

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

RE: Compliance Form 4886 for Muskegon Heights, MI Transparency & Accountability

The Muskegon Heights is pleased to submit form 4886 with the required documents per Public Act 207, in compliance with the State of Michigan's Transparency and Accountability Initiative.

The Muskegon Heights has chosen to use a web-service for this requirement, and has partnered with Munetrix to showcase our data.

Included with this letter are the required documents for Muskegon Heights's:

- Citizen's Guide to Finances including our Pension and OPEB status
- Performance Dashboard
- Debt Service Report
- Projected Budget Report

We have made the data available to the public via a link on our website; as well we will make available limited quantities of paper copies in our municipality lobby and notify residents in our periodic mailings. You will find the confirmation of our website link and various supporting transparency documentation included with this letter.

We look forward to receiving these important funds from the State of Michigan and trust you will contact us if there are any questions or concerns.

Sincerely,

Kathrine Phillips

Digitally signed by Kathrine Phillips
DN: cn=Kathrine Phillips, o=City of Muskegon
Heights, ou=Finance Director,
email=kphillips@cityofmuskegonheights.org, c=US
Date: 2018.11.30 16:29:45 -05'00'

Kathy Phillips
Finance Director

Michigan Department of Treasury
(Recreated) 4886 (Rev. 09-18)


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

Issued under authority of 2018 Public Act 207. 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 2018 Public Act 207. 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, 2018**, (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 517-373-2697.

PART 1: LOCAL UNIT INFORMATION			
Local Unit Name Muskegon Heights		Local Unit County Name Muskegon County	
Local Unit Code 612030		Contact E-Mail Address kphillips@cityofmuskegonheights.org	
Contact Name Kathy Phillips	Contact Title Finance Director	Contact Telephone Number 231-733-8870	Extension
Website Address, if reports are available online http://munetrix.com/sections/data/municipal.php?MuniID=202&Type=City		Current Fiscal Year End Date 2018-12-31	
PART 2: CITIZEN'S GUIDE			
Check any of the following that apply:			
<input 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 2018 Public Act 207, 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) Kathy Phillips	
Title Finance Director		Date November 30, 2018	

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	

General Info

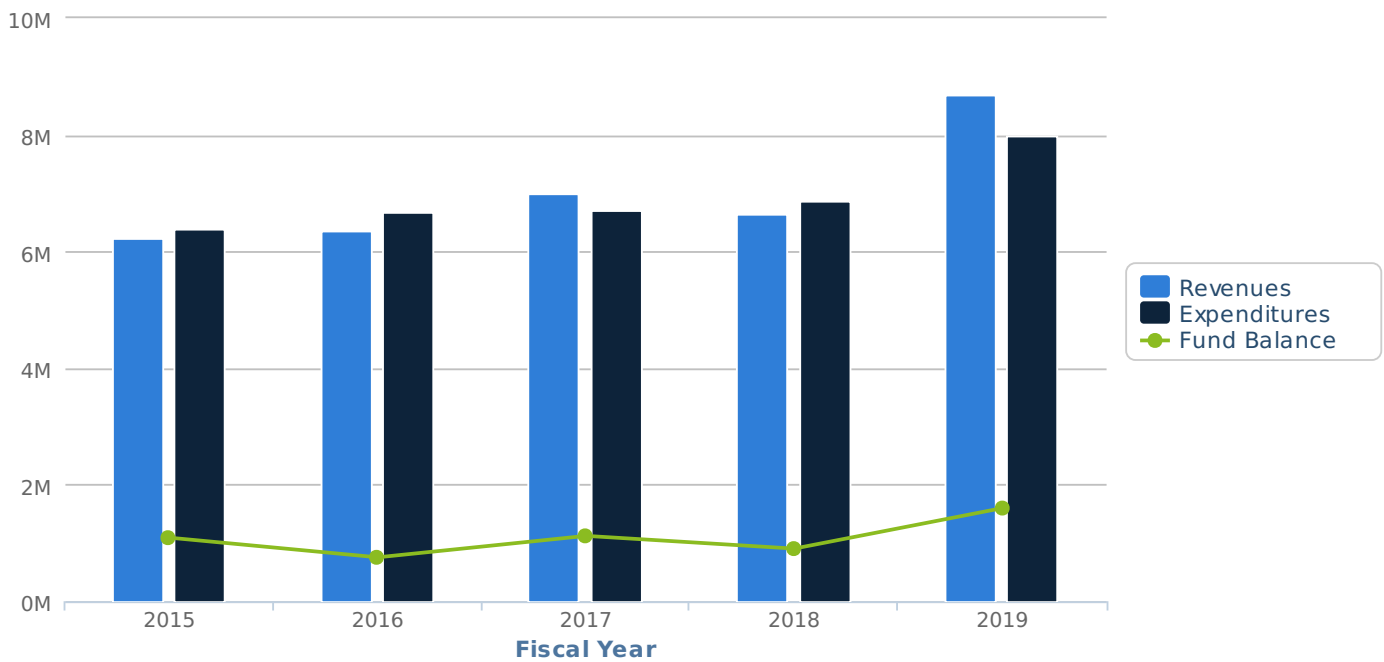
Name	Type	Fiscal Year End	Population (2010)	Phone	Website
Muskegon Heights	City	December	10,849	(231) 733-8999	https://muskegonheights.us/

Multi-Year General Fund Only

Year	Data Status	Fiscal Score	Population	General Fund Revenues	General Fund Expenditures	*Available Fund Balance	Taxable Value
2019	Forecast	2	10,735	\$8,696,830	\$8,001,580	\$1,597,504	\$94,143,400
2018	Amended Budget	3	10,735	\$6,649,858	\$6,868,583	\$902,254	\$94,143,400
2017	Historic	3	10,735	\$7,006,885	\$6,720,775	\$1,120,979	\$93,018,250
2016	Historic	3	10,746	\$6,359,201	\$6,672,791	\$753,086	\$94,100,129
2015	Historic	2	10,742	\$6,214,748	\$6,403,767	\$1,089,729	\$103,051,108

*Available Fund Balance includes Committed, Assigned, and Unassigned Funds. It excludes Nonspendable and Restricted Funds.

How We Have Managed Our Resources



Fiscal Year Assumptions Notes

2019 Notes:

GENERAL FUND:

- Overall general fund revenue is projected to increase by 5% with a \$119,000 surplus expected. Plumbing, mechanical, electrical inspections and permits are projected to increase by an average of 7% in 2018 and 8% in 2019.
- 2019 Tax revenues are projected to be 5% higher than in 2019.
- Water rates will remain at \$3.66 per 1000 gallons and sewer rates are projected to rise slightly from \$5.82 per 1000 gallons to a projected \$5.85 per 1000 gallons. The City of Muskegon Heights contracts with the City of Muskegon for sewer services.

INCOME TAXES:

- Income tax revenue is projected to increase by 3%
- Another considerable factor is a directly related to more properties and higher tax values (both residential and business) generating more tax revenue.
- Income tax collection is 1.3% ahead of 2017 numbers.
- By July of 2017, we collected \$410,571.72 in income taxes compared to \$459,731.58 by July 2018.
- Factors attributing to this increase are more business activity in the city which generates income tax revenue. A 3.5% increase is expected in 2019.

Financial Statement

Including General Fund only

Balance Sheet

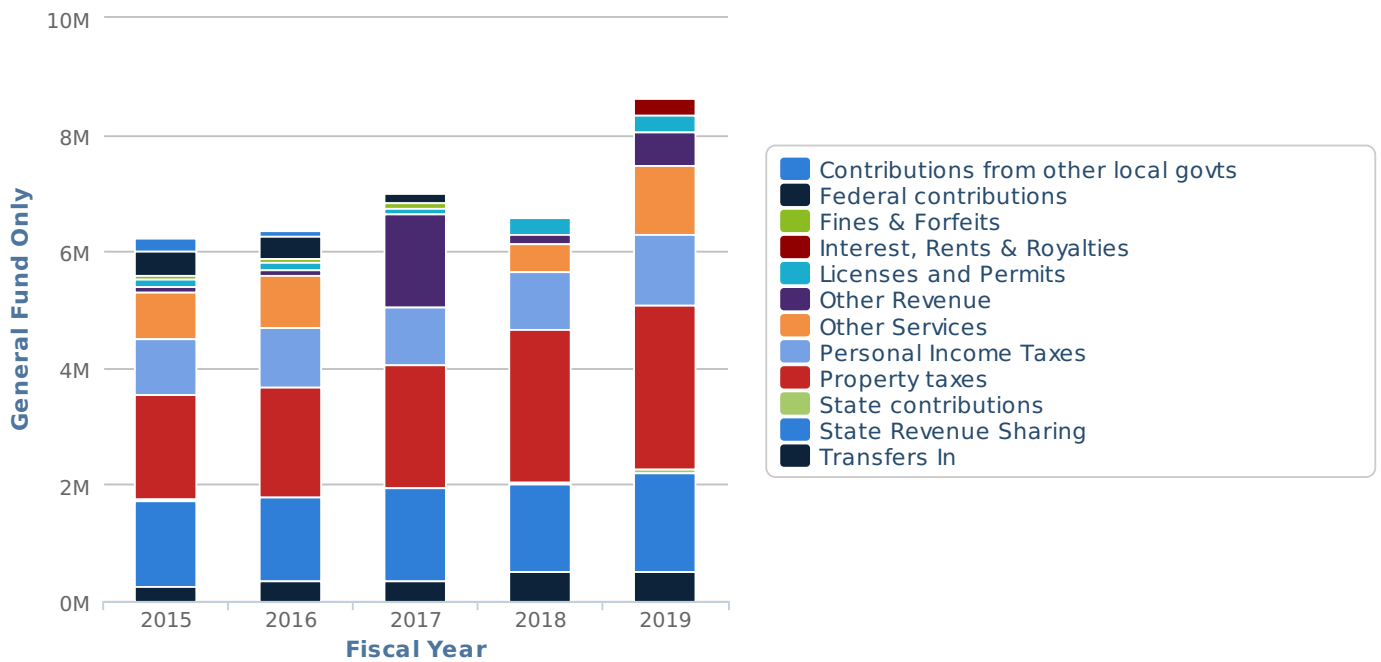
Category Name	2019	2018	2017	2016	2015
Fund Equity	\$1,597,504	\$902,254	\$1,289,117	\$928,007	\$1,241,597
Total Assets	N/A	N/A	\$3,232,810	\$2,451,610	\$2,730,525
Total Liabilities	N/A	N/A	\$2,139,458	\$1,523,603	\$1,488,928

*Fund Equity includes all five fund types: Committed, Assigned, Unassigned, Nonspendable and Restricted Funds.

Revenues

Category Name	2019	2018	2017	2016	2015
Contributions from other local govts				\$102,085	\$207,412
Federal contributions	\$25,750	\$25,000	\$178,211	\$364,981	\$431,728
Fines & Forfeits	\$30,900	\$30,000	\$75,199	\$72,176	\$64,030
Interest, Rents & Royalties	\$290,950	\$6,700		\$114	
Licenses and Permits	\$292,800	\$287,900	\$116,936	\$120,131	\$121,785
Other Revenue	\$575,800	\$170,390	\$1,576,880	\$122,297	\$70,633
Other Services	\$1,193,580	\$479,950		\$896,889	\$800,284
Personal Income Taxes	\$1,200,000	\$1,000,000	\$1,000,995	\$993,619	\$963,708
Property taxes	\$2,805,000	\$2,610,000	\$2,110,623	\$1,885,687	\$1,805,067
State contributions	\$82,050	\$31,000	\$13,157	\$17,607	\$9,371
State Revenue Sharing	\$1,690,000	\$1,506,918	\$1,574,884	\$1,423,615	\$1,470,730
Transfers In	\$510,000	\$502,000	\$360,000	\$360,000	\$270,000
Total	\$8,696,830	\$6,649,858	\$7,006,885	\$6,359,201	\$6,214,748

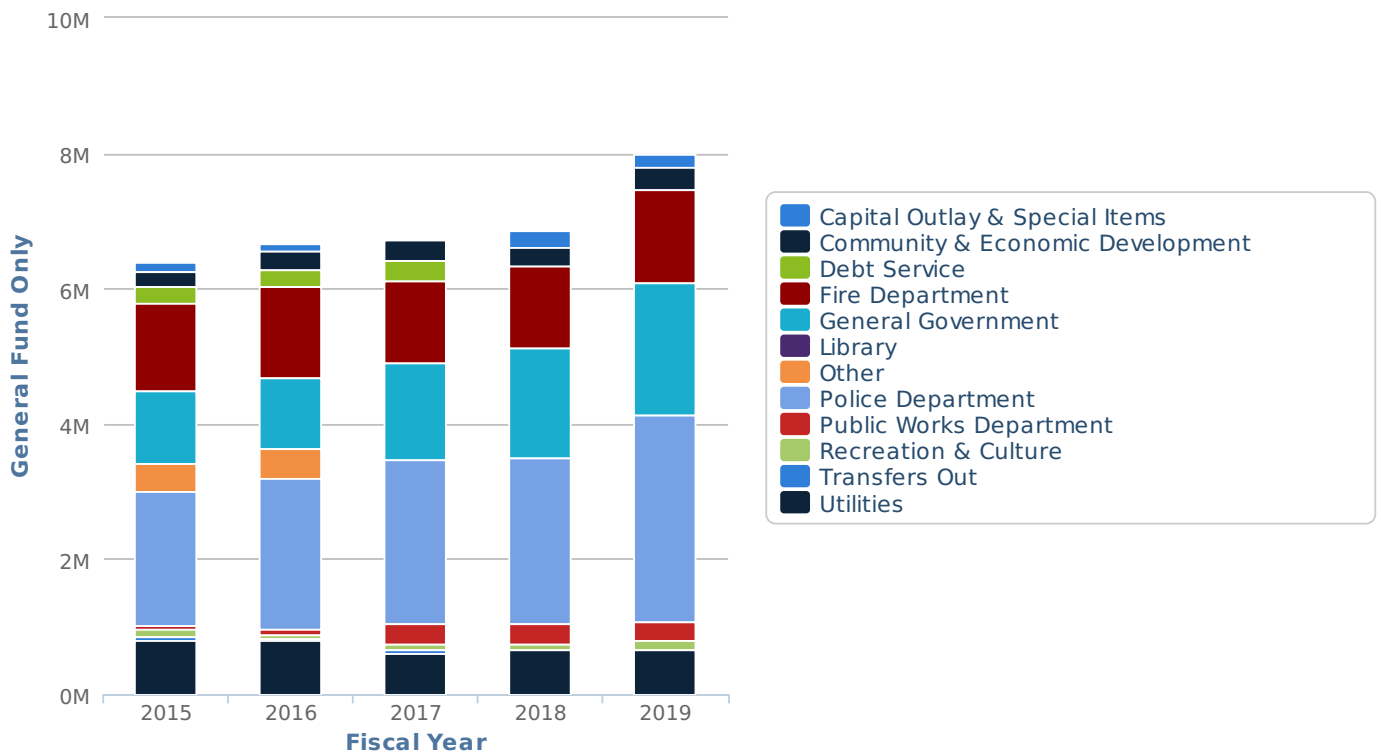
Where The Money Comes From



Expenses

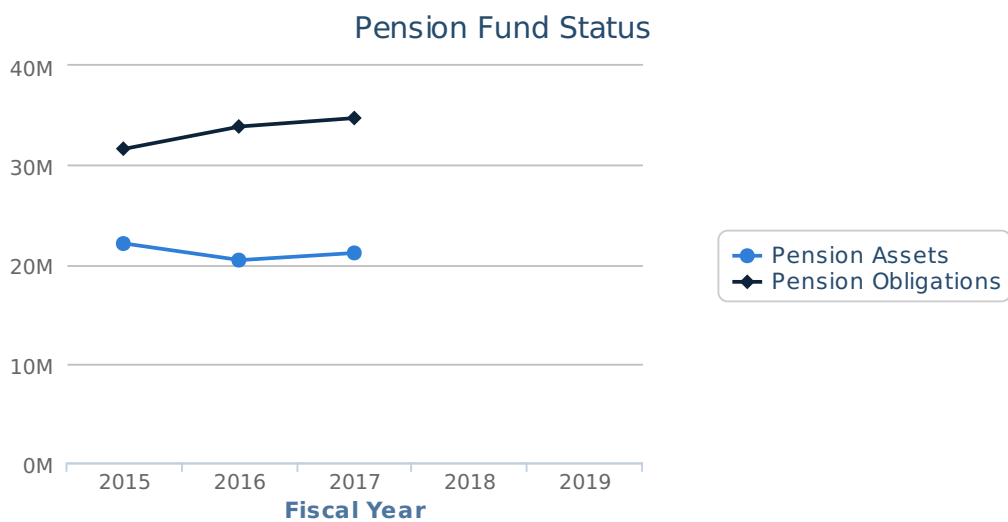
Category Name	2019	2018	2017	2016	2015
Capital Outlay & Special Items	\$215,000	\$261,193		\$123,015	\$158,794
Community & Economic Development	\$316,250	\$263,393	\$302,819	\$268,246	\$205,444
Debt Service			\$298,920	\$258,283	\$251,882
Fire Department	\$1,374,815	\$1,217,328	\$1,217,512	\$1,351,954	\$1,289,341
General Government	\$1,964,780	\$1,627,948	\$1,434,814	\$1,039,556	\$1,071,314
Library	\$7,350	\$7,100	\$8,594	\$8,410	\$12,723
Other				\$429,527	\$399,935
Police Department	\$3,040,465	\$2,451,880	\$2,412,459	\$2,220,998	\$2,008,206
Public Works Department	\$293,850	\$287,444	\$306,479	\$86,213	\$55,297
Recreation & Culture	\$115,070	\$99,397	\$84,423	\$50,543	\$94,486
Transfers Out			\$44,686	\$43,191	\$64,501
Utilities	\$674,000	\$652,900	\$610,069	\$792,855	\$791,844
Total	\$8,001,580	\$6,868,583	\$6,720,775	\$6,672,791	\$6,403,767

How The Money Is Spent

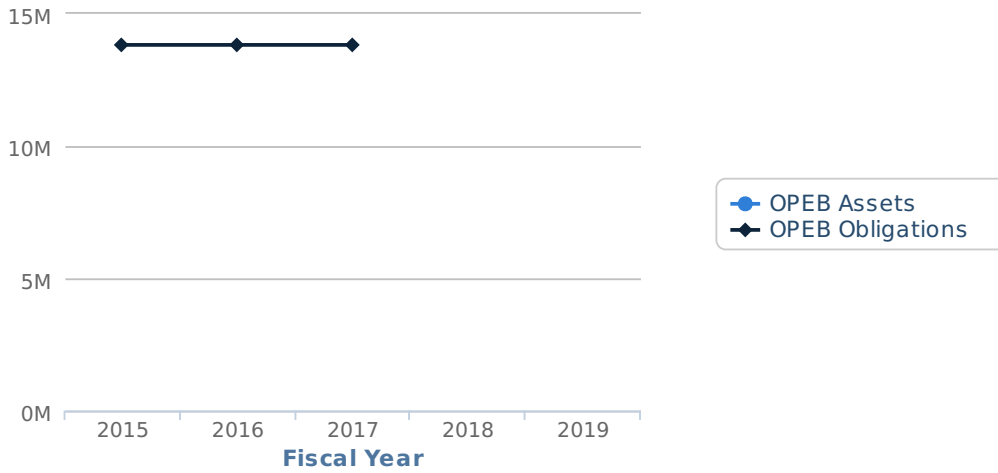


Supplementary Information (Pension / OPEB)

Category Name	2019	2018	2017	2016	2015
Pensions Actuarial Liability	N/A	N/A	\$34,732,838	\$33,879,288	\$31,640,899
Pension Fund Assets	N/A	N/A	\$21,131,555	\$20,408,403	\$22,074,136
OPEB Actuarial Liability	N/A	N/A	\$13,825,676	\$13,825,676	\$13,825,676
OPEB Fund Assets	N/A	N/A	N/A	N/A	N/A



Other Post-Employment Benefit Fund Status



OPEB Notes:

OPEB valuation is only provided every three years per our valuation schedule and has been updated to reflect latest actuarial information as of December 31, 2014. OPEB fund assets are zero as they are not funded at this time.

Fund Equity Detail

Category Name	2019	2018	2017	2016	2015
Assigned				\$249,298	
Nonspendable			\$168,138	\$174,921	\$151,868
Unassigned	\$1,597,504	\$902,254	\$1,120,979	\$503,788	\$1,089,729

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Fiscal Stability	2016	2017	Progress
Fiscal Wellness Indicator Score	3	3	↔
Annual General Fund expenditures per capita	\$621	\$626	↔
Fund balance as % of General Fund Revenues i	11.8%	16.0%	↑
Pension % Funded i	60.2%	60.8%	↔
Debt burden per capita i	\$255.7	\$212.2	↑
Operating Millage i	0.00	0.00	↔

Economy & Financial Health	2016	2017	Progress
Population i	10,746	10,735	↓
Taxable Value (100k) i	\$94,100	\$93,018	↓

Public Safety	2016	2017	Progress
Crimes against persons per thousand residents i	61.0	58.4	↑
Crimes against property per thousand residents i	104.3	118.3	↓
Crimes against society per thousand residents i	60.7	65.4	↓
Other crimes per thousand residents i	43.9	40.9	↑
Traffic crashes property i	316	280	↑
Traffic crashes injuries i	45	49	↓
Traffic crashes fatalities i	1	3	↓

School District Enrollment	2016	2017	Progress
Mona Shores Public School District	3,798	3,842	↑
Muskegon Heights Public School Academy System	815	761	↓
Muskegon Heights School District	815	761	↓

OPEB Notes:

OPEB valuation is only provided every three years per our valuation schedule and has been updated to reflect latest actuarial information as of December 31, 2014. OPEB fund assets are zero as they are not funded at this time.

[Print](#)

Muskegon Heights
Local Code: 61-2030
Debt Service Summary Report

Bonds & contracts payable

Fiscal Years

Name	2018	2019	2020
1997C Michigan Municipal Bond Authority:	65,375	79,138	77,524
2005 Water Supply System:	491,228	495,062	493,320
2006 Water Supply System:	708,319	706,719	709,519
2007 Michigan Municipal Bond Authority Energy Conservation Installment Purchase:	106,597	111,926	117,524
2013 Capital Improvement Bonds:	150,895	152,378	148,692
Subtotal for Bonds & contracts payable	\$1,522,413	\$1,545,222	\$1,546,580

Installment Loan

Fiscal Years

Name	2018	2019	2020
2007 Brownfield Redevelopment Grant Project:	10,464	10,342	10,218
Subtotal for Installment Loan	\$10,464	\$10,342	\$10,218
Total Principal & Interest	\$1,532,877	\$1,555,564	\$1,556,798

**Muskegon Heights
Complete Debt Report for
1997C Michigan Municipal Bond Authority:**

Issuance Information

Debt Type: Bonds & contracts payable
Activity Type: Government
Repayment Source: General Obligation
Issuance Date: 1997-10-15
Issuance Amount: \$825,000
Interest Rate: 7.2%
Maturing Through: 2020
Principal Maturity Range: \$60,000 - \$75,000
Comments: Advanced refunding of Series 1991C, Group B of 1991 bonds

Payment Schedule

<u>Date Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-11-01	60,000.00	5,375.00	65,375.00	\$145,000.00
2019-05-01		5,375.00	5,375.00	\$145,000.00
2019-11-01	70,000.00	3,762.50	73,762.50	\$75,000.00
2020-05-01		3,762.50	3,762.50	\$75,000.00
2020-11-01	75,000.00	-1,238.00	73,762.00	
<hr/>				
Totals	\$205,000.00	\$17,037.00	\$222,037.00	

Muskegon Heights Complete Debt Report for 2005 Water Supply System:

Issuance Information

Debt Type:	Bonds & contracts payable
Activity Type:	Business-type/Enterprise
Repayment Source:	Revenue - Water
Issuance Date:	2005-12-20
Issuance Amount:	\$6,850,000
Interest Rate:	3.3-4.5%
Maturing Through:	2030
Principal Maturity Range:	\$290,000 - \$465,000

Payment Schedule

<u>Date Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-11-01	290,000.00	201,227.50	491,227.50	\$4,530,000.00
2019-11-01	305,000.00	190,062.50	495,062.50	\$4,225,000.00
2020-11-01	315,000.00	178,320.00	493,320.00	\$3,910,000.00
2021-11-01	325,000.00	165,720.00	490,720.00	\$3,585,000.00
2022-11-01	340,000.00	152,720.00	492,720.00	\$3,245,000.00
2023-11-01	350,000.00	138,780.00	488,780.00	\$2,895,000.00
2024-11-01	365,000.00	124,255.00	489,255.00	\$2,530,000.00
2025-11-01	380,000.00	108,925.00	488,925.00	\$2,150,000.00
2026-11-01	395,000.00	93,725.00	488,725.00	\$1,755,000.00
2027-11-01	410,000.00	77,925.00	487,925.00	\$1,345,000.00
2028-11-01	430,000.00	59,987.50	489,987.50	\$915,000.00
2029-11-01	450,000.00	41,175.00	491,175.00	\$465,000.00
2030-11-01	465,000.00	20,925.00	485,925.00	
<hr/>				
Totals	\$4,820,000.00	\$1,553,747.50	\$6,373,747.50	

Muskegon Heights Complete Debt Report for 2006 Water Supply System:

Issuance Information

Debt Type: Bonds & contracts payable
Activity Type: Business-type/Enterprise
Repayment Source: Revenue - Water
Issuance Date: 2006-01-05
Issuance Amount: \$9,615,000
Interest Rate: 3.3-4.5%
Maturing Through: 2030
Principal Maturity Range: \$415,000 - \$680,000

Payment Schedule

<u>Date Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-11-01	415,000.00	293,318.80	708,318.80	\$6,545,000.00
2019-11-01	430,000.00	276,718.80	706,718.80	\$6,115,000.00
2020-11-01	450,000.00	259,518.80	709,518.80	\$5,665,000.00
2021-11-01	470,000.00	241,518.80	711,518.80	\$5,195,000.00
2022-11-01	485,000.00	222,718.80	707,718.80	\$4,710,000.00
2023-11-01	510,000.00	202,833.80	712,833.80	\$4,200,000.00
2024-11-01	525,000.00	181,668.80	706,668.80	\$3,675,000.00
2025-11-01	550,000.00	159,618.80	709,618.80	\$3,125,000.00
2026-11-01	570,000.00	136,243.80	706,243.80	\$2,555,000.00
2027-11-01	600,000.00	113,443.80	713,443.80	\$1,955,000.00
2028-11-01	625,000.00	87,193.80	712,193.80	\$1,330,000.00
2029-11-01	650,000.00	59,850.00	709,850.00	\$680,000.00
2030-11-01	680,000.00	30,600.00	710,600.00	
<hr/>				
Totals	\$6,960,000.00	\$2,265,246.80	\$9,225,246.80	

**Muskegon Heights
Complete Debt Report for
2007 Michigan Municipal Bond Authority Energy Conservation Installment
Purchase:**

Issuance Information

Debt Type: Bonds & contracts payable
Activity Type: Government
Repayment Source: General Obligation
Issuance Date: 2007-11-02
Issuance Amount: \$960,348
Interest Rate: 4.7%
Maturing Through: 2022
Principal Maturity Range: \$83,055 - \$125,098

Payment Schedule

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-05-01			11,771.00	11,771.00	\$516,536.00
2018-11-01	4.7%	83,055.00	11,771.00	94,826.00	\$433,481.00
2019-05-01	4.7%		9,745.00	9,745.00	\$433,481.00
2019-11-01	4.7%	92,436.00	9,745.00	102,181.00	\$341,045.00
2020-05-01	4.7%		7,493.00	7,493.00	\$341,045.00
2020-11-01	4.7%	102,538.00	7,493.00	110,031.00	\$238,507.00
2021-05-01	4.7%		4,995.00	4,995.00	\$238,507.00
2021-11-01	4.7%	113,409.00	4,995.00	118,404.00	\$125,098.00
2022-05-01	4.7%		2,236.00	2,236.00	\$125,098.00
2022-11-01	4.7%	125,098.00	2,236.00	127,334.00	
Totals		\$516,536.00	\$72,480.00	\$589,016.00	

Muskegon Heights Complete Debt Report for 2013 Capital Improvement Bonds:

Issuance Information

Debt Type:	Bonds & contracts payable
Activity Type:	Government
Repayment Source:	Tax-Backed
Issuance Date:	2013-09-10
Issuance Amount:	\$1,750,000
Interest Rate:	3.35%
Maturing Through:	2028
Principal Maturity Range:	\$105,000 - \$145,000

Payment Schedule

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-11-01	3.35%	105,000.00	45,895.00	150,895.00	\$1,265,000.00
2019-11-01	3.35%	110,000.00	42,377.50	152,377.50	\$1,155,000.00
2020-11-01	3.35%	110,000.00	38,692.50	148,692.50	\$1,045,000.00
2021-11-01	3.35%	115,000.00	35,007.50	150,007.50	\$930,000.00
2022-11-01	3.35%	120,000.00	31,155.00	151,155.00	\$810,000.00
2023-11-01	3.35%	125,000.00	27,135.00	152,135.00	\$685,000.00
2024-11-01	3.35%	130,000.00	22,947.50	152,947.50	\$555,000.00
2025-11-01	3.35%	135,000.00	18,592.50	153,592.50	\$420,000.00
2026-11-01	3.35%	135,000.00	14,070.00	149,070.00	\$285,000.00
2027-11-01	3.35%	140,000.00	9,547.50	149,547.50	\$145,000.00
2028-11-01	3.35%	145,000.00	4,857.50	149,857.50	
Totals		\$1,370,000.00	\$290,277.50	\$1,660,277.50	

**Muskegon Heights
Complete Debt Report for
2007 Brownfield Redevelopment Grant Project:**

Issuance Information

Debt Type: Installment Loan
Activity Type: Government
Repayment Source: General Obligation
Issuance Date: 2013-10-30
Issuance Amount: \$139,466
Interest Rate: 2%
Maturing Through: 2026
Principal Maturity Range: \$9,297 - \$9,297
Comments: Revitalization Revolving Loan Payment-Mona Terrace Dev Proj

Payment Schedule

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2018-05-01	2%		583.00	583.00	\$83,679.30
2018-11-01	2%	9,297.70	583.00	9,880.70	\$74,381.60
2019-05-01	2%		522.02	522.02	\$74,381.60
2019-11-01	2%	9,297.70	522.02	9,819.72	\$65,083.90
2020-05-01	2%		460.11	460.11	\$65,083.90
2020-11-01	2%	9,297.70	460.11	9,757.81	\$55,786.20
2021-05-01	2%		397.28	397.28	\$55,786.20
2021-11-01	2%	9,297.70	397.28	9,694.98	\$46,488.50
2022-05-01	2%		333.50	333.50	\$46,488.50
2022-11-01	2%	9,297.70	333.50	9,631.20	\$37,190.80
2023-05-01	2%		268.77	268.77	\$37,190.80
2023-11-01	2%	9,297.70	268.77	9,566.48	\$27,893.10
2024-05-01	2%		203.08	203.08	\$27,893.10
2024-11-01	2%	9,297.70	203.08	9,500.78	\$18,595.40
2025-05-01	2%		136.39	136.39	\$18,595.40
2025-11-01	2%	9,297.70	136.39	9,434.09	\$9,297.70
2026-05-01	2%		68.73	68.73	\$9,297.70
2026-11-01	2%	9,297.70	68.73	9,366.43	
Totals		\$83,679.30	\$5,945.76	\$89,625.06	

