



Dollars and Sense:

How the City of Farmington Hills Invests Your Money

A Citizen's Guide to the City of Farmington Hills
Economic Vitality, Financial Health and Operational Performance

Dated: November 2019

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Introduction

All City residents have a vested interest in the economic and financial future of the City. This report is intended to provide ALL citizens with a snapshot assessment of the recent financial health and operational performance of the City of Farmington Hills, as well as a projection of the current and subsequent fiscal years. As a taxpayer, you deserve to know what your dollars are buying, and how efficiently and effectively the services and programs you receive are provided to you. This Report includes:

- The City's Certification to the State of Michigan Department of Treasury that we have produced and are making available to the general public the following documents:
 - A Performance Dashboard measuring recent performance in Fiscal Stability, Economic Strength, Public Safety and Quality of Life indicators;
 - A Debt Service Report reflecting the issuance date and amount, type of debt instrument, revenues pledged for each debt instrument, and the annual debt service payments to maturity; and
 - A Projected Budget Report for the General Fund for the current and subsequent fiscal years, summarized by revenue source and expenditure function.
 - The Michigan Community Financial Dashboard is available at <http://micommunityfinancials.michigan.gov/#!/dashboard/CITY/?lat=44.731431779455505&lng=-83.018211069625&zoom=5>. This dashboard is designed to provide residents with easy-to-use, visual data. The Michigan Community Financial Dashboard is provided by the Michigan Department of Treasury using data collected by local units of government.

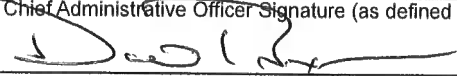
City, Village, and Township Revenue Sharing and County Incentive Program Certification

Issued under authority of 2019 Public Act 56. Filing is mandatory to qualify for payments.

Each city/village/township/county applying for City, Village, and Township Revenue Sharing or County Incentive Program payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made available to the public a Citizen's Guide, a Performance Dashboard, a Debt Service Report, and a Projected Budget Report as required by 2019 Public Act 56. The local unit must include in any mailing of general information to its citizens, the Internet website address or the physical location where all the documents are available for public viewing in the clerk's office.
2. Submit to Treasury a Citizen's Guide, a Performance Dashboard, a Debt Service Report, and a Projected Budget Report.

This certification, along with a Citizen's Guide, a Performance Dashboard, a Debt Service Report, and a Projected Budget Report, **must be received by December 1, 2019**, (or the first day of a payment month) in order to qualify for that month's payment. Postmark dates will not be considered. For questions, call 517-335-7484.

PART 1: LOCAL UNIT INFORMATION			
Local Unit Name City of Farmington Hills		Local Unit County Name Oakland	
Local Unit Code 632055		Contact E-Mail Address sbarr@fhgov.com	
Contact Name Steven Barr	Contact Title Finance Director/Treasurer	Contact Telephone Number (248) 871-2446	Extension
Website Address, if reports are available online www.fhgov.com		Current Fiscal Year End Date June 30, 2019	
PART 2: CITIZEN'S GUIDE			
Check any of the following that apply:			
<input checked="" type="checkbox"/> The local unit has elected to use Treasury's online Citizen's Guide to comply with the legislative requirements. Therefore, a copy of the Citizen's Guide will not be submitted to Treasury.			
<input type="checkbox"/> The local unit does not have any unfunded liabilities (pensions or other postemployment benefits (OPEB)).			
PART 3: CERTIFICATION			
<i>In accordance with 2019 Public Act 56, the undersigned hereby certifies to Treasury that the above mentioned local unit 1) has produced a Citizen's Guide, a Performance Dashboard, a Debt Service Report, and a Projected Budget Report and 2) will include in any mailing of general information to our citizens, the Internet website address or the physical location where all the documents are available for public viewing in the clerk's office. The Citizen's Guide, Performance Dashboard, Debt Service Report, and Projected Budget Report are attached to this signed certification, unless otherwise noted in Part 2.</i>			
Chief Administrative Officer Signature (as defined in MCL 141.422b) 		Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) Dave Boyer	
Title City Manager		Date 11/21/2019	

Completed and signed form (including required attachments) should be e-mailed to: **TreasRevenueSharing@michigan.gov**. If you are unable to submit via e-mail, fax to 517-335-3298 or mail the completed form and required attachments to:

Michigan Department of Treasury
Revenue Sharing and Grants Division
PO Box 30722
Lansing MI 48909

TREASURY USE ONLY		
CVTRS/CIP Eligible Y N	Certification Received	Citizen's Guide Received
Performance Dashboard Received	Debt Service Report Received	Projected Budget Report Received
Final Certification	CVTRS/CIP Notes	

Performance Dashboard

Local Unit Name: City of Farmington Hills
Local Unit Code: 632055

	2018	2019	Trend	Performance
Fiscal Stability				
Annual General Fund expenditures per capita	\$696	\$724	→ 4.0%	Neutral
Fund Balance as % of annual General Fund expenditures	62.0%	63.5%	→ 2.4%	Neutral
Unfunded pension & OPEB liability, as a % of annual General Fund revenue	61%	92%	↑ 50.7%	Negative
Debt burden per capita	\$249	\$220	↓ 11.9%	Positive
Percentage of road funding provided by the General Fund	0.0%	0.0%	#DIV/0!	#DIV/0!
Ratio of pensioners to employees	1.23	1.28	→ 4.3%	Neutral
Number of services delivered via cooperative venture	5	5	→ 0.0%	Neutral
Economic Strength				
% of community with access to high speed broadband	100%	100%	→ 0.0%	Neutral
% of community age 25+ with Bachelor's degree or higher	53%	#DIV/0!	#DIV/0!	#DIV/0!
Average age of critical infrastructure (years)	21.5	21.5	→ -0.3%	Neutral
Public Safety				
Violent crimes per thousand	0.97	0.68	↓ 30.3%	Positive
Property crimes per thousand	11.73	6.87	↓ 41.5%	Positive
	341.00	449.00	↑ 31.7%	Negative
Quality of Life				
Miles of sidewalks and non-motorized paths/trails as a factor of total miles of local/major roads & streets	0.47	0.47	→ 0.0%	Neutral
Percent of General Fund expenditures committed to arts, culture and recreation	14.1%	13.8%	→ -2.3%	Neutral
Acres of parks per thousand residents	7.8	7.8	→ 0.0%	Neutral
Percent of community being provided with curbside recycling	72%	72%	→ 0.0%	Neutral

CITY OF FARMINGTON HILLS - BOND DEBT SCHEDULE

		Building Authority	Bldg. Auth.	G.O. Limited		Total	G.O. Limited	G.O. Limited	Special	Total	General	Special	
		47th District Court	Subtotal	CIP Bond	Golf Course	General Debt	(SAD349)	(SAD345-347)	Assessments	SAD Debt	Debt	Assessments	Total
Issuance date		03/03/17		07/11/12	04/02/13		05/18/17	07/12/16	07/11/12				
Issued amount		3,805,000		970,000	6,545,000		1,225,000	8,475,000	2,470,000				
Revenue pledge		Taxes		Taxes	Taxes		Taxes	Taxes	Assessments				
19-20	Principal	995,000	995,000	65,000	380,000	1,440,000	85,000	655,000	265,000	1,005,000	1,653,831	1,228,001	2,881,831
	Interest	35,918	35,918	16,100	161,813	213,831	27,650	180,363	14,988	223,001			
20-21	Principal	1,000,000	1,000,000	70,000	380,000	1,450,000	85,000	655,000	265,000	1,005,000	1,634,575	1,201,019	2,835,594
	Interest	19,500	19,500	14,663	150,413	184,575	25,950	160,713	9,356	196,019			
21-22	Principal			75,000	425,000	500,000	85,000	660,000	255,000	1,000,000	653,400	1,168,426	1,821,826
	Interest			12,938	140,463	153,400	24,250	140,988	3,188	168,426			
22-23	Principal			75,000	415,000	490,000	90,000	660,000		750,000	632,419	887,088	1,519,507
	Interest			10,875	131,544	142,419	22,500	114,588		137,088			
23-24	Principal			80,000	435,000	515,000	90,000	665,000		755,000	644,988	863,813	1,508,801
	Interest			8,550	121,438	129,988	20,700	88,113		108,813			
24-25	Principal			80,000	425,000	505,000	90,000	665,000		755,000	620,775	845,388	1,466,163
	Interest			6,150	109,625	115,775	18,900	71,488		90,388			
25-26	Principal			80,000	450,000	530,000	90,000	665,000		755,000	629,125	830,288	1,459,413
	Interest			3,750	95,375	99,125	17,100	58,188		75,288			
26-27	Principal			85,000	445,000	530,000	90,000	505,000		595,000	610,988	656,338	1,267,326
	Interest			1,275	79,713	80,988	14,850	46,488		61,338			
27-28	Principal				490,000	490,000	90,000	510,000		600,000	553,350	648,488	1,201,838
	Interest				63,350	63,350	12,150	36,338		48,488			
28-29	Principal				510,000	510,000	90,000	510,000		600,000	555,850	635,588	1,191,438
	Interest				45,850	45,850	9,450	26,138		35,588			
29-30	Principal				530,000	530,000	90,000	510,000		600,000	557,650	622,688	1,180,338
	Interest				27,650	27,650	6,750	15,938		22,688			
30-31	Principal				525,000	525,000	90,000	510,000		600,000	534,188	609,469	1,143,657
	Interest				9,188	9,188	4,050	5,419		9,469			
31-32	Principal						90,000			90,000		91,350	91,350
	Interest						1,350			1,350			
TOTAL PRINCIPAL		1,995,000	1,995,000	610,000	5,410,000	8,015,000	1,155,000	7,170,000	785,000	9,110,000	9,281,137	10,287,943	19,569,081
TOTAL INTEREST		55,418	55,418	74,300	1,136,419	1,266,137	204,300	944,762	27,531	1,177,943			

City of Farmington Hills - General Fund Projected Budget Report

Local Unit Code: 632055
 Current Fiscal Year End Date: 6/30/2019

<u>REVENUES</u>	FY 2019/20 Current Budget	Projected Percentage Change for Next Year	FY 2020/21 Projected Budget	<u>Assumptions</u>
Property Taxes	\$32,850,489	2.96	\$33,824,406	Based on Assessing projections
Business Licenses & Permits	\$25,200	0.00	\$25,200	Based on historical average.
Other Licenses & Permits	\$1,522,200	0.00	\$1,522,200	Based on historical average.
Grants	\$607,000	1.65	\$617,000	Based on historical average.
State Shared Revenues	\$8,136,541	2.80	\$8,364,462	Based on projected increase from State.
Fees	\$5,440,300	-0.46	\$5,415,300	Based on historical average.
Sales	\$419,050	0.00	\$419,050	Based on historical average.
Fines & Forfeitures	\$2,200,000	0.00	\$2,200,000	Based on historical average.
Interest Earnings	\$600,000	0.00	\$600,000	Based on continued rising interest rates.
Recreation User Charges	\$5,149,758	19.93	\$6,176,096	Based on historical average.
Other Revenue	\$2,358,600	0.20	\$2,363,400	Based on historical average.
Interfund Transfers In	\$1,316,850	0.00	\$1,316,850	No change projected.
Total Revenues	\$60,625,988		\$62,843,964	
 EXPENDITURES				
Boards & Commissions	\$2,936,921	2.84	\$3,020,300	Based on known/expected contractual and inflationary increases.
General Government	\$11,104,561	7.59	\$11,947,748	Based on known/expected contractual and inflationary increases.
Public Safety (Police & Fire)	\$21,249,573	4.02	\$22,104,776	Based on known/expected contractual and inflationary increases.
Planning & Community Development	\$1,838,698	2.70	\$1,888,366	Based on known/expected contractual and inflationary increases.
Public Services (DPW, Refuse, Facilities)	\$7,941,740	2.16	\$8,113,343	Based on known/expected contractual and inflationary increases.
Special Services (Recreation & Culture)	\$8,831,495	19.98	\$10,596,280	Based on known/expected contractual and inflationary increases.
Interfund Transfers (Out)	\$8,834,310	6.79	\$9,434,310	No change projected.
Total Expenditures	\$62,737,298		\$67,105,123	
Net Revenues (Expenditures)	-\$2,111,310		-\$4,261,159	
 Beginning Fund Balance	 \$37,266,110		 \$35,154,800	
Ending Fund Balance	\$35,154,800		\$30,893,641	