TH N ALG E LN OF SD LOT 15 TO POB, BEING PART OF LOT 13, 14, AND ALL OF LOT 15 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG, CITY OF JACKSON.

ALSO BEG AT SE COR OF LOT 14 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH N ALG E LN OF SD LOT 122 FT TH W PAR WITH N LN MICHIGAN AVE 42 FT TH S PAR WITH THE W LN OF MECHANIC ST 122 FT TH SELY TO A PT 39 FT W OF THE NE COR OF LOT 14 B1S R1E THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH S PAR WITH THE W LN OF MECHANIC ST 100 FT TH E 39 FT TO A PT 100 FT S OF THE NE COR OF SD LOT 14 TH ELY TO A PT 99 S OF THE NW COR OF LOT 1 B1S R2E OF ORIGINAL PLAT OF VILLAGE OF JACKSONBURG TH ELY 33 FT PAR TO THE S LINE OF MICHIGAN AVE TH N 99 FT TO A PT 33 FT W OF THE NW COR OF LOT 1 TH W 33 FT TO THE NW COR OF LOT 1 TH NWLY TO THE SE COR OF LOT 14 B1N R1E AND THE POB, BEING PART OF LOT 14 B1N R1E, PART OF LOT 14 B1S R1E, AND PART OF LOT 1 B1S R2E, ORIGINAL PLAT OF VILLAGE OF JACKSONBURG, CITY OF JACKSON.

ALSO BEG AT A PT 4 FT W OF THE NE COR OF LOT 12 B1S R1E THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH S 120 FT PAR WITH W LN OF MECHANIC ST TH E PAR WITH THE S LN OF MICHIGAN AVE 12.25 FT TH S PAR WITH TH E LN OF MECHANIC ST 12 FT TH E ALG S LN OF LOT 13 47.25 FT TH N PAR WITH THE W LN OF MECHANIC ST 20 FT TH ELY 93 FT TO A PT ON THE E LN OF LOT 14 20 FT N OF THE SE COR OF LOT 14 B1S R1E TH ELY TO A PT ON THE W LN OF LOT 1 B1S R2E 21 FT N OF THE SW COR OF SD LOT 1 B1S R2E OF ORIGINAL PLAT OF VILLAGE JACKSONBURG TH ELY PAR WITH THE S LN OF LOTS 1 AND 2 132 FT TO A PT 21 N OF THE SE COR OF LOT 2 TH S ALG THE E LN OF LOT 2 AND 3 TO THE SE COR OF LOT 3 B1S R2E TH SWLY TO A PT 61.7 FT E OF THE NW COR OF LOT 1 B2S R2E OF ORIGINAL PLAT OF VILLAGE OF JACKSONBURG TH S PAR WITH THE E LN OF MECHANIC ST 29.05 FT TH W 3 FT TH S PAR WITH THE E LN OF MECHANIC ST 36.95 FT TH ELY PAR WITH THE S LN OF CORTLAND ST TO A PT ON THE E LN OF LOT 1 66 FT S OF THE NE COR OF LOT 1 TH S ALG THE E LN OF LOT 1 AND 2 B2S R2E TO THE SE COR OF SD LOT 2 TH CONT S TO THE NE COR OF LOT 1 B3S R2E TH S ALG THE E LN OF LOT 1 AND 2 TO THE SE COR OF LOT 2 B3S R2E TH SLY TO THE NE COR OF LOT 1 B4S R2E TH S ALG E LN OF SD LOT 132 FT TO THE SE COR OF SD LOT TH W

132 FT ALG S LN OF SD LOT TO THE SW COR OF SD LOT TH N 132 FT ALG W LN OF SD LOT TO THE NW COR OF SD LOT 1 B4S R2E TH NWLY TO THE SE COR OF LOT 10 B3S R1E TH W PAR WITH THE N LN OF WESLEY ST 214.5 TH N PAR WITH THE E LN OF LOT 7 132 FT TO THE S LN OF LOT 8 TH W ALG S LN OF LOT 8 74.25 FT TO THE CL OF A VACATED ALLEY TH N ALG CL OF VACATED ALLEY 132 FT TH NELY TO THE SW COR OF LOT 12 B2S R1E TH N ALG WLY LN OF LOTS 11 AND 12 TO THE NW COR OF LOT 11 B2S R1E TH NWLY TO THE SW COR OF LOT 10 B1S R1E TH N ALG W LN OF LOTS 10 AND 11 TO THE NW COR OF LOT 11 TH E ALG N LN OF LOT 11 AND 12 128 FT TO POB, BEING LOT 10,11, 15 AND PART OF 12,13, AND 14 B1S R1E, LOTS 11 AND 12 B2S R1E, LOTS 8,9,10 AND PART OF LOT 7 B3S R1E, LOT 1 B4S R2E, LOTS 1 AND 2 B3S R2E, LOT 2 AND PART OF LOT 1 B2S R2E, LOT 3 AND PART OF LOTS 1 AND 2 B1S R2E. ALL IN THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG, CITY OF JACKSON

Appendix V Proposed Draft Ordinance

ORDINANCE NO. 2009-_____

AN ORDINANCE ADDING SECTION 13-21(43) TO CHAPTER 13, THE HISTORIC PRESERVATION ORDINANCE, OF THE CODE OF ORDINANCES, CITY OF JACKSON, MICHIGAN CREATING A HISTORIC DISTRICT ENTITLED MECHANIC STREET HISTORIC DISTRICT.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. The report of the Jackson Historic District Commission entitled Report on Proposed Additional Resources to Chapter 13, Historic Preservation Ordinance, "Mechanic Street Historic District," dated June 2005, relating to a site known as "Mechanic Street Historic District" as defined below, is approved. The Jackson City Council concurs with the findings of fact and the recommendations in that report.

Section 2.

The following property is designated a historic district in accordance with the Historic Preservation Ordinance, Chapter 13, Code of Ordinances, City of Jackson, Michigan and accordingly, Chapter 13 is amended to add Section 13-21(43), as follows:

Sec. 13-21. The Mechanic Street Historic District.

The Mechanic Street Historic District is created pursuant to Act No. 169 of the Public Acts of 1970, State of Michigan (MCLA 399.201 et seq.) and consists of the area described below. Maps of the district are available at the office of the City Clerk, City Hall, 161 West Michigan Avenue, Jackson, Michigan, or at the office of Community Development, City of Jackson, 161 W. Michigan Avenue, Jackson, Michigan, during normal business hours. If the district depicted on the maps conflicts with the below description, the description contained in this chapter prevails.

(43) Description:

MECHANIC STREET. BEG AT THE NE COR OF LOT 15 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH W ALG N LN OF SD LOT 132 FT TO THE NW COR OF SD LOT TH S ALG W LN OF LOT 15 AND LOT 13 139.66 TH ELY TO A PT 60 FT W AND 7.66 FT S OF THE SE COR OF LOT 15 TH N 7.66 FT TH E 60 FT TO THE SE COR OF SD LOT 15 TH N ALG E LN OF SD LOT 15 TO POB, BEING PART OF LOT 13, 14, AND ALL OF LOT 15 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG, CITY OF JACKSON.

ALSO BEG AT SE COR OF LOT 14 B1N R1E OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH N ALG E LN OF SD LOT 122 FT TH W PAR WITH N LN MICHIGAN AVE 42 FT TH S PAR WITH THE W LN OF MECHANIC ST 122 FT TH SELY TO A PT 39 FT W OF THE NE COR OF LOT 14 B1S R1E THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH S PAR WITH THE W LN OF MECHANIC ST 100 FT TH E 39 FT TO A PT 100 FT S OF THE NE COR OF SD LOT 14 TH ELY TO A PT 99 S OF THE NW COR OF LOT 1 B1S R2E OF ORIGINAL PLAT OF VILLAGE OF JACKSONBURG TH ELY 33 FT PAR TO THE S LINE OF MICHIGAN AVE TH N 99 FT TO A PT 33 FT W OF THE NW COR OF LOT 1 TH W 33 FT TO THE NW COR OF LOT 1 TH NWLY TO THE SE COR OF LOT 14 B1N R1E AND THE POB, BEING PART OF LOT 14 B1N R1E, PART OF LOT 14 B1S R1E, AND PART OF LOT 1 B1S R2E, ORIGINAL PLAT OF VILLAGE OF JACKSONBURG, CITY OF JACKSON.

ALSO BEG AT A PT 4 FT W OF THE NE COR OF LOT 12 B1S R1E THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG TH S 120 FT PAR WITH W LN OF MECHANIC ST TH E PAR WITH THE S LN OF MICHIGAN AVE 12.25 FT TH S PAR WITH TH E LN OF MECHANIC ST 12 FT TH E ALG S LN OF LOT 13 47.25 FT TH N PAR WITH THE W LN OF MECHANIC ST 20 FT TH ELY 93 FT TO A PT ON THE E LN OF LOT 14 20 FT N OF THE SE COR OF LOT 14 B1S R1E TH ELY TO A PT ON THE W LN OF LOT 1 B1S R2E 21 FT N OF THE SW COR OF SD LOT 1 B1S R2E OF ORIGINAL PLAT OF VILLAGE JACKSONBURG TH ELY PAR WITH THE S LN OF LOTS 1 AND 2 132 FT TO A PT 21 N OF THE SE COR OF LOT 2 TH S ALG THE E LN OF LOT 2 AND 3 TO THE SE COR OF LOT 3 B1S R2E TH SWLY TO A PT 61.7 FT E OF THE NW COR OF LOT 1 B2S R2E OF ORIGINAL PLAT OF VILLAGE OF JACKSONBURG TH S PAR WITH THE E LN OF MECHANIC ST 29.05 FT TH W 3 FT TH S PAR WITH THE E LN OF MECHANIC ST 36.95 FT TH ELY PAR WITH THE S LN OF CORTLAND ST TO A PT ON THE E LN OF LOT 1 66 FT S OF THE NE COR OF LOT 1 TH S ALG THE E LN OF LOT 1 AND 2 B2S R2E TO THE SE COR OF SD LOT 2 TH CONT S TO THE NE COR OF LOT 1 B3S R2E TH S ALG THE E LN OF LOT 1 AND 2 TO THE SE COR OF LOT 2 B3S R2E TH SLY TO THE NE COR OF LOT 1 B4S R2E TH S ALG E LN OF SD LOT 132 FT TO THE SE COR OF SD LOT TH W 132 FT ALG S LN OF SD LOT TO THE SW COR OF SD LOT TH N 132 FT ALG W LN OF SD LOT TO THE NW COR OF SD LOT 1 B4S R2E TH NWLY TO THE SE COR OF LOT 10 B3S R1E TH W PAR WITH THE N LN OF WESLEY ST 214.5 TH N PAR WITH THE E LN OF LOT 7 132 FT TO THE S LN OF LOT 8 TH W ALG S LN OF LOT 8 74.25 FT TO THE CL OF A VACATED ALLEY TH N ALG CL OF VACATED ALLEY 132 FT TH NELY TO THE

SW COR OF LOT 12 B2S R1E TH N ALG WLY LN OF LOTS 11 AND 12 TO THE NW COR OF LOT 11 B2S R1E TH NWLY TO THE SW COR OF LOT 10 B1S R1E TH N ALG W LN OF LOTS 10 AND 11 TO THE NW COR OF LOT 11 TH E ALG N LN OF LOT 11 AND 12 128 FT TO POB, BEING LOT 10,11, 15 AND PART OF 12,13, AND 14 B1S R1E, LOTS 11 AND 12 B2S R1E, LOTS 8,9,10 AND PART OF LOT 7 B3S R1E, LOT 1 B4S R2E, LOTS 1 AND 2 B3S R2E, LOT 2 AND PART OF LOT 1 B2S R2E, LOT 3 AND PART OF LOTS 1 AND 2 B1S R2E. ALL IN THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG, CITY OF JACKSON

Section 3. This Ordinance takes effect thirty (30) days from the date of adoption.

Appendix VI

Existing Historic Preservation Ordinance – Chapter 13 of the Municipal Code of Ordinances, Jackson, Michigan

Chapter 13 HISTORIC PRESERVATION*

*Editor's note: Ord. No. 90-23, § 3, adopted Nov. 13, 1990, amended Ch. 13 in its entirety to

read as herein set out. Prior to inclusion of said ordinance, Ch. 13 pertained to similar subject

matter and derived from Code 1977, §§ 5.602--5.613. Subsequently, Ord. No. 98-14, § 1,

adopted June 16, 1998, amended Ch. 13, in its entirety, to read as herein set out. See the

Code Comparative Table for a detailed analysis of inclusion.

Cross references: Buildings and building regulations, Ch. 5; community development, Ch. 8;

planning, Ch. 20; zoning, Ch. 28.

State law references: Historical activities, MCL 399.171 et seq.; historic districts, MCL 399.201 et seq.

Sec. 13-1. Title.

This chapter shall be known as the Historic Preservation Ordinance for the City of Jackson.

(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-2. Purpose.

The purpose of this chapter is to create a historic district commission through which the City of Jackson will:

(1) Safeguard the heritage of the City of Jackson by preserving a historic district, including areas, sites, landmarks, buildings, structures, works of art, objects and resources which reflect elements of Jackson's cultural, social, economic, political and/or architectural history;

(2) Stabilize and improve property values in the historic district;

(3) Foster civic beauty;

(4) Strengthen the local economy; and

(5) Promote the use of the historic district, including areas, sites, landmarks, buildings, structures, works of art, objects and resources, for the education, pleasure and welfare of the citizens of the City of Jackson and the State of Michigan.

(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-3. Definitions.

[For the purposes of this chapter, certain terms shall have the meanings ascribed to them in this section, unless the context clearly indicates otherwise.]

Alteration means work that changes the detail of a resource but does not change its basic size or shape.

Center means the Michigan Historical Center, formerly the Bureau of History, of the Michigan department of state.

Certificate of appropriateness means the written approval of a permit application for work that is appropriate and that does not adversely affect a resource.

Commission means a historic district commission created by the Jackson City Council pursuant to section 13-4.

Committee means a historic district study committee or a standing committee appointed by the Jackson City Council pursuant to section 13-8.

Demolition means the razing or destruction, whether entirely or in part, of a resource and includes, but is not limited to demolition by neglect.

Demolition by neglect means neglect in maintaining, repairing, or securing a resource that results in deterioration of an exterior feature of the resource or the loss of structural integrity of the resource.

Denial means the written rejection of a permit application for work that is inappropriate and that adversely affects a resource.

Historic district means an area, or group of areas not necessarily having contiguous boundaries, that contains one resource or a group of resources that are related by history, architecture, archaeology, engineering, or culture.

Historic preservation means the identification, evaluation, establishment, and protection of resources significant in history, architecture, archaeology, engineering, or culture.

Historic resource means a publicly or privately owned building, landmark, structure, site, feature, or open space that is significant in the history, architecture, archaeology, engineering, or culture of the state, the City of Jackson, or the United States.

Notice to proceed means the written permission to issue a permit for work that is inappropriate and that adversely affects a resource, pursuant to a finding under section 13-9(e).

Open space means underdeveloped land, a naturally landscaped area, or a formal or man-made landscaped area that provides a connective link or a buffer between other resources.

Ordinary maintenance means keeping a resource unimpaired and in good condition through ongoing minor intervention, undertaken from time to time, in its exterior condition.

Ordinary maintenance does not change the external appearance of the resource except through the elimination of the usual and expected effects of weathering. Ordinary maintenance does not constitute work for purposes of this act.

Proposed historic district means an area, or group of areas not necessarily having

contiguous boundaries, that has delineated boundaries and that is under review by a committee or a standing committee for the purpose of making a recommendation as to whether it should

be established as a historic district or added to an established historic district.

Repair means to restore a decayed or damaged resource to a good or sound condition by any process. A repair that changes the external appearance of a resource constitutes work

for purposes of this act.

Resource means one or more publicly or privately owned historic or non-historic buildings, structures, landmarks, sites, objects, features, significant trees, plants or open

spaces located within a historic district.

Standing committee means a permanent body established by the city council of the City of Jackson pursuant to section 13-8 to conduct the activities of a historic district study committee on a continuing basis.

Work means construction, addition, alteration, repair, moving, excavation, or demolition.

(Ord. No. 98-14, § 1,6-16-98; Ord. No. 2004.4, § 1,3-30-04)

Sec. 13-4. Historic district commission; creation.

The Jackson Historic District Commission is hereby created pursuant to Act No. 169 of the Michigan Public Acts of 1970, as amended (Mel 399.201 et seq.)

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-5. Historic district commission; membership; terms of office; compensation; vacancies.

The Jackson Historic District Commission shall consist of seven (7) members who reside in the City of Jackson. Members shall be appointed by the mayor and approved by the

city council members shall be appointed for three (3) year terms, except that the initial appointments, shall provide for three (3) three-year terms, two (2) two-year terms, and two (2)

one-year terms so that subsequent appointments shall not recur at the same time. All subsequent appointments shall be for full three-year terms. The mayor shall consult with the

chairman of the historic district commission and shall appoint at least two (2) members from a

list of citizens submitted by a duly organized and existing local historical and/or preservation

society or societies, and, if available, one architect, or a graduate of an accredited school of

architecture who has two (2) years of architecture experience or who is an architect registered

in this state.

Members shall serve without compensation and shall be eligible for reappointment. All terms shall commence on January first and terminate on December thirty-first, except that a member shall continue in office until a successor is appointed and takes office. In the event of a vacancy on the commission, an interim appointment shall be made by the mayor and approved by the city council to complete the unexpired term of such position within sixty (60) days.

(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-6. Historic district commission; meetings; rules of procedure; records.

At the first meeting of each year, the Jackson Historic District Commission shall elect from its membership a chairman and such other officers as it deems appropriate. The terms of the officers shall be for one year and they shall be eligible for re-election. The commission shall prepare rules of procedure and shall submit them, and any subsequent amendment of such rules, to the city council for approval. The commission shall meet at least four times during the year, and at the request of the chairman. A majority of the members of the historic district commission shall constitute a quorum. A majority of the members is required to take action on all matters not of an administrative nature, but a majority of a quorum may deal with administrative matters. All meetings of the commission shall be open to the public and any person or representative of his choice shall be entitled to appear and be heard on any matter before the commission before it reaches its decision. The minutes of commission meetings shall be maintained in the office of the Jackson City Clerk or Region 2 Planning Commission and shall be open to public view.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-7. Historic district commission; duties and functions.

The Jackson Historic District Commission shall have the following duties and functions:

- (1) It shall have those duties and powers set forth in this chapter concerning construction, alteration, repair, moving, or demolition of a historic resource.
- (2) It shall encourage and cooperate with civic and fraternal groups and other organizations in promoting Jackson history, heritage, traditions and customs through participation in public historical activities, patriotic celebrations or other special events.

- (3) It shall encourage and cooperate with merchants, banks, utilities, and other commercial enterprises in the use of local historical material in their advertising and sales promotion, using the historic district commission's collections, knowledge and skill.
 - (4) It shall encourage and cooperate with the Chamber of Commerce in the use of historical material in promoting the welfare of the city, using the resources of the historic district commission.
 - (5) It shall work with any local, state or national groups, organizations, agencies or units of government in the selection, marking and/or acquisition of historic resources, as well as the acquisition, preservation and display of historical material.
 - (6) It shall represent, or serve as a liaison between the city government and other organizations interested in the history of Jackson.
 - (7) It shall act in a management, administrative, advisory, research or service capacity for the city council in historical matters, subject to the instructions of the city council, and it shall attempt to relieve the city council of all of the day to day detail and minutiae of historical concerns and preservation activities.
 - (8) It shall advise the city council regarding the acceptance, by the city, of gifts of property having historical significance or, in the alternative, cooperate in the receipt of such property, funds, bequests or gifts.
 - (9) It shall carry out such special assignments on historical matters as the city council may direct from time to time, including the solicitation of grants and bequests for historical purposes by any and all appropriate available means.
 - (10) It shall report annually, and as requested, to the city council on all its activities and the results.
 - (11) It may select other non-voting ad hoc members to assist a standing committee in the investigation and evaluation of historic district commission projects.
- (Ord. No. 98-14, § 1, 6-16-98; Ord. No. 2004.4, § 2, 3-30-04)
Sec. 13-8. Establishment of historic districts.
- (a) Historic districts shall be established by ordinance. Before such establishment, the Jackson City Council shall appoint a historic district study committee or a standing committee. This committee shall be made up of the existing historic district commission and such representation from existing historical preservation societies and others who have an interest in such preservation. The committee shall conduct studies and research and make a report on the historical significance of the proposed historic district, which report may address the historical significance of the exteriors and interiors of buildings, structures, features, sites, objects and surroundings in Jackson. The committee and its report shall comply with the requirements of section 3 of Act No. 169 of the Michigan Public Acts of 1970, as amended. The report shall contain recommendations concerning the area to be included in the proposed historic district. Copies of the report shall be transmitted for review and recommendation to the planning

commission, to the Michigan Historical Commission, and the State Historical Advisory Council.

(b) Not less than sixty (60) calendar days after the transmittal of the preliminary report, the

committee shall hold a public hearing in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date and place of the hearings shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended. Written notice shall be mailed by first-class mail not less than fourteen (14) calendar days before the hearing to

the owners of properties within the proposed historic district, as listed on the tax rolls of the City of Jackson.

(c) After the date of the public hearing, the committee and the Jackson City Council shall

have not more than one (1) year, unless otherwise authorized by the city council, to take

the following actions:

(1) The committee shall prepare and submit a final report with its recommendations and the recommendations, if any, of the Jackson City Planning Commission to the Jackson City Council. If the recommendation is to establish a historic district or districts, the final report shall include a draft of a proposed ordinance or ordinances.

(2) After receiving a final report that recommends the establishment of a historic district or districts, the Jackson City Council, at its discretion, may introduce and pass or reject an ordinance or ordinances. If the ordinance or ordinances establishing one (1) or more historic districts is passed, the City of Jackson shall file a copy of that ordinance or ordinances, including a legal description of the property or properties located within the historic district or districts, with the register of deeds. The Jackson City Council shall not pass an ordinance establishing a contiguous historic district less than sixty (60) days after a majority of the property owners within the proposed historic district, as listed on the tax rolls of the City of Jackson, have approved the establishment of the historic district pursuant to a written petition.

(d) The historic district study committee shall keep a record of its resolutions, proceedings,

and actions. A writing prepared, owned, used, in the possession of, or retained by an historic district study committee in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(Ord. No. 98-14, § 1, 6-16-98; Ord. No. 2004.4, § 3, 3-30-04)

Sec. 13-9. Historic district commission review.

(a) Except for ordinary maintenance or repair or as provided for in section 13-9(d), a permit

shall be obtained before any work affecting the exterior appearance of a resource is performed within a historic district. The person, individual, partnership, firm, corporation, organization, institution, or agency of government proposing to do that work shall file an application for permission with the building inspector. Within seven (7) business days after the building inspector receives the application, the application shall be referred to the historic district commission, together with all required supporting materials that make the application complete. A permit shall not be issued and proposed work shall not proceed until the historic district commission has acted on the application by issuing a certificate of appropriateness or a notice to proceed as prescribed in section 13-9(e). (b) All decisions of the historic district commission, that deny or modify an application for permission, must be in writing and served upon the applicant by personal service or by certified mail, return receipt requested.

(1) An applicant aggrieved by a decision of the historic district commission concerning a permit application may appeal that decision to:

- a. The Jackson City Council; or
- b. The State Historic Preservation Review Board of the Michigan Historical Commission.

Provided, however, an applicant who files an appeal with the Jackson City Council may appeal the decision of the city council to the State Historic Preservation Review Board of the Michigan Historical Commission.

(2) The following procedures and time limits must be adhered to by an applicant who appeals a decision of the historic district commission:

- a. *Appeal to Jackson City Council.* An aggrieved applicant who wishes to appeal a decision of the historic district commission to the Jackson City Council must file a written claim of appeal with the Jackson City Clerk within seven (7) business days after the applicant receives the decision from the historic district commission. The Jackson City Council will attempt to hear the appeal within thirty (30) days after the claim of appeal has been filed with the city clerk.
- b. *Appeal to the State Historic Preservation Review Board.* An applicant aggrieved by a decision of the historic district commission or the Jackson City Council may file an appeal with the State Historic Preservation Review Board of the Michigan Historical Commission within the Department of State. All appeals to the State Historic Preservation Review Board shall be filed within sixty (60) days after the decision of the historic district commission is received by the applicant. The applicant may submit all or part of the appellant's evidence and arguments in written form. An applicant aggrieved by the decision of the State Historic Preservation Review Board may appeal the decision to the Circuit Court

having jurisdiction over the Jackson Historic District Commission whose decision was appealed to the State Historic Preservation Review Board.

(c) In reviewing the plans, the historic district commission shall follow the U.S. secretary of

the interior's standards for rehabilitation and guidelines for rehabilitating historic buildings, as set forth in 36 C.F.R. part 67. (A copy of these standards is available for review at the city clerk's office.) The commission shall also consider all of the following:

(1) The historic or architectural value and significance of the resource and its relationship to the historic value of the surrounding area.

(2) The relationship of any architectural features of the resource and its relationship to the historic value of the surrounding area.

(3) The general compatibility of the design, arrangement, texture, and materials proposed to be used.

(4) Other factors, such as aesthetic value, that the commission finds relevant.

(5) *Height.* All additions shall be no higher than the existing building or structure.

(6) *Second exit platforms.* Second exit shall not be applied to the front or sides of a building or structure, unless they are not visible from the street or unless such prohibition would endanger the safety of the inhabitants.

(7) *Solar apparatus.* Passive and active solar apparatus may be allowed only if such devices do not detract from the architectural integrity of a building or structure and are unobtrusive. Solar apparatus will not be permitted if such devices hide significant architectural features of a building or structure or neighboring buildings or structures, if their installation requires the loss of significant architectural features, or if they are such a large scale that they become a major feature of the design.

(8) *Repairs.* Repairs in materials that exactly duplicate the original in composition, texture and appearance are encouraged. Repairs in new materials that duplicate the original in texture and appearance may also be permitted.

Repairs in materials that do not duplicate the original in appearance may be permitted on an individual basis if the repairs are compatible with the character and materials of the existing building or structure and if repairs that duplicate the original in materials are prohibitively expensive.

(9) *Restoration.* Projects that will return the appearance of a building, structure or property to an earlier appearance are encouraged and may be permitted if such projects are documented by photographs, architectural or archeological research, or other suitable evidence.

(10) *Additions and alterations to street facades.* The appearance of all street facades of a building or structure shall not be altered unless the design is sensitive to the historic character of a building or structure. Specifically, the design shall be compatible with the existing building in scale, color, texture and the proportion of solids to voids. Materials and architectural details used in such alterations and additions shall be in accordance with the Secretary of the Interior's standards.

(11) *Additions and alterations not visible from the street.* Additions and alterations that

are not visible from streets contiguous to the lot lines may be permitted if their design is compatible with the scale of the existing building or structure, and if it is in accordance with the Secretary of the Interior's standards.

(12) Repair, replacement, alterations, additions, or modifications to a roof. Existing roofing that is repaired or replaced with roofing materials of the same or similar kind and quality as that currently existing on a building or structure may be approved by the building inspector without referring the application for permission to the historic district commission.

Further provided, that in order for the building inspector to approve the aforementioned roofing, all architectural details including, but not limited to, window trim, wood cornices and ornaments must either remain uncovered or be duplicated exactly in appearance and materials.

(d) An application for permission is not required for the construction, alteration, repair, moving or demolition of fences, downspouts, storm doors or storm windows. Nor is an application for permission needed for painting.

(e) Work within a historic district shall be permitted through the issuance of a notice to proceed by the historic district commission if any of the following conditions prevail and if the proposed work can be demonstrated by a finding of the commission to be necessary to substantially improve or correct any of the following conditions:

(1) The resource constitutes a hazard to the safety of the public or to the structure's occupants.

(2) The resource is a deterrent to a major improvement program that will be of substantial benefit to the community and the applicant proposing the work has obtained all necessary planning and zoning approvals, financing, and environmental clearances.

(3) Retaining the resource will cause undue financial hardship to the owner when a governmental action, an act of God, or other events beyond the owner's control created the hardship, and all feasible alternatives to eliminate the financial hardship, which may include offering the resource for sale at its fair market value or moving the resource to a vacant site within the historic district, have been attempted and exhausted by the owner.

(4) Retaining the resource is not in the interest of the majority of the community.

(f) The business that the historic district commission may perform shall be conducted at a

public meeting of the commission held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended. A meeting agenda shall be part of the notice and shall include a listing of each permit application to be reviewed or considered by the commission.

(g) The historic district commission shall keep a record of its resolutions, proceedings, and

actions. A writing prepared, owned, used, in the possession of, or retained by the

commission in the performance of an official function shall be made available to the public in compliance with the freedom of information act, Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(h) The historic district commission shall adopt its own rules of procedure and shall adopt

design review standards and guidelines for resource treatment to carry out its duties under this act.

(i) Upon a finding by the historic district commission that a historic resource within a historic district or a proposed historic district subject to its review and approval is threatened with demolition by neglect, the commission may do either of the following:

(1) Require the owner of the resource to repair all conditions contributing to demolition by neglect.

(2) If the owner does not make repairs within a reasonable time, the historic district commission or its agents may enter the property and make such repairs as are necessary to prevent demolition by neglect. The cost of the work shall be charged to the owner, and may be levied by the City of Jackson as a special assessment against the property. The historic district commission or its agents may enter the property for purposes of this section upon obtaining an order from the circuit court.

U) When work has been done upon a resource without a permit, and the historic district commission finds that the work does not qualify for a certificate of appropriateness, the commission may require an owner to restore the resource to the condition the resource was in before the inappropriate work or to modify the work so that it qualifies for a certificate of appropriateness. If the owner does not comply with the restoration or modification requirement within a reasonable time, the commission may seek an order from the circuit court to require the owner to restore the resource to its former condition

or to modify the work so that it qualifies for a certificate of appropriateness. If the owner

does not comply or cannot comply with the order of the court, the commission or its agents may enter the property and conduct work necessary to restore the resource to its

former condition or modify the work so that it qualifies for a certificate of appropriateness in accordance with the court's order. The costs of the work shall be charged to the owner, and may be levied by the local unit as a special assessment against the property. When acting pursuant to an order of the circuit court, the historic district commission or its agents may enter a property for purposes of this section.

(k) Plan for preservation. In the case of an application for repair or alteration affecting the

exterior appearance of a historic resource or a building or structure within a historic district, or for the moving or demolition of a historic resource or a building or structure within a historic district, which the historic district commission deems so valuable to the City of Jackson, the State of Michigan, or the United States of America that the loss

thereof will adversely affect the public purpose of the City of Jackson, the State of Michigan, or the United States of America, the historic district commission may endeavor to work out with the owner an economically feasible plan for preservation of said historic resource or a building or structure within a historic district.

(I) Certificates of appropriateness or rejection. The historic district commission shall file with the chief building inspector its certificate of appropriateness, notice to proceed or denial of an application for permission submitted to it for review. No work shall begin until the certificate or notice is filed, but in the case of denial, the certificate is binding on

the chief building inspector, or other duly delegated authority, and no permit shall be issued in such case. The failure of the commission to issue a decision within thirty-two (32) days after the date the application for a permit was first presented to the historic district commission at a regular meeting, shall be deemed to constitute approval unless an extension is agreed upon mutually by the applicant and the historic district commission in writing.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-10. Applicability.

Nothing in this chapter shall apply to nor affect a building permit issued by the City of Jackson, which has been issued and is outstanding on the effective date of this chapter.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-11. Ordinary maintenance and repair.

Nothing in this chapter shall be construed to prevent ordinary maintenance or repair of a historic resource.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-12. Maintenance.

Notwithstanding any other provision contained in this chapter, the provisions of the City's

Housing Maintenance Code, being Chapter 14 of the Jackson City Code, shall remain in full

force and effect for all historic resources and all buildings or structures within a historic district.

(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-13. Gifts and grants to city.

The city council may accept public and/or private gifts for historical preservation or restoration purposes. All funds accepted as grants and gifts for historical preservation purposes

shall be deposited with the city treasurer or Region 2 Planning Commission and all such funds

shall be used for historical preservation purposes only.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-14. Acquisition of property by the city.

If all efforts by the Jackson Historic District Commission to preserve a historic resource

or a building or structure within a historic district fail, or if it is determined that public ownership is most suitable, the city council may, if deemed to be in the public interest, acquire such property using public funds, gifts for historical purposes, grants from the State of Michigan and/or the United States of America for acquisitions of historic properties, or proceeds from revenue bonds issued for historical preservation purposes. Such acquisitions shall be based on the recommendation of the Jackson Historic District Commission. The Jackson Historic District Commission shall have responsibility for the maintenance of such acquisitions within a historic district, using funds committed for this use by the city council.

(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-15. Budget.

There may be appropriated in the annual City of Jackson budget a sum of money which may be expended by the historic district commission for and in connection with:

(1) The preparation of surveys of buildings, structures, and historic districts in the City of Jackson.

(2) The acquisition and/or restoration of buildings or structures of historical or architectural significance; or

(3) Subject to the approval of the city council, an incentive improvement program under which the historic district commission may contract with the owner or lessee of a designated historic resource or building or structure, or a designated historic or cultural site, to reimburse such owner or lessee some pre-determined portion of the costs incurred by him in the reconstruction, alteration, removal, preservation, maintenance, repairs or painting of an exterior feature in furtherance of the purposes of this chapter, as determined by the historic district commission, and in any and all such cases the city council shall have the absolute right to determine the actual cost of such work and the proportion or amount to be reimbursed out of appropriated funds.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-16. Special historic buildings and districts.

The provisions of the city building code relating to the exterior construction, repair, alteration, enlargement, restoration and moving of historic resources or buildings or structures

within a historic district may not be mandatory when such historic resources or buildings or

structures, are judged by the city's chief building inspector to be safe and it is in the public's

interest of health, safety, and welfare not to enforce said codes. All such approvals must be based on the applicant's complete submission of professional architectural and engineering plans and specifications bearing the professional seal of the designer.
(Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-17. Actions prohibited.

As of the effective date of this chapter:

(1) No person shall erect, demolish, alter, repair or remove any historic resource established pursuant to this chapter, except pursuant to the standards and procedures of this chapter.

(2) No owner of any historic resource established pursuant to this chapter shall maintain or cause same to be maintained in a condition which violates the provision of this chapter.

(3) No owner of any historic resource established pursuant to this chapter shall fail to restore same to its previous condition if any portion of same has been altered, demolished, constructed, repaired or moved in violation of the requirements set forth in this chapter.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-18. Penalty.

Any person, firm or corporation convicted of a violation of any of the provisions of this chapter, or any amendment thereto, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished pursuant to section 1-13 of the Code. Each and every day such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as such hereunder.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-19. Civil remedies.

Violations of this chapter may be abated by civil suit in any court of competent jurisdiction which remedy shall be in addition to others provided in this chapter. The city

attorney is authorized to seek an order from a court of competent jurisdiction to prevent any

violation of this chapter or to require that property which has been altered in violation of this chapter be restored.

(Ord. No. 98-14, § 1,6-16-98)

Sec. 13-20. Dangerous structures.

Notwithstanding any other provision contained herein, in the event any historic resource is deemed a "dangerous structure" pursuant to the city's dangerous structure ordinance,

Chapter 17 of this Code, said structure may be made safe by utilizing the procedures established in said dangerous structure ordinance. The city's building inspection division may provide notice to the chairperson of the historic district commission of all proceedings before the city's building code board of appeals which involve the alleged dangerous structure. (Ord. No. 98-14, § 1, 6-16-98)

Sec. 13-21. The Jackson Historic Districts.

The Jackson Historic Districts are hereby created pursuant to Act No. 169 of the Public Acts of 1970, State of Michigan (MCLA 399.201 et seq.) and shall consist of the following

resources:

(1) *Stone Post Office, 125 N. Jackson Street (1836)*: S 22.39 ft of Lot 1 and South 38.4 ft of Lot 2, Block 1 North, Range 1 East.

(2) *Wilcox-Holton House, 231 E. High (1871)*: A piece of land in section 11 commencing at point on N line of section 11 63 rods W of N 1/4 of post of SO section then W on said section line 219 feet then S 10 rods then E 219 feet thence N 10 rods to beginning except 2 rods on N for street purposes N 1/2 of NW 1/4 section 11 Township 3 S, Range 1 West.

(3) *First Congregational Church, 120 N. Jackson Street (1860)*: Lot 1 and East 11 ft of Lot 2 Block 1 North Range 1 West and West 55 ft of Lot 2 Block 1 North Range 1 West.

(4) *Jackson District Library, 244 W Michigan Avenue (1906)*: Lots 10, 11 and 12, except East 8.25 ft of Lots 10 and 12 Block 1 North Range 1 West.

(5) *NO.5 Fire House at Rockwell and South Jackson Streets (1907)*: Land in the SE 1/4 of S/E 1/4 of Section 3, Township 3 S, Range 1 West, described as: Commencing at the intersection of the south line of Rockwell Street with the east line of Jackson Street, thence east 8 rods, thence south 8 rods, thence west 8 rods, thence north 8 rods, to the point of beginning.

(6) *First Baptist Church, 201 South Jackson Street (1872)*: Lots 1 and 2, Block 2 South, Range 1 East.

(7) *Sf. Mary's Catholic Church, 116 East Wesley Street (1923--26)*: Lots 1 and 2, Block 3 South, Range 2 East.

(8) *Berthold S. Rummier House, 122 West Wilkins (1904)*: Lot 162, except the west 8 feet of the south 65.54 feet thereof, Assessor's South Plat, City of Jackson, Michigan.

(9) *First United Methodist Church, 275 West Michigan Avenue (1867--70)*: The north 9 feet of Lot 10, and all of Lots 11 and 12, Block 1 South, Range 1 West of the original plat of the City of Jackson, Michigan.

(10) *Michigan Theatre, 124 North Mechanic Street (1928--30)*: The south 26 feet of the east 60 feet of Lot 15, also the west 72 feet of Lot 15 and the north 7.66 feet of Lot 13 and the north 7.66 feet of the west 6 feet of Lot 14, City of Jackson.

(11) *Bettel Lighting, 208 South Jackson Street (1912)*: The north 27 feet of the south

35.25 feet of Lot 1, Block 2 South, Range 1 West of the original plat of the City of Jackson.

(12) Michigan Central Depot, 501 East Michigan Avenue (1873): All that parcel of land situated in the City of Jackson, County of Jackson, and State of Michigan, being designated as parcel MIJJ-1 on Railroad Valuation Map No. V I-B-M/S-33-C and V I-B-M/S-33-D, as drawn on June 30, 1918, and furnished to the United States Railway Association on December 1, 1975; and being all of the land of the Michigan Central Railroad Company, as shown on the Map, which lies within the following described lines:

Beginning at a point on the southern line of Elizabeth Street opposite Railroad Station 3983+50; thence southwesterly 85 feet, more or less, to a point distant 20 feet northwardly and at right angles to the northeasternmost rail of the mainline tracks, as it was located on December 1, 1975; thence, northwestwardly 402 feet, more or less, parallel to said northeasternmost rail to a point opposite Railroad Station 3987+52; thence northeastwardly 44 feet, more or less, to the southerly line of East Michigan Avenue; thence eastwardly along said line of East Michigan Avenue 212 feet, more or less, to the west line of Park Street; thence southwardly by said line of Park Street 123 feet, more or less; thence, southeastwardly by same, 130 feet more or less; thence eastwardly by the same 37 feet, more or less, to the point of beginning.

(13) Soldiers and Sailors Monument at Wildwood and Michigan Avenues (1903): Land commencing at a point on the north line of West Michigan Avenue, 118.25 feet east of the southeast corner of Lot 17, Block 1, Assessor's Wildwood Plat, thence northerly 109.47 feet to southerly line of Wildwood Avenue, thence southeasterly to northerly line of Michigan Avenue, thence west to beginning. Southeast 1/4 of southwest 1/4, Section 34, Township 2 South, Range 1 West.

(14) Ella Sharp Museum House (before 1856): Being a part of the East 1/2 of the North West 1/4 of Section 16, Township 3 South, Range 1 West, City of Jackson, Jackson County, Michigan. More particularly described as: Beginning at a point distant, on the west north-south 1/16 line, South 88 degrees 59'00" East - 1322.67' and north 00 degrees 08'14" east - 1361.04' from the west 1/4 Post of said section; thence: North 00 degrees 08'14" East, along said 1/16 line, 119.82'; North 90 degrees 00'00" East 206.19'; south 00 degrees 08'14" west parallel with said 1/16 line of 121.79'; North 89 degrees 27'05" West 206.19' parallel with the southerly wall of the Ella Sharp Museum House to the point of beginning. Containing 0.572 acres more or less.

(15) St. Paul's Church, 309 S. Jackson (1850): Lots 1 and 2, Block 3 south, Range 1 East, also commencing at intersection of east line of Jackson Street with south line of Washington Street, thence east 8 rods, thence south 8 rods, thence west 8 rods to east line of Jackson Street, thence north 8 rods to beginning. Block 3 south, Range 1 East.

(16) The Republican Birthplace at Franklin and Second Streets (1854): The south 38.31 feet of the east 83.13 feet of Lot 17, Block 12 of Livermore Woods,

Eaton's Addition to the City of Jackson.

(17) *Old Prison (Armory) at North and Cooper Streets* (1842): Commencing at a point on the east line of Section 34; 660 feet north of the 1/4 post on the east line of said section, thence west 15 chains to the center of the Grand River, thence north 13 1/3 chains to a stake, thence east 15 chains to a stake, thence south 13 1/3 chains to place of beginning. Also a strip of land bounded on the south by Prison Street, west by Broad Street, north by the south line of the Michigan State Prison Land, on east by Cooper Street. Being 82 1/2 feet north and south by 551 1/2 feet east and west, east 1/2 of northeast 1/4, Section 34, Township 2 South, Range 1 West.

(18) *Sf. John's Catholic Church, 711 Cooper* (1857): Block 3, Ford's North Addition.

(19) *Commercial Exchange Building, 2301 E. Michigan* (1895): Lots 1 to 10 inclusive, and north 5.6 feet of Lot 11. Also a parcel of land commencing at southeast corner of Lot 10, thence east to west line of Ann Street, thence south 7.35 feet, thence west 59.15 feet, thence north 1.75 feet, thence west to east line of Lot 11, thence north to beginning. Being part of Lot 12, Block 18 east, addition No. 4.

(20) *1401 Greenwood* (1900): Lot 1 and north 22 feet of Lot 2, Block 2, Division 2, amended plat of Divisions 1, 2, 3 of Summitville Addition.

(21) *Jackson County Juvenile Court Building, 936 Fleming Avenue (n.a.)*: Land commencing at a point 138- 1/2 feet north and 42 rods west of the southeast corner of section 26 thence west 38 rods thence north 558.3 feet thence east 38 rods thence south 558.3 feet to beginning except thence west 33 feet for street also except that part deeded to city for Floral Avenue southeast 1/4 of southeast 1/4 section 26 T2S R1W (Claire Allen structure).

(22) *205 South West Avenue (n.a.)*: Lot 42 Assessor's Washington Plat (Claire Allen structure).

(23) *1000-02 Carlton Boulevard*: Lot 16 except south 16 1/2 feet Block 17 Shoemakers Addition (Claire Allen structure).

(24) *310 South Thompson* (1929): North 38 feet of Lot 7 and a piece of land commencing 160 feet south of intersection of west line of Thompson Street and south line of Washington Street thence west 45.25 feet thence southwesterly 14.42 feet thence west 74.65 feet thence south 30 feet to north line of Lot 7 thence east 132 feet thence north 38 feet to beginning being part of Lot 6 Block 9 Shoemaker's Addition (Claire Allen structure).

(25) *604 Wildwood Avenue, Toddler Tech (n.a.)*: Land commencing at a point on the northerly line of Wildwood Avenue 36 rods east of the west line of section 34 T2S R1W for place of beginning, thence southeasterly on northerly line of SD Avenue 9 Rods to the west line of Edward Avenue thence north on west line of Edward Avenue 276 feet thence west 189.3 feet thence south 38.9 feet thence easterly to a point on the east line of Lot 4 and 226.5 feet north of north line of Wildwood Avenue measured along east line of SD Lot 4 thence southwesterly to beginning being a part of Lots 4 and 5 Block 2 Carr & Peck's Addition (Claire

Allen structure).

(26) *1214 West Washington Avenue (1915)*: Land commencing at the intersection of the north line of Washington Street with the east line of Thompson Street thence north 8 rods thence east 4 rods thence south 8 rods to the north line of Washington Street thence south 4 rods to the beginning northwest 1/4 of northeast 1/4 section 4 T3S R1W (Claire Allen structure).

(27) *1403 West Washington (1911)*: Lots 1, 2 and 6 Block 8 Shoemaker's Addition (Claire Allen structure).

(28) *206 South Webster Street (n.a.)*: East 116 feet of Lot 14 Block 3 Shoemaker's Addition (Claire Allen structure).

(29) *Post Office, 200 South Otsego (1932)*: All of R T Mcnaughton's Alteration of part of Block 1 Grand River Addition except that part used for street purposes.

(30) *Masonic Temple, 157 Cortland Street (n.a.)*: North 102 feet of Lot 6 Block 2 S RIE (Claire Allen structure).

(31) *County building (Courthouse), 312 South Jackson Street (1936)*: Lots 3 and 4 and south 123.89 feet of east 49.5 feet of Lot 5 and also south 123.85 feet of alley lying between SD Lots 3, 4, and 5 same having been vacated Block 3 S R1W (Claire Allen structure).

(32) *County Health Dept., former TB Sanitorium, 410 Erie Street (n.a.)*: Land commencing at a point 269.56 feet north and 182.11 feet east of the intersection of the north line of St Clair Avenue with the easterly line of Lansing Avenue thence east 541.09 feet to the 1/4 section line of section 27 T2S R1W thence south 132 feet thence west 541.09 feet thence north 132 feet to beginning (Claire Allen structure).

(33) *Former East Intermediate School, 1210 E. Michigan Avenue (n.a.)*: Land commencing at intersection of northerly line of E Main Street with east line of Hall & Kennedy's Alteration of Block 2 Loomis Homewild Addition thence east 267.8 feet thence north 450 feet thence westerly 387.25 feet thence southerly 440 feet to beginning west 1/2 of southeast 1/4 section 35 T2S R1W (Claire Allen structure).

(34) *1000-02 West Washington Avenue (n.a.)*: Lot 15 Block 3 Shoemaker's Addition (Claire Allen structure).

(35) *1300 West Franklin (n.a.)*: Lots 14, 15 and 16 except north 38 feet of Lot 14 Block 9 Shoemaker's Addition (Claire Allen structure).

(36) *Mt. Evergreen Cemetery (1843)*: Land commencing at the intersection of the east line of Greenwood Avenue with the south line of Morrell Street thence east 310 feet thence south 1,600 feet to the north line of Rockwell Street thence west 1,400 feet to the east line Woodbridge Street thence north on the east line of Woodbridge Street 310 feet thence northeasterly on the easterly line of Greenwood Avenue 1,450 feet to the place of beginning Mt. Evergreen Cemetery.

(37) *Reynolds Building (Renee de Paris), 149-151 West Michigan Avenue (1865)*: East 60 feet of Lots 5 and 6 Block 1 south RIE.

(38) *229 South Mechanic Street*: North 1/2 of Lot 2 Block 2S R 2E of the original plat of the Village of Jacksonburg.

(39) *Michigan Central Express Building, Foot of Elizabeth Street (Circa 1892)*: Beginning at an iron found on the south line of Elizabeth Street opposite Railroad Station 3983+50; thence, south 37° 12' 22" west, 76.54 feet (record 85 feet) to a point that lies 20 feet northerly of the centerline of the northeasternmost track of the main line tracks; thence, south 52° 47' 37" east, parallel with and 20.0 feet distant therefrom said northeasternmost track, 143.72 feet; thence, north 37° 12' 22" east, 15.00 feet; thence, south 52° 47' 37" east, parallel with and 35.00 feet distant therefrom said northeasternmost track, 149.51 feet to the west line of Van Dorn Street; thence, north 02° 29' 41" east, along said west line, 217.57 feet to said south line of Elizabeth Street; thence, north 87° 30' 19" west, along said south line, 206.00 feet to the point of beginning, being Block No. 43 in Ford's extension to the Village of Jackson in the southwest quarter of Section 35, Township 2 south, Range 1 west, City of Jackson, Michigan.

(40) *317 W Wesley Street*: Being a part of the west 1/2 of the northeast 1/4 of section 3, T3S, R1W, City of Jackson, Jackson County, Michigan. More particularly described as: The west 1/2 of Lot 4, Block 4 south, Range 2 west, of the original plat of the Village of Jacksonburgh.

(41) *Allen School Historic District, 906 East Pearl Street*: Land commencing at the intersection of the north line of Pearl Street with the west line of Waterloo Avenue, thence north to the southerly line of Detroit Street, thence westerly to the easterly line of State Street, thence southerly to the northerly line of Pearl Street, thence easterly to the place of beginning of this State House Square, being in the east 1/2 of the southwest 1/4 of Section 35, Town 2 south, Range 1 west, City of Jackson, Jackson County, Michigan, together with the south 1/2 vacated Detroit Street lying north of the subject property (containing Tax Parcel number 7-0560).

(42) *Withington & Cooley Industrial Historic District, 626--628 N. Mechanic Street & 632--634 N. Mechanic Street (Tax Parcel numbers 8-2368 and 8-2368.2, respectively)*: Beginning at the intersection of the north line of Ganson Street and the west line of Mechanic Street, thence north along said west line of Mechanic Street 411.53 feet for place of beginning of this description; thence north 89 degrees 41' west 95.33 feet, thence north 0 degrees 31' east 45.95 feet, thence north 0 degrees 13' east 39.25 feet, thence north 89 degrees, 29' west 197.83 feet, more or less, to the easterly line of JL&S Railroad right-of-way, thence northerly along the easterly line of said right-of-way to the southerly line of Michigan State Prison land to the westerly line of Mechanic Street, thence south along the west line of Mechanic Street to the place of beginning, being in the southeast 1/4 of the northeast 1/4 of Section 34, Town 2 south, Range 1 west. (Ord. No. 98-14, § 1, 6-16-98; Ord. No. 2001.6, § 1, 2-13-01; Ord. No. 2001.14, § 1, 6-26-01;

Ord. No. 2002-7, § 1, 9-10-02; Ord. No. 2003.1, § 1, 2-25-03; Ord. No. 2005.12, § 2, 10-4-05;

Ord. No. 2005.13, § 2, 10-18-05)

Sec. 13-22. The Under the Oaks Historic District.

The Under the Oaks Historic District is hereby created pursuant to Act No. 169 of the Public Acts of 1970, State of Michigan (MCLA 399.201 et seq.) and shall consist of the following

description defined by street segments. Maps of the district are available at the office of the City

Clerk, City Hall, 161 West Michigan Avenue, Jackson, Michigan, or at the office of Region 2

Planning Commission, 120 West Michigan Avenue - 16th Floor, Jackson, Michigan during

normal business hours. If the district depicted on the maps conflicts with the description as

hereinafter provided, the description contained in this chapter shall prevail.

(1) Description:

WEST FRANKLIN STREET: Commencing at a point easterly of South West Avenue at, and including, 745 and 750 West Franklin Street; thence easterly on West Franklin Street to First Street, including all parcels abutting on the north and south sides of West Franklin Street therein; and

WEST WASHINGTON AVENUE: Commencing at a point easterly of South West Avenue at, and including, 766 on the north side of West Washington Avenue, and commencing at, and including, 751 on the south side of West Washington Avenue, thence easterly on West Washington Avenue to First Street, including all parcels abutting on the north and south sides of West Washington Avenue therein; and also including 724 and 725 West Washington Avenue; and

WEST MICHIGAN AVENUE: Commencing at a point between the centerline of South and North West Avenue; thence easterly to First Street, including all parcels abutting on the north and south side of West Michigan Avenue therein; and

WILDWOOD AVENUE AND NORTH: Commencing southeasterly of Edwards Avenue, at a point, and including, 547 Wildwood Avenue; thence southeasterly to the intersection of Wildwood Avenue and Steward Avenue, including all parcels abutting on the south side of Wildwood Avenue; thence north on Steward Avenue to a point, and including 442 Steward Avenue, including all properties abutting on the west side of Steward Avenue; thence westerly 64 feet to the northwest corner of said property; thence south to the centerline of the MCRR Co. railroad right-of-way; thence northwesterly along the centerline of said right-of-way to the west property line of the Jackson Public Schools (High School) property, as extended; thence southwesterly along the westerly property line of the Jackson Public Schools property to the centerline of Winthrop Street; thence southwesterly along said centerline to the centerline of Edward Avenue;

thence south along said centerline to the centerline of Wildwood Avenue; thence southeasterly along said centerline to point of beginning of said described boundaries, including all properties within the area described herein; and *LYDIA STREET*: Commencing at the intersection of Wildwood Avenue and Lydia Street; thence southwest along Lydia Street to the intersection of West Michigan Avenue, including all parcels abutting on the east and west sides of Lydia Street; and *FOURTH STREET*: Commencing at the intersection of Fourth Street and West Michigan Avenue; thence south along Fourth Street to the intersection of West Franklin Street, including all parcels abutting on the east and west sides of Fourth Street; and *THIRD STREET*: Commencing at the intersection of Third Street and West Michigan Avenue; thence south to the intersection of Third Street and West Franklin Street, including all parcels abutting on the east and west sides of Third Street; and *SECOND STREET*: Commencing at the intersection of Second Street and Washington Northwest (the connector between West Michigan Avenue and West Washington Avenue); thence south to the intersection of Second Street and West Franklin Street, including all parcels abutting on the east and west sides of Second Street; and *FIRST STREET*: Commencing at the intersection of First Street and Wildwood Avenue; thence south to the intersection of First Street and West Morrell Street, including all parcels abutting on the east and west sides of First Street. (Ord. No. 98-14, § 1, 6-16-98)

APPENDIX VII

HDC ORDINANCE ADOPTION PROCEDURE

HISTORIC DISTRICT COMMISSION

Ordinance Adoption Procedure

I. Study Committee

The Historic District Commission appoints a Study Committee, Members of the Committee must contain representation from the Historic District Commission.

II. Purpose

The Committee is required to conduct studies and research and write a report regarding what sites are to be included in the historic district or as historic landmarks and explain the significance of each site.

III. Copies of the Study Committee's report are to be transmitted to:

- A. Local Planning Commission
- B. Michigan Historic Commission
- C. State Advisory Council
- D. Copies to the City Council (for information only – not for comment)

Within sixty (60) days after the report has been transmitted to the three agencies, the Jackson City Planning Commission is required to send their recommendations regarding the report to the Historic District Commission.

IV. Public Hearing is required by the Open Meetings Act

Sixty (60) days after the report has been transmitted to the above agencies, a public hearing must be held by the Historic District Commission. The date can be arranged by contacting the City Manager's office.

Fifteen (15) days prior to the public hearing, public notice must be given to the citizens of Jackson and all property owners to be included in the district or whose property is to be listed as a historic landmark. The notice should include the date, time, place, and purpose of the hearing. It is required that the notice be placed in the local newspaper, City Hall, and the Jackson County Tower Building.

V. City Manager/City Council

After the above procedures have been completed, the Secretary to the Historic District Commission will submit to the City Manager's office a description of the procedures followed and a copy of the report, updated with any recommendations. It will be requested that the Historic Preservation Ordinance be included on the agenda of the next City Council meeting for Council approval.

The requested action of the City Council should also include adoption of the revised Historic Preservation Ordinance, which should include the legal descriptions of each of the properties proposed to be listed as historic landmarks and/or a generalized description of the historic district.

VI. Copies of Record

At least three copies of the revised report and ordinance should be maintained with the Secretary to the Historic District Commission, and it is recommended that copies be sent to the following for information:

- Jackson District Library
- Ella Sharp Museum
- Jackson Citizen Patriot (2)
- Michigan Historic Commission

Report Prepared by:

Karessa Weir, John Schaub, Jeannette Woodard, Woodard & Associates Architects, Inc., Grant Bauman Historic District Commission Staff, for the Mechanic Street Historic District Study Committee.



Department of Community Development

161 W. Michigan Avenue • Jackson, MI 49201-1303•

Facsimile (517) 768-5832

Administrative Services
(517) 788-4060

Building Inspection
(517) 788-4012

Rehabilitation Services & Information
(517) 788-4070

INFORMATIONAL ITEM

TO: Christopher W. Lewis, Interim City Manager
DATE: January 5, 2010
FROM: Carol L. Konieczki, Community Development Director
SUBJECT: Award of Bid for Rehab Project at 705 Backus

Rehab Specialist Cliff Winslow requested bids through the Purchasing Department for an owner-occupied Community Development rehab project at 705 Backus. The Community Development Department has analyzed the bids submitted and arrived at a recommendation on bid award.

Eight contractors attended the mandatory pre-bid walk through with seven submitting completed bids, the results of which are attached for your review. The lowest acceptable bid is as follows:

Project	Awardable Contractor	Amount
705 Backus	Concept Construction	\$25,757

The homeowner has been pre-qualified to receive full funding through a CDBG or HOME rehab loan (\$18,337 code; \$7,115 lead, and \$305 incipient). An incipient condition is one that is not currently a code violation, but may deteriorate into an active violation in the next 18 months; in this case, a replacement window in the upper stairwell. The contractor awarded this project is required to obtain a current installation floater on its general liability policy.

In concurrence with the recommendation of the Department, we are requesting authorization to award the contract as outlined above. Please place this item on the agenda for City Council consideration at their meeting on January 12, 2010.

CLK:sc

cc: Shelly Arnold, Purchasing Coordinator
Dennis M. Diffenderfer, Rehab Coordinator
Kim VanEvery, Loan Assistant
Michelle Pultz, CD Project Coordinator



Bid Tabulation
for
Housing Rehabilitation
at
705 Backus

Item #	Description	Location	Code	Rehab Inspector Estimate	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price
					Concept Construction 1619 Cascade Ct. Jackson, MI 49203	At A Moments Notice 209 W. Washington, Suite 182 Jackson, MI 49201	Alpha & Omega Construction Co. 340 Burt Avenue Jackson, MI 49201	FEB Enterprises Inc. 4889 Firethorn Dr. Jackson MI 49201	Scoby Construction 4520 Dey Highway Hudson, MI 49247	Harrison Builders LLC 916 Homewild Jackson, MI 49201	Scott Fredrickson Construction Corp. 13339 Nelson Bath, MI 48808
1	Strip and install new roof - ALL Except downstairs west	House	C	4,000.00	3,990.00	4,800.00	5,000.00	4,600.00	4,200.00	6,000.00	4,830.00
2	Soffit System - All	House	C	1,000.00	400.00	410.00	1,200.00	500.00	800.00	300.00	2,435.00
3	Lead		L	200.00	215.00	100.00	250.00	300.00	250.00	300.00	250.00
4	Vinyl Siding	House All	C	3,500.00	3,815.00	5,500.00	4,750.00	5,000.00	6,000.00	3,000.00	7,500.00
5	Lead		L	1,500.00	1,600.00	1,000.00	400.00	800.00	500.00	3,000.00	250.00
6	Lead - Prep, prime and paint all exposed wood surfaces	W. Porch	L	150.00	225.00	200.00	200.00	750.00	100.00	200.00	375.00
7	Steel Doors	E/N	L	950.00	500.00	800.00	800.00	500.00	950.00	550.00	810.00
8	Lead		L	150.00	285.00	100.00	150.00	200.00	100.00	550.00	125.00
9	Combination Doors	E/N	C	265.00	210.00	400.00	400.00	450.00	400.00	400.00	500.00
10	Porch Floor - Over Existing	W	C	350.00	165.00	250.00	375.00	500.00	400.00	400.00	385.00
11	Concrete Steps	W	C	300.00	240.00	300.00	400.00	400.00	400.00	700.00	405.00
12	Service Walk 20' gas meter to sidewalk; 10' driveway to W. porch step	W	C	700.00	225.00	400.00	1,200.00	500.00	400.00	300.00	490.00
13	Cellar Windows (1) N, (1) S, (2) Window Wells, Close (1) S	S/N	C	350.00	740.00	900.00	675.00	800.00	600.00	750.00	630.00
14	Topsoil	S/N	L	650.00	265.00	450.00	775.00	300.00	1,400.00	400.00	825.00
15	Lead		L	125.00	130.00	50.00	200.00	200.00	100.00	400.00	50.00
16	Fill and Seal Cistern	E/N	C	200.00	255.00	250.00	250.00	200.00	400.00	400.00	250.00
17	Vinyl Window (1) S, (1) W	Living Room	C	350.00	400.00	450.00	450.00	600.00	550.00	300.00	500.00
18	Lead		L	100.00	170.00	100.00	100.00	150.00	50.00	300.00	30.00
19	Prehung Door Closet	Living Room	C	125.00	210.00	200.00	200.00	225.00	200.00	220.00	175.00
20	Drywall Closet Wall and Ceiling	Living Room	C	100.00	210.00	175.00	475.00	150.00	200.00	120.00	160.00

Bids are broken down to utilize/identify funding sources

L = Lead based paint hazard elimination work

C = Code requirement repair

I = Incipient Item

Bid Tabulation
for
Housing Rehabilitation
at
705 Backus

					Concept Construction	At A Moments Notice	Alpha & Omega Construction Co.	FEB Enterprises Inc.	Scoby Construction	Harrison Builders LLC	Scott Fredrickson Construction Corp.
					1619 Cascade Ct. Jackson, MI 49203	209 W. Washington, Suite 182 Jackson, MI 49201	340 Burt Avenue Jackson, MI 49201	4889 Firethorn Dr. Jackson MI 49201	4520 Dey Highway Hudson, MI 49247	916 Homewild Jackson, MI 49201	13339 Nelson Bath, MI 48808
Item #	Description	Location	Code	Rehab Inspector Estimate	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price
21	Vin Window (3) N, (1) S	Dining Room	C	700.00	800.00	900.00	900.00	1,200.00	1,100.00	600.00	1,000.00
22	Lead		L	200.00	340.00	200.00	200.00	300.00	100.00	600.00	60.00
23	Underlayment	Dining Room	L	200.00	70.00	225.00	250.00	350.00	150.00	240.00	325.00
24	Carpet	Dining Room	L	250.00	640.00	275.00	550.00	400.00	400.00	300.00	940.00
25	Lead		L	150.00	70.00	50.00	75.00	250.00	200.00	240.00	50.00
26	Vin win (2) E	Kitchen	C	350.00	400.00	425.00	450.00	600.00	550.00	300.00	500.00
27	Lead		L	100.00	140.00	150.00	50.00	150.00	50.00	300.00	30.00
28	Paint Ceiling	Kitchen	L	100.00	185.00	75.00	175.00	300.00	300.00	75.00	100.00
29	Lead		L	50.00	30.00	25.00	25.00	100.00	50.00	75.00	10.00
30	Underlayment	Kitchen	C	275.00	75.00	225.00	200.00	200.00	100.00	240.00	325.00
31	Vin Sheet Goods	Kitchen	C	510.00	448.00	300.00	575.00	300.00	400.00	500.00	940.00
32	Prehung Door - Downstairs	1/2 Bath	C	125.00	125.00	150.00	200.00	225.00	200.00	100.00	175.00
33	Lead		L	50.00	85.00	50.00	25.00	75.00	50.00	120.00	10.00
34	Vinyl Win Frosted (1) W	1/2 Bath	L	185.00	200.00	225.00	275.00	300.00	300.00	150.00	275.00
35	Lead		L	50.00	85.00	50.00	50.00	75.00	25.00	150.00	15.00
36	Vinyl Win (1) N Upstairs Stairway		I	175.00	220.00	225.00	250.00	200.00	275.00	150.00	250.00
37	Lead		I	50.00	85.00	50.00	50.00	75.00	25.00	150.00	15.00
38	Prehung Door (1)	W. Bedroom	C	125.00	210.00	200.00	200.00	225.00	200.00	220.00	175.00
39	Vinyl Win (2) W	W. Bedroom	L	375.00	400.00	450.00	450.00	600.00	550.00	300.00	500.00
40	Lead		L	50.00	170.00	100.00	100.00	75.00	50.00	300.00	30.00
41	Paint Closet	W. Bedroom	L	100.00	75.00	75.00	125.00	150.00	200.00	75.00	100.00

Bids are broken down to utilize/identify funding sources

L = Lead based paint hazard elimination work

C = Code requirement repair

I = Incipient Item

Bid Tabulation
for
Housing Rehabilitation
at
705 Backus

					Concept Construction	At A Moments Notice	Alpha & Omega Construction Co.	FEB Enterprises Inc.	Scoby Construction	Harrison Builders LLC	Scott Fredrickson Construction Corp.
					1619 Cascade Ct. Jackson, MI 49203	209 W. Washington, Suite 182 Jackson, MI 49201	340 Burt Avenue Jackson, MI 49201	4889 Firethorn Dr. Jackson MI 49201	4520 Dey Highway Hudson, MI 49247	916 Homewild Jackson, MI 49201	13339 Nelson Bath, MI 48808
Item #	Description	Location	Code	Rehab Inspector Estimate	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price	Unit Price
42	Lead		L	25.00	70.00	25.00	25.00	100.00	50.00	75.00	10.00
43	Prehung Door	E. Bedroom	C	125.00	210.00	180.00	200.00	225.00	200.00	220.00	175.00
44	Vinyl Win (21) E (1) N	E. Bedroom	C	375.00	400.00	450.00	450.00	600.00	550.00	300.00	500.00
45	Lead		L	50.00	170.00	100.00	100.00	150.00	50.00	300.00	30.00
46	Prehung Door Upstairs	Bath	C	125.00	210.00	180.00	200.00	225.00	200.00	220.00	175.00
47	Vinyl Win (1) Frosted and Tempered	Bath	C	175.00	220.00	225.00	275.00	300.00	300.00	150.00	300.00
48	Lead		L	50.00	85.00	50.00	50.00	75.00	50.00	150.00	15.00
49	Paint Ceiling and Shelves	Upstairs Bath	L	85.00	95.00	100.00	100.00	200.00	300.00	75.00	70.00
50	Lead		L	15.00	75.00	25.00	50.00	100.00	50.00	75.00	10.00
51	Prehung Door	Basement	C	125.00	210.00	160.00	200.00	225.00	200.00	220.00	175.00
52	Paint Stairs, Walls, Ceilings, Etc.	Stairway	L	150.00	75.00	100.00	250.00	200.00	300.00	125.00	160.00
53	Lead		L	50.00	65.00	50.00	50.00	100.00	50.00	125.00	10.00
54	Handrail	Basement	C	85.00	55.00	75.00	75.00	75.00	100.00	100.00	85.00
55	Ceiling Repair	Laundry	C	50.00	110.00	25.00	25.00	75.00	50.00	100.00	15.00
56	Clearance Test	All	L	550.00	600.00	650.00	700.00	700.00	500.00	750.00	810.00
57	Plumbing to Code		C	1,200.00	1,830.00	1,100.00	875.00	500.00	2,000.00	1,930.00	2,015.00
58	Electrical to Code		C	1,000.00	2,174.00	1,300.00	1,500.00	1,800.00	2,000.00	2,274.00	2,390.00
	Total			23,470.00	25,757.00	26,055.00	28,550.00	28,925.00	30,225.00	30,964.00	33,745.00
			C	16,585.00	18,337.00	19,930.00	21,700.00	20,700.00	22,700.00	20,364.00	27,205.00
			L	6,660.00	7,115.00	5,850.00	6,550.00	7,950.00	7,225.00	10,300.00	6,275.00
			I	225.00	305.00	275.00	300.00	275.00	300.00	300.00	265.00

Bids are broken down to utilize/identify funding sources

L = Lead based paint hazard elimination work

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City of Jackson Police Department
216 East Washington Avenue
Jackson, Michigan 49201
(517) 788-4127



MEMORANDUM

DATE: January 6, 2010

TO: Christopher Lewis
Interim City Manager

FROM: Matthew R. Heins
Chief of Police

SUBJECT: December Manager's Report

Chief Matthew Heins

- Attended:
 - Meeting to discuss IT projects
 - Meeting to discuss budget reductions
 - MPELRA training
 - Budget reduction strategy meeting
 - Meeting with ATF
 - Meeting with Director Mike Jester of Blackman Township DPS
 - Meeting with Mayor Dunigan and Police Command Staff
 - Area Chiefs Meeting
 - Meeting with Sheriff Heyns regarding Records Management System
 - Meeting with Men of Merit group
 - Representative Mike Simpson's funeral
- Participated in St. Joseph Police Department's Sergeant Oral Board
- Conducted MSU Staff and Command interviews
- Participated in Lights of Love program at Allegiance Health
- Signed Mutual Aid Agreements with Blackman Township and Jackson County with Mayor Dunigan
- 56 hours of vacation
- 16 hours of holiday

Deputy Chief John Holda

- Attended:
 - JNET Board Meeting
 - Department Head Meeting – Budget
 - Training Consortium Meeting

1/6/2010

- Policy Review Meeting
- Meeting with New World representative
- Meeting with Omega representative regarding crime mapping
- MPELRA Training
- Meeting regarding police department IT and computer systems
- 80 hours of vacation
- 16 hours of holiday

Lt. Christopher Simpson

- Attended:
 - Sexual Assault meeting
 - Police Department Budget meeting
 - Policy Review meeting
 - JCC Men of Merit Presentation
 - Project Safe Neighborhood Meeting
- Completed Shift Selection for 2010
- Completed PACT Selections
- Completed performance evaluations on officers and supervisors.
- 56 hours of vacation
- 16 hours of holiday

A/Lt. Elmer Hitt

- Attended:
 - MSU Command Officer Development Program
 - Meeting with ATF Agent Herndon regarding possible funding source for patrols focusing on guns
 - JNET Board Meeting
 - Informational meeting for Special Response Team (SRT) applicants
 - PSN Meeting to review gun/gang cases for possible federal prosecution
- SRT Activation at 305 E. Prospect St.
- Conducted spot audit check in evidence. No problems to report.
- Other update information:
 - Radio consoles scheduled for installation the week of January 4, 2010.
 - All network drops have been installed for the switch to fiber optic lines.
 - Saturation patrol details held on 12/3/09 and 12/16/09, focusing on gun-related crimes. Primary areas of focus are the 300-900 blocks of First St.
 - Detective Stiles is investigating the Michael Adams homicide. The suspect has not been located as of this time.
 - Detective Garcia is handling the stabbing/armed robbery of the taxicab driver. A 13 year old involved in the incident is in custody.
- 32 hours of vacation
- 16 hours of holiday