



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 2022

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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 of Farmington Hills - General Fund Projected Budget Report

Local Unit Code: 632055
 Current Fiscal Year End Date: 6/30/2022

REVENUES	FY 2022/23 Current Budget	Projected Percentage Change for Next Year	FY 2023/24 Projected Budget	Assumptions
Property Taxes	\$36,162,362	4.97	\$37,958,398	Based on projection of state-mandated inflation + other known factors.
Business Licenses & Permits	\$22,953	2.00	\$23,412	Generic inflation assumption.
Other Licenses & Permits	\$1,675,767	2.00	\$1,709,283	Generic inflation assumption.
Grants	\$4,826,000	-92.32	\$370,500	ARPA Grant Receipts of \$4.45M end after FY 22-23.
State Shared Revenues	\$9,373,527	2.25	\$9,584,880	Generic inflation assumption.
Fees	\$6,625,531	2.00	\$6,758,042	Generic inflation assumption.
Sales	\$360,055	2.00	\$367,256	Generic inflation assumption.
Fines & Forfeitures	\$1,551,456	2.00	\$1,582,485	Generic inflation assumption.
Interest Earnings	\$291,272	1.00	\$294,185	Slow growth in Fed Funds Rate, which drives demand deposit earnings.
Recreation User Charges	\$7,546,013	6.59	\$8,043,554	Based on new Community Ctr (The Hawk) + Post-COVID recovery
Other Revenue	\$2,618,003	2.00	\$2,670,363	Generic inflation assumption.
Interfund Transfers In	\$1,316,850	0.00	\$1,316,850	No change by policy.
Total Revenues	\$72,369,790		\$70,679,209	
EXPENDITURES				
Boards & Commissions	\$2,889,785	3.31	\$2,985,485	Based on known/expected contractual and inflationary increases.
General Government	\$12,278,802	2.76	\$12,618,095	Based on known/expected contractual and inflationary increases.
Public Safety (Police & Fire)	\$24,887,614	4.80	\$26,082,542	Based on known/expected contractual and inflationary increases.
Planning & Community Development	\$1,984,575	-0.79	\$1,968,865	Based on known/expected contractual and inflationary increases.
Public Services (DPW, Refuse, Facilities)	\$8,593,285	0.92	\$8,672,362	Based on known/expected contractual and inflationary increases.
Special Services (Recreation & Culture)	\$13,034,228	2.36	\$13,342,299	Based on known/expected contractual and inflationary increases.
Interfund Transfers (Out)	\$9,868,951	1.32	\$9,998,951	Based on the support of the CIP Program approved by City Council.
Total Expenditures	\$73,537,239		\$75,668,599	
Net Revenues (Expenditures)	-\$1,167,449		-\$4,989,390	
Beginning Fund Balance	\$45,997,452		\$44,830,003	
Ending Fund Balance	\$44,830,003		\$39,840,613	

Performance Dashboard

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

	2021	2022	Trend	Performance
Fiscal Stability				
Annual General Fund expenditures per capita	\$726	\$808	↑11.3%	Negative
Fund Balance as % of annual General Fund expenditures	74.7%	70.2%	↓-6.1%	Negative
Unfunded pension & OPEB liability, as a % of annual General Fund revenue	72%	69%	→-3.8%	Neutral
Debt burden per capita	\$566	\$521	↓-7.9%	Positive
Percentage of road funding provided by the General Fund	0.0%	0.0%	→0.0%	0.0%
Ratio of pensioners to employees	1.50	1.62	↑8.0%	Negative
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	81%	81%	→0.0%	Neutral
Average age of critical infrastructure (years)	20.7	21.4	→3.3%	Neutral
Public Safety				
Violent crimes per thousand	1.01	1.44	↑42.4%	Negative
Property crimes per thousand	7.02	8.38	↑19.3%	Negative
Traffic injuries or fatalities	245.00	311.00	↑26.9%	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	13.1%	17.4%	↑32.8%	Neutral
Acres of parks per thousand residents	8.0	8.0	→0.8%	Neutral
Percent of community being provided with curbside recycling	71%	71%	→0.1%	Neutral

CITY OF FARMINGTON HILLS - BOND DEBT SCHEDULE

		G.O. Limited Golf Course CIP Bond	G.O. Limited CIP Bond	G.O. Limited (SAD349)	G.O. Limited (SAD345-347)	Total General Debt	General Debt	
Issuance date	04/02/13	09/12/19	12/20/20	05/18/17	07/12/16			
Issued amount	6,545,000	23,925,000	4,125,000	1,225,000	8,475,000			
Revenue pledge	Taxes	Taxes	Taxes	Taxes	Taxes			
21-22	Principal	425,000	975,000	125,000	85,000	660,000	2,270,000	3,150,173
	Interest	24,463	628,950	61,523	24,250	140,988	880,173	
22-23	Principal	415,000	990,000	125,000	90,000	660,000	2,280,000	3,102,048
	Interest	15,544	609,300	60,116	22,500	114,588	822,048	
23-24	Principal	435,000	1,005,000	130,000	90,000	665,000	2,325,000	3,087,218
	Interest	5,438	589,350	58,618	20,700	88,113	762,218	
24-25	Principal		1,025,000	550,000	90,000	665,000	2,330,000	3,043,838
	Interest		569,050	54,400	18,900	71,488	713,838	
25-26	Principal		1,045,000	565,000	90,000	665,000	2,365,000	3,035,787
	Interest		548,350	47,149	17,100	58,188	670,787	
26-27	Principal		1,045,000	555,000	90,000	505,000	2,195,000	2,817,874
	Interest		522,225	39,311	14,850	46,488	622,874	
27-28	Principal		1,080,000	510,000	90,000	510,000	2,190,000	2,760,173
	Interest		490,350	31,335	12,150	36,338	570,173	
28-29	Principal		1,110,000	520,000	90,000	510,000	2,230,000	2,746,181
	Interest		457,500	23,093	9,450	26,138	516,181	
29-30	Principal		1,145,000	530,000	90,000	510,000	2,275,000	2,735,528
	Interest		423,675	14,165	6,750	15,938	460,528	
30-31	Principal		1,180,000	515,000	90,000	510,000	2,295,000	2,698,033
	Interest		388,800	4,764	4,050	5,419	403,033	
31-32	Principal		1,215,000		90,000		1,305,000	1,659,225
	Interest		352,875		1,350		354,225	
32-33	Principal		1,255,000				1,255,000	1,570,825
	Interest		315,825				315,825	
33-34	Principal		1,290,000				1,290,000	1,567,650
	Interest		277,650				277,650	
34-35	Principal		1,330,000				1,330,000	1,568,350
	Interest		238,350				238,350	
35-36	Principal		1,370,000				1,370,000	1,567,850
	Interest		197,850				197,850	
36-37	Principal		1,410,000				1,410,000	1,566,150
	Interest		156,150				156,150	
37-38	Principal		1,455,000				1,455,000	1,568,175
	Interest		113,175				113,175	
38-39	Principal		1,500,000				1,500,000	1,568,850
	Interest		68,850				68,850	
39-40	Principal		1,545,000				1,545,000	1,568,175
	Interest		23,175				23,175	
Total	Principal	1,275,000	22,970,000	4,125,000	985,000	5,860,000	35,215,000	43,382,102
Total	Interest	45,444	6,971,450	394,473	152,050	603,686	8,167,102	


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

Issued under authority of 2022 Public Act 166. 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 2022 Public Act 166. 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, 2022**, (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 tskrobola@fhgov.com	
Contact Name Thomas C. Skrobola	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 6/30/2022	
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 2022 Public Act 166, 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) Gary Mekjian	
Title City Manager		Date 11/30/2022	

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	