



June 30, 2017

Mr. Martin Marshall, County Administrator
County of Lenawee
301 Main Street
Adrian, MI 49221

RE: Continuing Disclosure Undertaking for Year Ending December 31, 2016

Dear Martin:

Per our Agreement to Provide for the Preparation of an Annual Information Statement and to Act as Dissemination Agent, we are enclosing our Invoice for services rendered in connection with the preparation and distribution of the December 31, 2016, Annual Information Statement. We are attaching the Annual Information Statement and the Published Submission Confirmation.

It has been a pleasure working with you. If you should have any questions or need any additional information, please do not hesitate to call.

Sincerely,

BENDZINSKI & CO.
Municipal Finance Advisors



Robert J. Bendzinski, CIPMA
Registered Municipal Advisor

RJB/jll
Enclosure

615 Griswold Street • Suite 1225 • Detroit, MI 48226-3997
Telephone • (313) 961-8222
e-mail • rjb@bendzinski.com



INVOICE

June 30, 2017

Mr. Martin Marshall, County Administrator
County of Lenawee
301 Main Street
Adrian, MI 49221

RE: Continuing Disclosure Undertaking for Year Ending December 31, 2016

For professional services rendered as Dissemination Agent for the County of Lenawee, State of Michigan, (the "Issuer"), pursuant to various Continuing Disclosure Undertaking(s): Distribution of the Issuer's Annual Information Statement and audited financial statements to the Municipal Securities Rulemaking Board (the "MSRB") Electronic Municipal Market Access ("EMMA") System.

TOTAL.....\$1,000.00

Federal I.D. Number 38-2143158



Published Submission Confirmation
EMMANotifications to: cdu

06/27/2017 03:08 PM

Your Continuing Disclosure Submission has been published.

SubmissionId: ER835466

Disclosure Type: FINANCIAL/OPERATING FILING

Annual Financial Information and Operating Data (Rule 15c2-12): Lenawee County
Annual Information Statement for the year ended 12/31/2016
Audited Financial Statements or CAFR (Rule 15c2-12): Lenawee County Audited
Financial Statements for the year ended 12/31/2016

Document Name: Financial Operating Filing dated 06/27/2017

Lenawee County Annual Information Stmt.pdf posted 06/27/2017

2:57:42 PM

Lenawee County 2016 audit.pdf posted 06/27/2017 2:57:42 PM

The following issuers are associated with this continuing disclosure submission:

| CUSIP6 | State | Issuer Name |
|--------|-------|-----------------------------|
| 525894 | MI | LENAWEE CNTY MICH |
| 525895 | MI | LENAWEE CNTY MICH BLDG AUTH |

The following 109 Securities have been published with this continuing disclosure submission:

| | |
|------------------------------|----------------------------|
| Security: CUSIP - 525894RE3, | Maturity Date - 05/01/1998 |
| Security: CUSIP - 525894RF0, | Maturity Date - 05/01/1999 |
| Security: CUSIP - 525894RG8, | Maturity Date - 05/01/2000 |
| Security: CUSIP - 525894RH6, | Maturity Date - 05/01/2001 |
| Security: CUSIP - 525894RJ2, | Maturity Date - 05/01/2002 |
| Security: CUSIP - 525894RK9, | Maturity Date - 05/01/2003 |
| Security: CUSIP - 525894RL7, | Maturity Date - 05/01/2004 |
| Security: CUSIP - 525894RM5, | Maturity Date - 05/01/2005 |
| Security: CUSIP - 525894RN3, | Maturity Date - 05/01/2006 |
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| Security: CUSIP - 525894RQ6, | Maturity Date - 05/01/2008 |
| Security: CUSIP - 525894RR4, | Maturity Date - 05/01/2009 |
| Security: CUSIP - 525894RS2, | Maturity Date - 05/01/2010 |
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| Security: CUSIP - 525894VL2, | Maturity Date - 10/01/2012 |
| Security: CUSIP - 525894VM0, | Maturity Date - 10/01/2013 |
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| Security: CUSIP - 525894VP3, | Maturity Date - 10/01/2015 |
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| Security: CUSIP - 525894VT5, | Maturity Date - 10/01/2019 |

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Security: CUSIP - 525894VZ1, Maturity Date - 07/01/2014
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Security: CUSIP - 525895ET1, Maturity Date - 05/01/2027
Security: CUSIP - 525895EU8, Maturity Date - 05/01/2030

Please follow the link to view this submission:

<https://emma.msrb.org/ContinuingDisclosureView/ContinuingDisclosureDetails.aspx?submissionId=ER835466>

Please follow the link to make changes to this submission:

<http://dataport.emma.msrb.org/AboutDataport.aspx>

PLEASE DO NOT REPLY. This is a system-generated e-mail. If you need assistance please contact the MSRB at 202-838-1330 or you may obtain more information at www.msrb.org.

ANNUAL REPORT COVER SHEET

This cover sheet and the attached Annual Report or portion thereof should be filed electronically with the Municipal Securities Rulemaking Board through the EMMA Dataport at <http://www.emma.msrb.org> pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(A) and (B).

Issuer's Name: County of Lenawee, Michigan

Issuer's Six-Digit CUSIP Number(s): 525894, 525895

or Nine-Digit CUSIP Number(s) to which the attached Annual Report relates: _____

Number of pages of the attached Annual Report or portion thereof: 12 pages plus Audited Financial Statements

Fiscal Period: January 1, 2016 - December 31, 2016

General Obligation Limited Tax Bonds, Series 2013

Dated: June 18, 2013

2012 Sanitary Disposal and Water Supply System Improvement Bonds (Riga Township) (Limited Tax General Obligation)

Dated: June 21, 2012

2012 Refunding Bonds (Central Lenawee Sewage Disposal System) (LTGO)

Dated: March 1, 2012

Building Authority Bonds, Series 2010A (Federally Taxable Recovery Zone Economic Development Bonds)

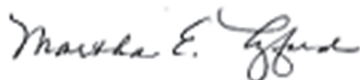
Dated: February 1, 2010

Human Services Building Authority, Building Authority (LTGO) Bonds, Series 2003

Dated: June 1, 2003

I hereby represent that I am authorized by the Issuer or its agent to distribute this information publicly:

Signature:



Name: Martha E. Lyford
Title: Disclosure Coordinator
Employer: Bendzinski & Co., Municipal Finance Advisors
Address: 615 Griswold, Suite 1225
City, State, Zip Code: Detroit, MI 48226-3997
Email: mel@bendzinski.com

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

Pursuant to the Awarding Resolution and various Continuing Disclosure Undertakings executed and delivered by the County of Lenawee in connection with the issuance of the above-referenced bond issues, we provide the following update of numerical financial information and operating data included in the official statements of the Township relating to the above referenced bond issues:

POPULATION

| | |
|------------------|--------|
| 2010 U.S. Census | 99,892 |
| 2000 U.S. Census | 98,890 |
| 1990 U.S. Census | 91,476 |
| 1980 U.S. Census | 89,948 |

PROPERTY VALUATIONS

| <u>Year</u> | <u>STATE EQUALIZED VALUATION</u> | <u>TAXABLE VALUE</u> |
|-------------|----------------------------------|----------------------|
| 2017 | \$4,131,399,469 | \$3,235,071,205 |
| 2016 | 3,984,737,220 | 3,193,938,972 |
| 2015 | 3,816,209,639 | 3,198,852,571 |
| 2014 | 3,724,525,427 | 3,176,502,914 |
| 2013 | 3,675,752,506 | 3,163,516,270 |
| 2012 | 3,670,637,939 | 3,167,295,920 |
| 2011 | 3,766,845,489 | 3,220,185,580 |
| 2010 | 3,996,778,670 | 3,340,339,290 |
| 2009 | 4,203,173,554 | 3,448,160,500 |
| 2008 | 4,342,621,500 | 3,417,643,503 |

MICHIGAN PROPERTY TAX REFORM

On March 28 and April 1, 2014, Governor Snyder signed into law a package of bills amending and replacing legislation enacted in 2012 to reform personal property tax in Michigan. Commercial and industrial personal property of each owner with a combined true cash value in a local taxing unit of less than \$80,000 is exempt from ad valorem taxes beginning in 2014. All eligible manufacturing personal property purchased or put into service beginning in 2013 and used more than 50% of the time in industrial processing or direct integrated support becomes exempt beginning in 2016. The legislation extends certain personal property tax exemptions and tax abatements for technology parks, industrial facilities and enterprise zones that were to expire after 2012, until the newly enacted personal property tax exemptions take effect. The legislation also includes a formula to reimburse local governments for lost personal property tax revenue. To provide the reimbursement, the legislation reduces the state use tax and creates a Local Community Stabilization Authority which will levy a local use tax component and distribute that revenue to qualifying local units. The final impact of this legislation cannot be determined at this time.

The ultimate nature, extent and impact of any other future amendments to Michigan's property tax laws on the County's finances cannot be predicted. Purchasers of the Bonds should consult with their legal counsel and financial advisors as to the consequences of any such legislation on the market price or marketability of the Bonds, the security therefor and the operations of the County.

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

An analysis of the **State Equalization Valuation** is as follows:

| | BY CLASS | | |
|-------------------|------------------------|------------------------|------------------------|
| | 2017 | 2016 | 2015 |
| Real Property | \$3,914,362,631 | \$3,759,071,420 | \$3,558,048,339 |
| Personal Property | 217,036,838 | 225,665,800 | 258,161,300 |
| TOTAL | \$4,131,399,469 | \$3,984,737,220 | \$3,816,209,639 |

| | BY USE | | |
|-------------------|------------------------|------------------------|------------------------|
| | 2017 | 2016 | 2015 |
| Residential | \$2,465,400,072 | \$2,348,199,120 | \$2,255,776,607 |
| Agricultural | 962,032,500 | 929,292,000 | 830,821,632 |
| Commercial | 390,486,959 | 385,235,000 | 375,946,300 |
| Industrial | 95,026,900 | 93,880,600 | 93,008,400 |
| Developmental | 1,416,200 | 2,464,700 | 2,495,400 |
| Personal Property | 217,036,838 | 225,665,800 | 258,161,300 |
| TOTAL | \$4,131,399,469 | \$3,984,737,220 | \$3,816,209,639 |

An analysis by the **Taxable Value** is as follows:

| | BY CLASS | | |
|-------------------|------------------------|------------------------|------------------------|
| | 2017 | 2016 | 2015 |
| Real Property | \$3,018,213,758 | \$2,968,430,812 | \$2,940,724,782 |
| Personal Property | 216,857,447 | 225,508,160 | 258,127,789 |
| TOTAL | \$3,235,071,205 | \$3,193,938,972 | \$3,198,852,571 |

| | BY USE | | |
|-------------------|------------------------|------------------------|------------------------|
| | 2017 | 2016 | 2015 |
| Residential | \$2,153,800,560 | \$2,109,664,657 | \$2,084,842,163 |
| Agricultural | 420,050,446 | 414,155,074 | 412,647,780 |
| Commercial | 353,269,945 | 352,792,971 | 351,541,126 |
| Industrial | 89,926,031 | 90,119,404 | 89,883,060 |
| Developmental | 1,166,776 | 1,698,706 | 1,810,653 |
| Personal Property | 216,857,447 | 225,508,160 | 258,127,789 |
| TOTAL | \$3,235,071,205 | \$3,193,938,972 | \$3,198,852,571 |

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWE, MICHIGAN**

| | 2017 | | | 2017 |
|-------------------|---|---------------------------------|-------------------------------|-------------------------------|
| | TAXABLE VALUE BY GOVERNMENTAL UNIT | | | Total |
| | <u>Real Property</u> | <u>Personal Property</u> | <u>Total</u> | <u>State</u> |
| Townships: | | | | <u>Equalized</u> |
| | | | | <u>Valuation</u> |
| Adrian | \$203,978,245 | \$15,302,600 | \$219,280,845 | \$253,704,800 |
| Blissfield | 108,318,680 | 8,966,700 | 117,285,380 | 148,602,609 |
| Cambridge | 327,484,911 | 10,074,700 | 337,559,611 | 379,430,300 |
| Clinton | 109,532,124 | 5,016,600 | 114,548,724 | 137,073,100 |
| Deerfield | 53,923,388 | 13,424,800 | 67,348,188 | 100,680,300 |
| Dover | 48,571,666 | 2,727,000 | 51,298,666 | 81,193,900 |
| Fairfield | 53,566,544 | 1,775,400 | 55,341,944 | 97,003,700 |
| Franklin | 139,959,258 | 4,010,438 | 143,969,696 | 184,011,681 |
| Hudson | 51,511,606 | 3,513,600 | 55,025,206 | 86,372,200 |
| Macon | 57,051,032 | 8,528,509 | 65,579,541 | 103,179,200 |
| Madison | 177,361,327 | 17,790,900 | 195,152,227 | 227,357,100 |
| Medina | 45,461,633 | 1,866,700 | 47,328,333 | 87,802,500 |
| Ogden | 52,784,461 | 1,707,600 | 54,492,061 | 109,204,200 |
| Palmyra | 76,806,479 | 4,794,900 | 81,601,379 | 125,209,150 |
| Raisin | 221,233,987 | 18,358,200 | 239,592,187 | 282,292,072 |
| Ridgeway | 59,202,785 | 2,377,200 | 61,579,985 | 86,300,500 |
| Riga | 74,808,995 | 19,858,400 | 94,667,395 | 143,382,500 |
| Rollin | 183,326,557 | 4,705,600 | 188,032,157 | 250,789,300 |
| Rome | 62,996,955 | 1,686,100 | 64,683,055 | 92,128,200 |
| Seneca | 44,981,362 | 1,390,400 | 46,371,762 | 86,551,600 |
| Tecumseh | 72,305,841 | 3,259,900 | 75,565,741 | 93,486,700 |
| Woodstock | 177,507,078 | 7,734,900 | 185,241,978 | 222,374,750 |
| Cities: | | | | |
| Adrian | 310,595,677 | 33,887,200 | 344,482,877 | 388,578,182 |
| Hudson | 36,036,078 | 5,873,100 | 41,909,178 | 45,614,900 |
| Morenci | 34,811,414 | 2,311,300 | 37,122,714 | 40,309,925 |
| Tecumseh | 234,095,675 | 15,914,700 | 250,010,375 | 278,766,100 |
| TOTAL | <u><u>\$3,018,213,758</u></u> | <u><u>\$216,857,447</u></u> | <u><u>\$3,235,071,205</u></u> | <u><u>\$4,131,399,469</u></u> |

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

MAJOR TAXPAYERS

According to County officials, the Taxable Value of each of the County's major taxpayers for the year 2017 is as follows:

| Name of Taxpayer | 2017 Ad Valorem | 2017 IFT Value | 2017 Renaissance Zone | 2017 Taxable Value |
|---------------------------------|--------------------|----------------------|-----------------------------|--------------------------|
| Consumers Energy Co. | \$60,302,279 | \$ - | \$ - | \$60,302,279 |
| Michigan International Speedway | 38,104,928 | 6,642,809 | - | 44,747,737 |
| Wacker Chemical Corp. | 12,302,185 | 6,412,350 | - | 18,714,535 |
| METC | 14,909,700 | - | - | 14,909,700 |
| Lenawee Stamping Corp. | 9,005,268 | 1,295,600 | - | 10,300,868 |
| MS Real Estate Holdings, LLC | 7,614,236 | - | - | 7,614,236 |
| Savoy Energy LP | 7,392,100 | - | - | 7,392,100 |
| Midwest Energy Cooperative | 7,114,158 | - | - | 7,114,158 |
| Inteva Products | 4,619,103 | 1,761,750 | - | 6,380,853 |
| Citizens Gas Fuel Co. | 6,077,727 | - | - | 6,077,727 |
| Enbridge Pipelines | 5,921,529 | - | - | 5,921,529 |
| Crossroads Shopping Center | 5,592,707 | - | - | 5,592,707 |
| Inergy Automotive Inc. | 3,761,832 | 1,713,900 | - | 5,475,732 |
| Wyatt Real Estate | 4,720,929 | - | - | 4,720,929 |
| L & W Engineering Co. | 4,060,230 | 398,100 | - | 4,458,330 |
| Old National Bank | 4,363,370 | - | - | 4,363,370 |
| Wal-Mart Real Estate | 4,353,384 | - | - | 4,353,384 |
| Meijer, Inc. | 4,347,468 | - | - | 4,347,468 |
| J & W Warner Farms, LLC | 4,044,796 | - | - | 4,044,796 |
| Anderson Development Co. | 3,336,047 | 666,314 | - | 4,002,361 |
| TLC Community Credit Union | 3,634,786 | - | - | 3,634,786 |
| Flevo, LLC | 3,483,501 | - | - | 3,483,501 |
| Prielipp Farms | 3,135,394 | - | - | 3,135,394 |
| Judson Farms, LLC | 3,006,786 | - | - | 3,006,786 |
| Midwest Grain Processors, LLC | 11,684,046 | 0 | (11,427,200) | 256,846 |
| Green Plains - Riga | 12,070,100 | 0 | (12,070,100) | - |

Source: Lenawee County Equalization Department

TAX RATES
(Per \$1,000 of Taxable Value)

| | | 2016 | 2015 | 2014 |
|-------------------|--------------------------------------|------------------|------------------|------------------|
| County of Lenawee | Operating | \$4.9412 | \$4.9412 | \$4.9412 |
| | Dept. of Aging ⁽¹⁾ | 0.4820 | 0.4820 | 0.4820 |
| | Dept. of Aging ⁽²⁾ | 0.2500 | 0.2500 | 0.2500 |
| | Medical Care Facility ⁽³⁾ | 0.1896 | 0.1896 | 0.1896 |
| | Veterans | 0.0500 | 0.0500 | 0.0500 |
| | Lenawee I.S.D. | 7.2796 | 7.2796 | 7.2796 |
| Total | | \$13.1924 | \$13.1924 | \$13.1924 |

⁽¹⁾ Millage expires December, 2020

⁽²⁾ Millage expires December, 2019

⁽³⁾ Millage expires December 2018

Source: Lenawee County Equalization Department

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

The amount of mills allocated to the County, townships in the County and the intermediate school district have been fixed by vote as follows:

| Units of Government | Rates | Maximum Authorized Tax Rate |
|------------------------------|----------|-----------------------------|
| County of Lenawee | \$5.7500 | \$4.9412 |
| Any Township | 1.0000 | |
| Intermediate School District | 0.3000 | |
| | \$7.0500 | |

TAX LEVIES AND COLLECTIONS

| Year | Tax Levy | Collections to March 1 of Following Year | |
|------|--------------|---|--------|
| 2016 | \$18,725,591 | \$18,032,302 | 96.30% |
| 2015 | 18,601,390 | 17,890,834 | 96.18% |
| 2014 | 18,618,125 | 17,835,274 | 95.80% |
| 2013 | 18,535,994 | 17,743,155 | 95.72% |
| 2012 | 18,694,423 | 17,858,675 | 95.53% |
| 2011 | 17,570,734 | 16,741,720 | 95.28% |
| 2010 | 18,804,746 | 17,888,444 | 95.13% |
| 2009 | 19,074,254 | 18,058,753 | 94.68% |
| 2008 | 18,840,146 | 17,948,040 | 95.26% |
| 2007 | 18,403,057 | 17,538,766 | 95.30% |

Source: Lenawee County

GENERAL FUND - FUND BALANCE

| Fiscal Year Ended December 31 | Fund Balance |
|-------------------------------------|-----------------|
| 2016 | \$6,418,348 |
| 2015 | 5,759,570 |
| 2014 | 5,377,769 |
| 2013 | 5,082,397 |
| 2012 | 5,892,635 |

Source: County of Lenawee audited financial statements

REVENUES FROM THE STATE OF MICHIGAN

The County receives revenue sharing payments from the State of Michigan under the State Revenue Sharing Act of 1971, as amended (the "Revenue Sharing Act"), on a per capita basis. The County's revenue sharing distribution is subject to annual legislative appropriation and may be reduced or delayed by Executive Order during any State fiscal year in which the Governor, with the approval of the State Legislature's appropriation committees, determines that actual revenues will be less than the revenue estimates on which appropriations were based.

The State's ability to make revenue sharing payments to the County in the amounts and at the times specified in the Revenue Sharing Act is subject to the State's overall financial condition and its ability to finance any temporary cash flow deficiencies. Act 357, Public Acts of Michigan, 2004 ("Act 357") amended the General Property Tax Act to temporarily eliminate statutory revenue sharing payments to counties by creating a reserve fund, against which counties could draw in lieu of annual revenue sharing payments, paid for by the permanent advancement of the counties' property tax levy from December to July each year, beginning in 2005. Under Act 357, a county would resume receiving state revenue sharing payments in the first year in which the county's property tax revenue reserve was less than the amount the county would have otherwise received in state revenue sharing payments. The County resumed receiving revenue sharing payments during its fiscal year ended December 31, 2012.

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

Under the fiscal year 2016 budget, signed into law on June 18, 2015 by Governor Snyder, a portion of county revenue sharing payment distributions are made pursuant to the Revenue Sharing Act and a portion are distributed through an incentive-based program called the county incentive program (“CIP”). For fiscal year 2016, the county revenue sharing program has an appropriation of \$214.7 million, an increase of \$3.5 million over fiscal year 2015 amounts, with \$2.8 million being distributed pursuant to the Revenue Sharing Act and \$700,000 being distributed through the CIP. The CIP provides eligible counties distributions for complying with “best practices” to increase transparency. Eligible counties are those that would be eligible to resume receiving state revenue sharing payments under Act 357.

Under the fiscal year 2016 CIP, an eligible county can receive CIP payments if it meets requirements for accountability and transparency, including making a citizen’s guide to its finances, a performance dashboard, a debt service report and a two-year budget projection available for public viewing. Any portion of the CIP that the County would be eligible to receive would be subject to certain benchmarks that the County would need to meet, and there can be no assurance of what amount, if any, the County would receive under CIP

Purchasers of the Bonds should be alerted to further modifications to revenue sharing payments to Michigan local governmental units, to potential consequent impact on the County’s general fund condition, and to the potential impact upon the market price or marketability of the Bonds resulting from changes in revenues received by the County from the State.

The following table sets forth the annual revenue sharing payments and other monies received by the County for the fiscal years ended December 31, 2013 through December 31, 2016 and estimated amount the County expects to receive for fiscal year ending December 31, 2017. If revenue sharing dollars received by the State are less than anticipated and the County’s revenue sharing distribution is reduced, the County intends to make certain adjustments as necessary to balance its fiscal year 2017 budget.

| Fiscal Year Ended December 31, | Revenue Sharing Payment | County Incentive Program | State Revenue Sharing Payments |
|--------------------------------------|-------------------------------|--------------------------------|---|
| 2017 | \$1,647,609 | \$406,938 | \$2,054,547 ⁽¹⁾ |
| 2016 | 1,627,755 | 406,939 | 2,034,694 |
| 2015 | 1,624,902 | 406,226 | 2,031,128 |
| 2014 | 0 | | 1,628,535 ⁽²⁾ |
| 2013 | 0 | | 1,575,580 |

⁽¹⁾ Estimate

⁽²⁾ The County’s Revenue Sharing Fund has been depleted with this draw.

Sources: County of Lenawee audited Annual Financial Statements

and State Treasury Website - http://www.michigan.gov/treasury/0,4679,7-121-1751_2197---,00.html

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

LABOR AGREEMENTS

The County has nine (9) employee bargaining units which have negotiated comprehensive salary, wage, fringe benefit and working conditions contracts with the County. The duration of these agreements are as follows:

| <u>Employee Group</u> | <u>Approximate Number of Employees</u> | <u>Expiration Date of Contract</u> |
|--|--|--|
| Michigan Nurses Association | 3 | December 31, 2017 |
| Police Officers Labor Council (Supervisory) | 13 | December 31, 2017 |
| Police Officers Association of Michigan (Deputy) | 85 | December 31, 2017 |
| United Steel Workers of America - Maintenance | 15 | December 31, 2017 |
| United Steel Workers of America - Drain | 14 | December 31, 2017 |
| G.E.L.C. - Maurice Spear Campus | 31 | December 31, 2017 |
| G.E.L.C. - District Court | 15 | December 31, 2017 |
| G.E.L.C. - Probate/Juvenile Court | 8 | December 31, 2017 |
| G.E.L.C. - Circuit Court | 11 | December 31, 2017 |
| Non-Union County Employees (full-time) | 183 | N/A |
| Non-Union County Employees (part-time) | 181 | N/A |

Source: County of Lenawee

RETIREMENT PLANS

DEFINED BENEFIT PLAN *

The County contributes to the Lenawee County Board of Commissioners Employees' Retirement Income Plan ("Plan"), a single employer defined benefit plan provided through a private insurance company that acts as an investment and administrative agent for the County. The Plan is not shown as a pension trust within the County's financial statements as the Plan is completely administered by an outside party. Employer and employee contributions and benefit provisions are authorized and may be amended by County Board resolution and benefits may vary pursuant to collective bargaining agreements.

The County provides this Plan for all employees who regularly work at least 1,000 hours in a calendar year. The Plan is a defined benefit plan which pays upon retirement a benefit range (depending on Group) calculated at 1.0 to 2.5% of average monthly earnings times years of service, times final average compensation. For most employee groups, full retirement benefits are available when an employee reaches the "rule of 85" (age plus years of service) or age 62 with eight (8) years continuous service. Reduced retirement benefits are also available as early as age 55 with ten (10) years continuous service. Retirement plan benefits may vary pursuant to employee group provisions and/or collective bargaining agreements.

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

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefits | 324 |
| Inactive employees entitled to but not yet receiving benefits | 66 |
| Active plan members | 183 |
| Total | <u>573</u> |

* For further information, see Note 15 in the County's audited Financial Statements for fiscal year ended December 31, 2016

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWE, MICHIGAN**

The contribution requirements of Plan members are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and Plan provisions. After meeting eligibility requirement, active Plan members are required to contribute to the Plan based on their bargaining unit or management group contribution rate. Member rates are 10.0% of total annual compensation. The county is required to contribute at actuarially determined rates depressed as a percentage of covered payroll. The county's contribution rate for the year ended December 31, 2016, was 20.1% of covered payroll.

Changes in Net Pension Liability

The components of the change in the net pension liability are summarized as follows:

| | <u>As of Fiscal Year Ended December 31,</u> | |
|--|---|---------------------|
| | <u>2016</u> | <u>2015</u> |
| Total Pension Liability | | |
| Service cost | \$395,417 | \$431,494 |
| Interest | 6,292,646 | 6,144,592 |
| Changes in benefit terms | - | - |
| Differences between expected and actual experience | (1,217,364) | - |
| Changes in assumptions | (1,297,032) | - |
| Other changes | - | - |
| Benefit payments, including refunds | (4,706,055) | (4,625,758) |
| Net change in total pension liability | (532,388) | 1,950,328 |
| Total pension liability - Beginning of year | 81,611,354 | 79,661,026 |
| Total pension liability -End of year | <u>\$81,078,966</u> | <u>\$81,611,354</u> |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | 1,380,729 | 1,375,047 |
| Contributions - Member | 697,243 | 746,305 |
| Net Investment income | 4,699,879 | (1,075,668) |
| Administrative expenses | (5,302) | (44,450) |
| Benefit payments, including refunds | (4,706,055) | (4,625,758) |
| Other | - | - |
| Net change in plan fiduciary net position | 2,066,494 | (3,624,524) |
| Plan fiduciary net position - Beginning of year | 64,103,492 | 67,728,016 |
| Plan fiduciary net position - End of year | <u>\$66,169,986</u> | <u>\$64,103,492</u> |
| Township's net pension liability - Ending | <u>\$14,908,980</u> | <u>\$17,507,862</u> |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 81.6% | 78.5% |
| Covered Employee Payroll | \$6,880,414 | \$7,015,567 |
| Net Pension Liability as a Percentage of Covered Employee Payroll | 216.7% | 249.6% |

Schedule of Contributions

| Fiscal Year Ended <u>December 31,</u> | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contribution as Percentage of Covered Employee Payroll |
|--|---|--|--|--------------------|--|
| 2015 | \$1,129,803 | \$1,375,047 | (\$245,244) | \$7,015,567 | 19.6% |
| 2016 | 1,355,575 | 1,380,729 | (25,154) | 6,880,414 | 20.1% |

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

*DEFINED CONTRIBUTION PLAN ***

Effective April 1, 2001, the County began to provide and administer pension benefits for certain new full-time employees through a defined contribution plan, called the Lenawee County Board of Commissioners Defined Contribution Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate on the date of employment. The plan requires the County to contribute, on behalf of each covered employee, 5.0% of the employees' compensation. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners.

Membership in the Plan consisted of the following at December 31, 2016, the date of latest actuarial valuation:

| | |
|--|-------------------|
| Retirees and beneficiaries currently receiving benefits | 8 |
| Other retirees and beneficiaries entitled to future benefits | 36 |
| Active plan members | <u>303</u> |
| Total | <u><u>347</u></u> |

Participants are required to contribute 5.0% of compensation to this plan.

The County made the required contribution to the plan, amounting to \$524,315 and employee contributions were \$521,828 for the years ended December 31, 2016.

** For further information, see Note 16 of the County's audited Financial Statements for fiscal year ended December 31, 2016.

Source: County of Lenawee audited Annual Financial Statements

OTHER POST-EMPLOYMENT BENEFITS

The County does not provide other post-employment benefits to its employees upon retirement.

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

DEBT STATEMENT

(As of June 30, 2017, including the Bonds described herein)

DIRECT DEBT:

| | Gross | Self-Supporting or Portion Paid Directly By Benefited Municipalities | Net |
|--------------------|--------------|--|-------------|
| Building Authority | \$3,855,000 | \$0 | \$3,855,000 |
| Water | 0 | 0 | 0 |
| Drain | 2,111,000 | 1,716,956 | 394,044 |
| Sewer | 2,544,000 | 2,544,000 | 0 |
| Water & Sewer | 390,000 | 390,000 | 0 |
| General Obligation | 1,450,000 | 0 | 1,450,000 |
| Total | \$10,350,000 | \$4,650,956 | \$5,699,044 |

OVERLAPPING DEBT:

| | |
|------------------------------|---------------|
| School Districts | \$160,028,538 |
| Cities and Villages | 13,986,385 |
| Townships | 5,529,422 |
| Intermediate School District | 19,525 |

TOTAL OVERLAPPING DEBT

\$179,563,870

NET DIRECT AND OVERLAPPING DEBT

\$185,262,914

Source: Municipal Advisory Council of Michigan

DEBT RATIOS:

| | |
|--|-------------|
| Per Capita 2017 State Equalized Valuation | \$41,358.66 |
| Per Capita 2017 True Cash Value | \$82,717.32 |
| Per Capita Net Direct Debt | \$57.05 |
| Per Capita Combined Net Direct and Overlapping Debt | \$1,854.63 |
| Percent of Net Direct Debt of 2017 State Equalized Valuation | 0.138% |
| Percent of Net Direct and Overlapping Debt of 2017 State Equalized Valuation | 4.484% |
| Percent of Net Direct Debt of 2017 True Cash Value | 0.069% |
| Percent of Net Direct and Overlapping Debt of 2017 True Cash Value | 2.242% |

**ANNUAL INFORMATION STATEMENT
FOR THE COUNTY OF LENAWEЕ, MICHIGAN**

SCHEDULE OF BOND MATURITIES

(As of June 30, 2017, including the Bonds described herein)

| Year | Building Authority Bonds | Sewer Bonds | Drain Bonds | Sanitary Sewage Disposal & Water Supply Bonds | General Obligation Bonds |
|------|--------------------------|--------------------|--------------------|---|--------------------------|
| 2017 | \$0 | \$345,000 | \$300,000 | \$120,000 | \$0 |
| 2018 | 715,000 | 350,000 | 484,000 | 125,000 | 200,000 |
| 2019 | 195,000 | 355,000 | 404,000 | 120,000 | 200,000 |
| 2020 | 205,000 | 360,000 | 383,000 | 25,000 | 250,000 |
| 2021 | 210,000 | 370,000 | 372,000 | 0 | 250,000 |
| 2022 | 225,000 | 375,000 | 42,000 | 0 | 275,000 |
| 2023 | 235,000 | 389,000 | 42,000 | 0 | 275,000 |
| 2024 | 250,000 | 0 | 42,000 | 0 | 0 |
| 2025 | 260,000 | 0 | 42,000 | 0 | 0 |
| 2026 | 280,000 | 0 | 0 | 0 | 0 |
| 2027 | 295,000 | 0 | 0 | 0 | 0 |
| 2028 | 310,000 | 0 | 0 | 0 | 0 |
| 2029 | 330,000 | 0 | 0 | 0 | 0 |
| 2030 | 345,000 | 0 | 0 | 0 | 0 |
| | <u>\$3,855,000</u> | <u>\$2,544,000</u> | <u>\$2,111,000</u> | <u>\$390,000</u> | <u>\$1,450,000</u> |

DEBT HISTORY: There has been no record of default.

FUTURE BONDING: The County does not plan to issue any additional bonds or notes within the next six months.

STATEMENT OF LEGAL DEBT MARGIN

(As of June 30, 2017, including the Bonds described herein)

| | |
|--|------------------------|
| 2017 State Equalized Valuation | \$4,131,399,469 |
| Plus 2016 Equivalent State Equalized Value of Act 198 Exemptions | <u>53,397,400</u> |
| Total State Equalized Valuation | <u>\$4,184,796,869</u> |
| Debt Limited (10% of State Equalized Valuation) | \$418,479,687 |
| Amount of Outstanding Debt (Debt Statement) | <u>10,350,000</u> |
| LEGAL DEBT MARGIN | <u>\$408,129,687</u> |