

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

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

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

The City of 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 City of Muskegon Heights:

- 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,



Lori Doody
Interim Finance Director


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 Muskegon Heights		Local Unit County Name Muskegon County	
Local Unit Code 61 2030		Contact E-Mail Address ldoody@cityofmuskegonheights.org	
Contact Name Lori Doody	Contact Title Interim Finance Director	Contact Telephone Number 231-733-8852	Extension
Website Address, if reports are available online http://munetrix.com/sections/data/municipal.php?MuniID=202&Type=City		Current Fiscal Year End Date 12/31/2019	
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 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) Lori Doody	
Title Interim Finance Director		Date November 27, 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	

General Info

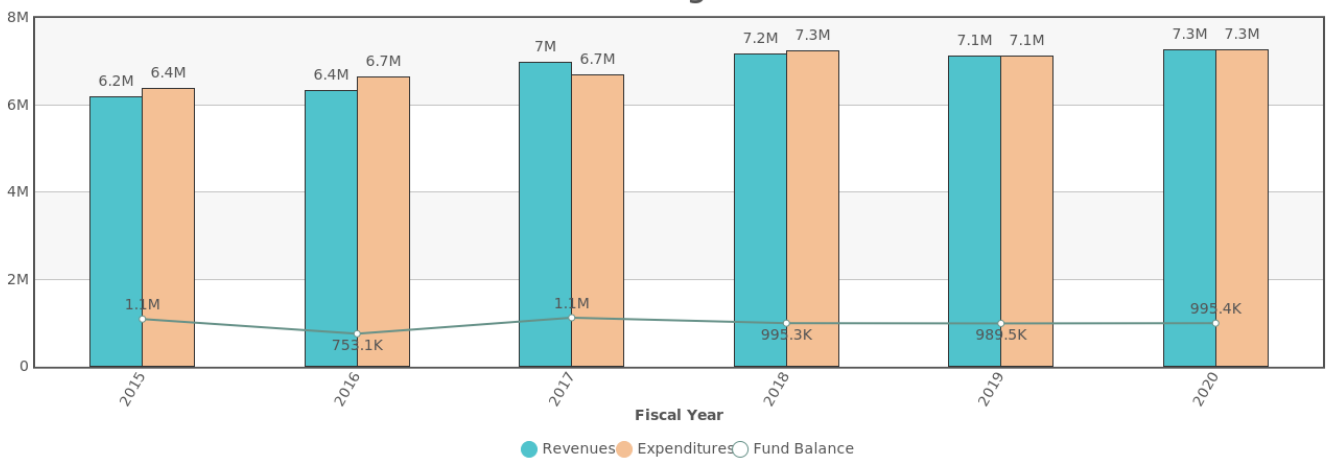
Name	Type	Fiscal Year End	Population (2010)	Phone	Website
Muskegon Heights	City	December	10842	(231) 733-8999	https://muskegonheights.us/

Multi-Year General Fund Only

Year	Data Status	Fiscal Score	Population	General Fund Revenues	General Fund Expenditures	* Available Fund Balance	Taxable Value
2020	Forecast	2	10735	\$7,289,372	\$7,283,507	\$995,407	\$91,507,998
2019	Budget	3	10735	\$7,146,444	\$7,140,694	\$989,542	\$89,713,724
2018	Historic	4	10731	\$7,185,955	\$7,257,895	\$995,292	\$91,120,725
2017	Historic	3	10744	\$7,006,885	\$6,720,775	\$1,120,979	\$93,018,250
2016	Historic	3	10755	\$6,359,201	\$6,672,791	\$753,086	\$94,100,129
2015	Historic	2	10747	\$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

2020 Notes: General Fund

General Fund:

- While property taxes are projected to increase by about 2% in FY2020, overall General Fund revenues are projected to remain flat as compared to FY2019.
- The City is expected to approve applications for Medical Marijuana provisioning center, processor and grow operations. The revenues from these projects will, in a sense, replace cell tower rent revenues that the City no longer receives due to the sale of two cellular rental agreements over the last two years.
- Residential and commercial water rates remained at \$3.66 per 1,000 gallons in FY2019, however the FY2020 budget will be based on a 5% increase, increasing the rate \$3.85 per 1,000 gallons. Sewer rates are projected to increase from \$5.82 per 1,000 gallons of discharge in FY2019 to at least \$5.94 in FY2020 due to a 2% increase from the Muskegon County Wastewater System. The City of Muskegon Heights contracts with the County of Muskegon for wastewater discharge services. The goal is to maintain utility rates in line with cost of living increases.
- The City of Muskegon Heights will be putting forth strong efforts to increase economic development in the City. In the past, the City was the recipient of grant funding to demolish blighted properties that had been abandoned or foreclosed for property taxes. The listing of these now vacant properties will be used to attract investors to consider building new construction to help increase the quality of housing available in the City, thereby increasing the quality of life for its residents.
- The Police and Fire Departments are budgeting in FY2020 to send qualified applicants to the respective academies. The goal is to increase the number of City of Muskegon Heights residents eligible for employment. This is also the goal of the newly formed Muskegon Heights Business Association that works with the City and the Muskegon County Chamber of Commerce to encourage and promote the employment of City residents.

Street Funding:

- The City of Muskegon Heights was the recipient of a \$3M grant from the State of Michigan to reconstruct and beautify the Sherman Boulevard corridor. Sherman Blvd. runs from US31 expressway all the way to Lake Michigan. About 1.75 miles of this street is located in Muskegon Heights. During FY2020, the City will spend approximately \$2.2M on road reconstruction including water and sewer utility repairs/replacements and about \$800,000 on beautifying the area with street lighting and wayfinding signage to increase safety and hopefully reduce blight in the area.
- The City also receives Major and Local Street funding from the State of Michigan. The City will also replace a section of Park Street from Summit Avenue to Hackley Avenue. This project is also supported by a \$250,000 grant from another State of Michigan agency.

Financial Statement

Including General Fund only

Balance Sheet

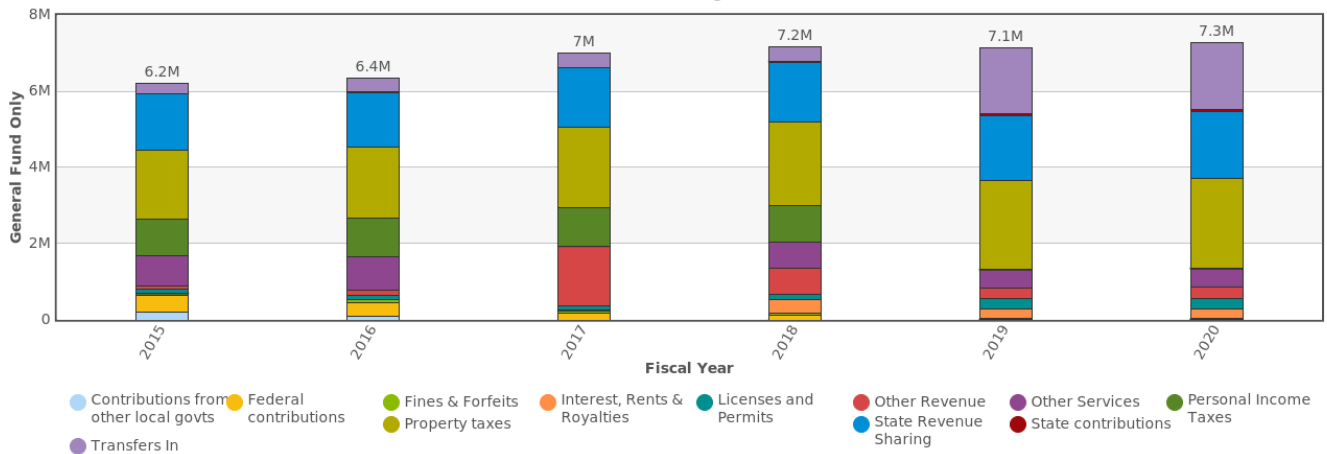
Category Name	2020	2019	2018	2017	2016	2015
Fund Equity	\$995,407	\$989,542	\$1,217,177	\$1,289,117	\$928,007	\$1,241,597
Total Assets	N/A	N/A	\$2,793,735	\$3,232,810	\$2,451,610	\$2,730,525
Total Liabilities	N/A	N/A	\$1,576,558	\$2,139,458	\$1,523,603	\$1,488,928

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

Revenues

Category Name	2020	2019	2018	2017	2016	2015
Contributions from other local govts					\$102,085	\$207,412
Federal contributions	\$19,380	\$19,000	\$124,860	\$178,211	\$364,981	\$431,728
Fines & Forfeits	\$30,600	\$30,000	\$58,997	\$75,199	\$72,176	\$64,030
Interest, Rents & Royalties	\$238,782	\$234,100	\$354,178		\$114	
Licenses and Permits	\$280,908	\$275,400	\$148,016	\$116,936	\$120,131	\$121,785
Other Revenue	\$294,660	\$288,881	\$678,610	\$1,576,880	\$122,297	\$70,633
Other Services	\$490,569	\$480,950	\$682,231		\$896,889	\$800,284
Personal Income Taxes			\$969,772	\$1,000,995	\$993,619	\$963,708
Property taxes	\$2,381,700	\$2,335,000	\$2,192,014	\$2,110,623	\$1,885,687	\$1,805,067
State Revenue Sharing	\$1,740,031	\$1,705,913	\$1,559,895	\$1,574,884	\$1,423,615	\$1,470,730
State contributions	\$52,530	\$51,500	\$25,382	\$13,157	\$17,607	\$9,371
Transfers In	\$1,760,214	\$1,725,700	\$392,000	\$360,000	\$360,000	\$270,000
Total	\$7,289,374	\$7,146,444	\$7,185,955	\$7,006,885	\$6,359,201	\$6,214,748

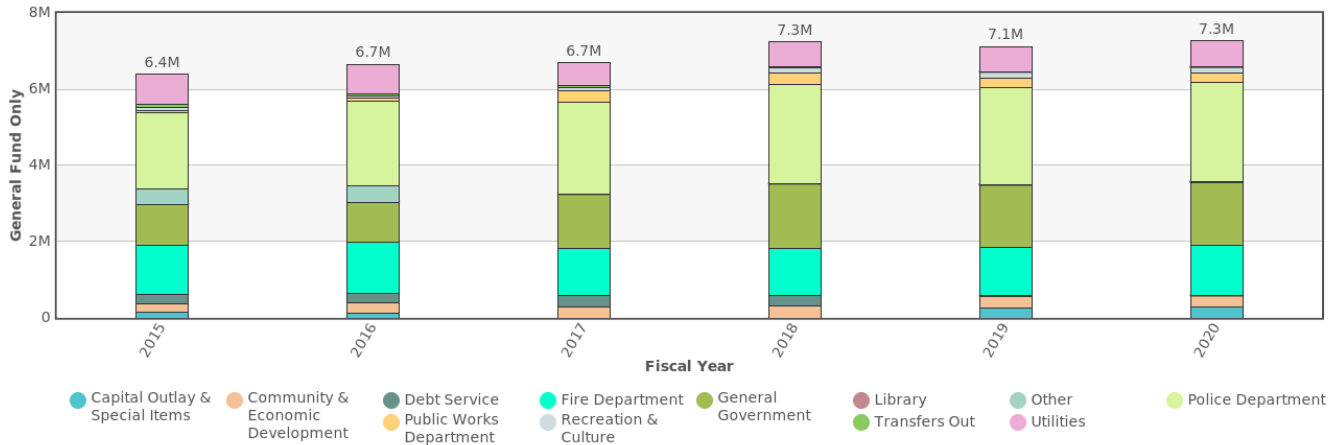
Where The Money Comes From



Expenses

Category Name	2020	2019	2018	2017	2016	2015
Capital Outlay & Special Items	\$280,140	\$274,646			\$123,015	\$158,794
Community & Economic Development	\$315,150	\$308,972	\$331,330	\$302,819	\$268,246	\$205,444
Debt Service			\$266,654	\$298,920	\$258,283	\$251,882
Fire Department	\$1,305,173	\$1,279,581	\$1,245,965	\$1,217,512	\$1,351,954	\$1,289,341
General Government	\$1,664,335	\$1,631,700	\$1,684,829	\$1,434,814	\$1,039,556	\$1,071,314
Library	\$10,047	\$9,850	\$7,718	\$8,594	\$8,410	\$12,723
Other					\$429,527	\$399,935
Police Department	\$2,613,735	\$2,562,484	\$2,603,173	\$2,412,459	\$2,220,998	\$2,008,206
Public Works Department	\$239,337	\$234,644	\$299,565	\$306,479	\$86,213	\$55,297
Recreation & Culture	\$174,233	\$170,817	\$131,093	\$84,423	\$50,543	\$94,486
Transfers Out			\$45,988	\$44,686	\$43,191	\$64,501
Utilities	\$681,360	\$668,000	\$641,580	\$610,069	\$792,855	\$791,844
Total	\$7,283,510	\$7,140,694	\$7,257,895	\$6,720,775	\$6,672,791	\$6,403,767

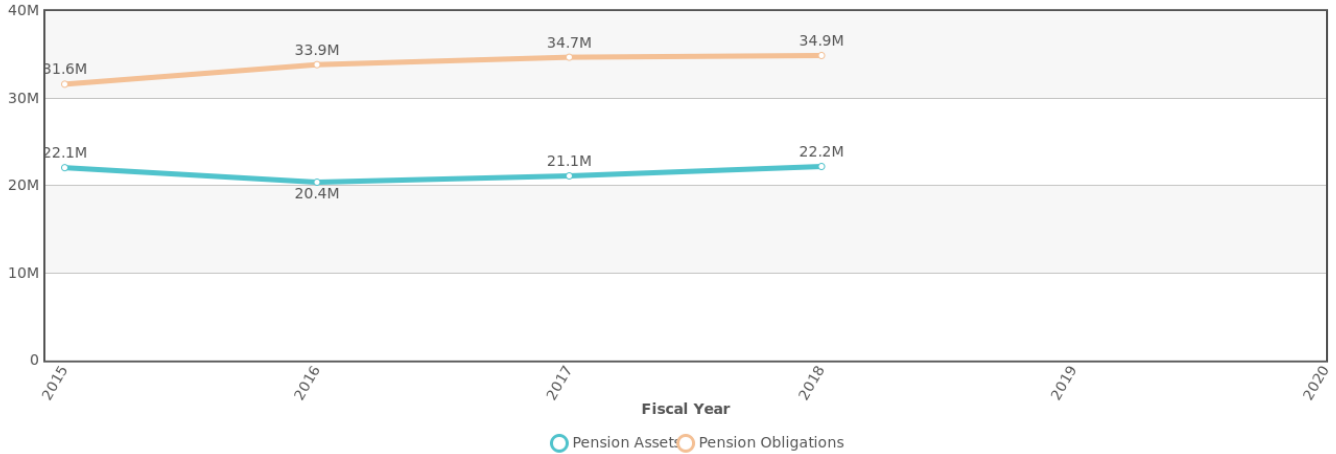
How The Money Is Spent



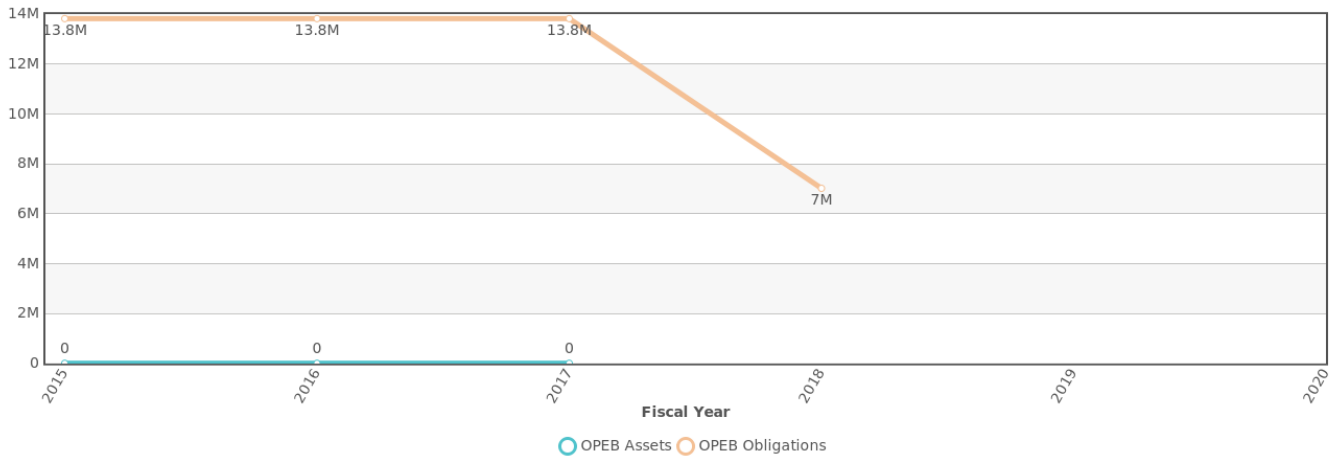
Supplementary Information (Pension / OPEB)

Category Name	2020	2019	2018	2017	2016	2015
Pensions Actuarial Liability	N/A	N/A	\$34,927,527.00	\$34,732,838.00	\$33,879,288.00	\$31,640,899.00
Pension Fund Assets	N/A	N/A	\$22,209,309.00	\$21,131,555.00	\$20,408,403.00	\$22,074,136.00
OPEB Actuarial Liability	N/A	N/A	\$7,018,081.00	\$13,825,676.00	\$13,825,676.00	\$13,825,676.00
OPEB Fund Assets	N/A	N/A	N/A	N/A	N/A	N/A

Pension Fund Status



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	2020	2019	2018	2017	2016	2015
Assigned	0	0	0	0	\$249,298.00	0
Nonspendable	0	0	\$221,885.00	\$168,138.00	\$174,921.00	\$151,868.00
Unassigned	\$995,407.00	\$989,542.00	\$995,292.00	\$1,120,979.00	\$503,788.00	\$1,089,729.00

Dashboard for Muskegon Heights

Fiscal Stability	2017	2018	Progress
Fiscal Wellness Indicator Score	3	4	↓
Annual General Fund expenditures per capita	\$626	\$676	↓
Fund balance as % of General Fund Revenues	16.0%	13.9%	↓
Other Post Employment Benefits % Funded	0.0%	0.0%	↔
Pension % Funded	60.8%	63.6%	↑
Debt burden per capita	\$212.0	\$178.7	↑
Economy & Financial Health	2017	2018	Progress
Population	10,744	10,731	↓
Taxable Value (100k)	\$93,018	\$91,121	↓
Public Safety	2017	2018	Progress
Crimes against persons per thousand residents	58.4	67.9	↓
Crimes against property per thousand residents	118.2	114.1	↑
Crimes against society per thousand residents	65.3	74.2	↓
Traffic crashes property	280	268	↑
Traffic crashes injuries	49	73	↓
Traffic crashes fatalities	3	1	↑

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.

City of Muskegon Heights

Local Code: 61-2030

Debt Service Summary Report

Bonds & contracts payable	Fiscal Years			
Name	2019	2020	2021	2022
1997C Michigan Municipal Bond Authority	79,138	77,525	0	0
2005 Water Supply System	495,063	493,320	490,720	492,720
2006 Water Supply System	706,719	709,519	711,519	707,719
2007 Michigan Municipal Bond Authority Energy Conservation Installment Purchase	111,926	117,524	123,399	129,570
2013 Capital Improvement Bonds	152,378	148,693	150,008	151,155
Subtotal for Bonds & contracts payable	1,545,222	1,546,580	1,475,645	1,481,164
Installment Loan	Fiscal Years			
Name	2019	2020	2021	2022
2007 Brownfield Redevelopment Grant Project	10,342	10,218	10,092	9,965
Subtotal for Installment Loan	10,342	10,218	10,092	9,965
Total Principal & Interest	1,555,564	1,556,798	1,485,738	1,491,129

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

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
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	
Total		\$1,265,000.00	\$244,382.50	\$1,509,382.50	

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
Purpose:	
Fund Number:	
Comments:	Advanced refunding of Series 1991C, Group B of 1991 bonds

Payment Schedule

Date Due	Principal	Interest	Payment	Balance
2019-05-01	0.00	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	0.00	3,762.50	3,762.50	\$75,000.00
2020-11-01	75,000.00	-1,238.00	73,762.00	
Total	\$145,000.00	\$11,662.00	\$156,662.00	

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

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2019-05-01	4.7	0.00	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	0.00	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	0.00	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	0.00	2,236.00	2,236.00	\$125,098.00
2022-11-01	4.7	125,098.00	2,236.00	127,334.00	
Total		\$433,481.00	\$48,938.00	\$482,419.00	

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
Purpose:	
Fund Number:	
Comments:	Revitalization Revolving Loan Payment-Mona Terrace Dev Proj

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2019-05-01	2	0.00	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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	68.73	68.73	\$9,297.70
2026-11-01	2	9,297.70	68.73	9,366.43	
Total		\$74,381.60	\$4,779.76	\$79,161.36	

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

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Principal	Interest	Payment	Balance
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	
Total	\$4,530,000.00	\$1,352,520.00	\$5,882,520.00	

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

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Principal	Interest	Payment	Balance
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	
Total	\$6,545,000.00	\$1,971,928.00	\$8,516,928.00	