

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

RE: Compliance Form 4886 for Brown City, MI Transparency & Accountability

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

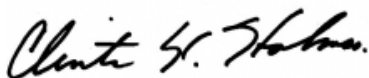
Included with this letter are the required documents for Brown City's:

- 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,



Clint Holmes
City Manager

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

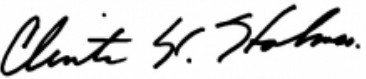
City, Village, and Township Revenue Sharing and County Incentive Program Certification

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 Brown City		Local Unit County Name Sanilac County	
Local Unit Code 762010		Contact E-Mail Address browncty@greatlakes.net	
Contact Name Clint K. Holmes	Contact Title City Manager	Contact Telephone Number 8103462325	Extension
Website Address, if reports are available online http://munetrix.com/sections/data/municipal.php?MuniID=97&Type=City		Current Fiscal Year End Date 2019-04-01	
PART 2: CITIZEN'S GUIDE			
Check any of the following that apply:			
[] 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.			
[✓] 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) Clint Holmes	
Title City Manager		Date November 28, 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

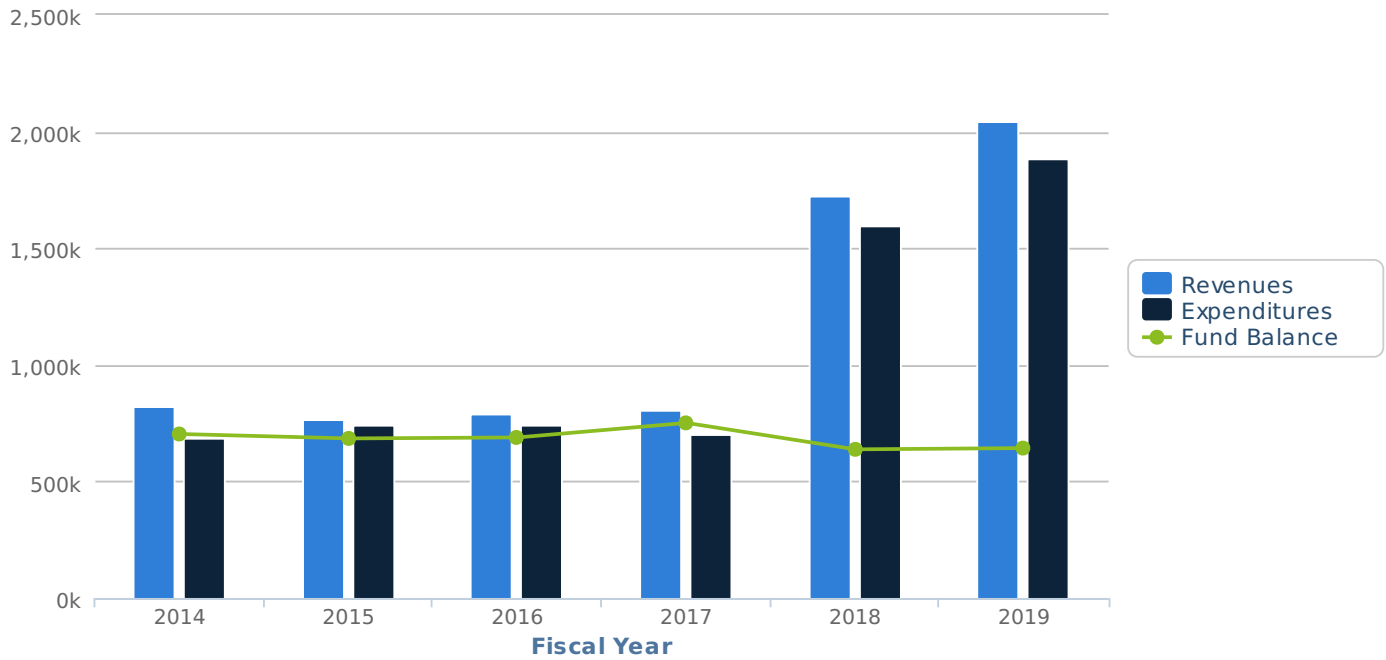
Name	Type	Fiscal Year End	Population (2010)	Phone	Website
Brown City	City	March	1,324	(810) 346-2325	www.ci.brown-city.mi.us

Multi-Year General Fund Only

Year	Data Status	Fiscal Score	Population	General Fund Revenues	General Fund Expenditures	* Available Fund Balance	Taxable Value
2019	Forecast	1	1,334	\$2,048,065	\$1,887,125	\$642,775	\$20,204,683
2018	Forecast	2	1,274	\$1,727,375	\$1,599,615	\$637,394	\$19,252,908
2017	Historic	1	1,248	\$806,250	\$706,137	\$750,849	\$19,306,163
2016	Historic	1	1,252	\$789,543	\$739,514	\$688,399	\$18,873,550
2015	Historic	2	1,255	\$767,031	\$738,893	\$684,199	\$18,668,259
2014	Historic	1	1,262	\$823,775	\$683,319	\$703,201	\$18,824,659

* 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:

Marginal increase in General and Enterprise Funds.

Significant increase in Major Streets for repairs to Maple Valley Road; however, the bulk of the costs (75%) will be covered by Rural Task Force and Federal Funds.

Major increase in Local Streets for resurfacing Thelman Avenue, Belview and Autumn Gold Drives.

Expect increase in Water Fund due to state mandates for replacement of water mains and leads due to changes in the Lead and Copper Rule.

Other funds are expected to remain essentially flat.

2018 Notes:

- In 2017 and 2018, a Taxable Value increase of 1% was assumed - consistent with the limitations of Prop A and Headlee.
- No additional external debt is anticipated.
- Expenses will remain steady.

2017 Notes:

The 2017/2018 Budget shows a dramatic increase in the General Fund, Major Street and Local Street Funds. All other funds show a slight increase, decrease or remain unchanged. Recommended INCREASE of \$467,600.00 or about 26.95% over last year's budget.

Increase in the General Fund, Major Street and Local Street Funds: Due almost exclusively to transfer of street funds from reserve to Local Street Fund for the Lincoln Street Project.

Decrease in the Sewer and Storm Sewer Funds: Not expecting significant improvements or repairs this fiscal year.

Increase in Water and Arsenic Funds: Primarily from a small expected increase in revenues.

Decrease in Equipment Fund: No plans to make any significant equipment purchases.

Decrease in Park and Recreation Fund: Not anticipating any grants.

No change in Cemetery Operating, Perpetual Care Funds, DDA or Festival Commission.

Financial Statement

Including General Fund only

Balance Sheet

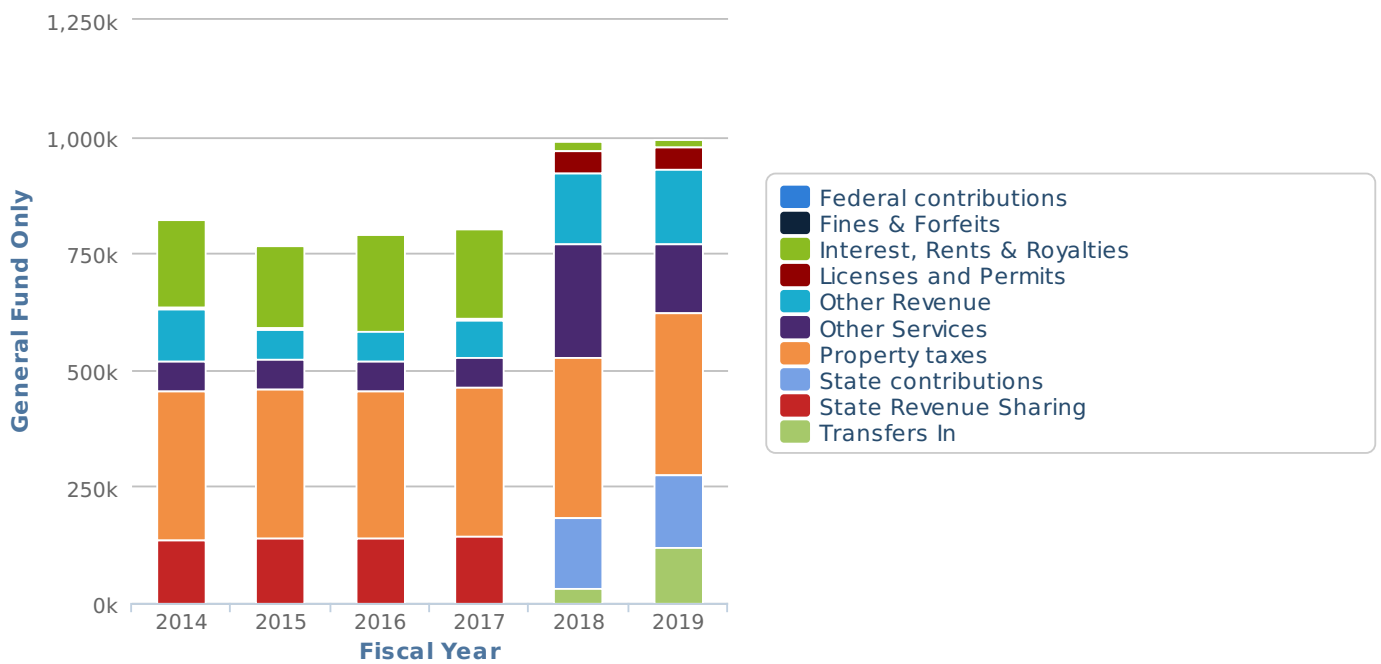
Category Name	2019	2018	2017	2016	2015	2014
Fund Equity	\$694,212	\$688,399	\$873,934	\$760,377	\$718,346	\$806,311
Total Assets	N/A	N/A	\$119,708	\$764,787	\$723,681	\$823,702
Total Liabilities	\$0	\$0	\$1,736	\$4,410	\$5,334	\$17,392

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

Revenues

Category Name	2019	2018	2017	2016	2015	2014
Federal contributions			\$3,165			
Fines & Forfeits	\$150	\$150				
Interest, Rents & Royalties	\$19,500	\$19,300	\$193,329	\$206,898	\$177,639	\$189,879
Licenses and Permits	\$45,250	\$45,250	\$1,401	\$1,373	\$1,378	\$1,358
Other Revenue	\$159,310	\$151,710	\$80,091	\$63,832	\$66,813	\$112,872
Other Services	\$150,660	\$246,610	\$64,071	\$63,057	\$62,072	\$62,599
Property taxes	\$346,200	\$340,810	\$319,696	\$315,553	\$318,848	\$321,604
State contributions	\$155,200	\$155,200				
State Revenue Sharing			\$144,497	\$138,830	\$140,281	\$135,463
Transfers In	\$120,000	\$30,000				
Total	\$996,270	\$989,030	\$806,250	\$789,543	\$767,031	\$823,775

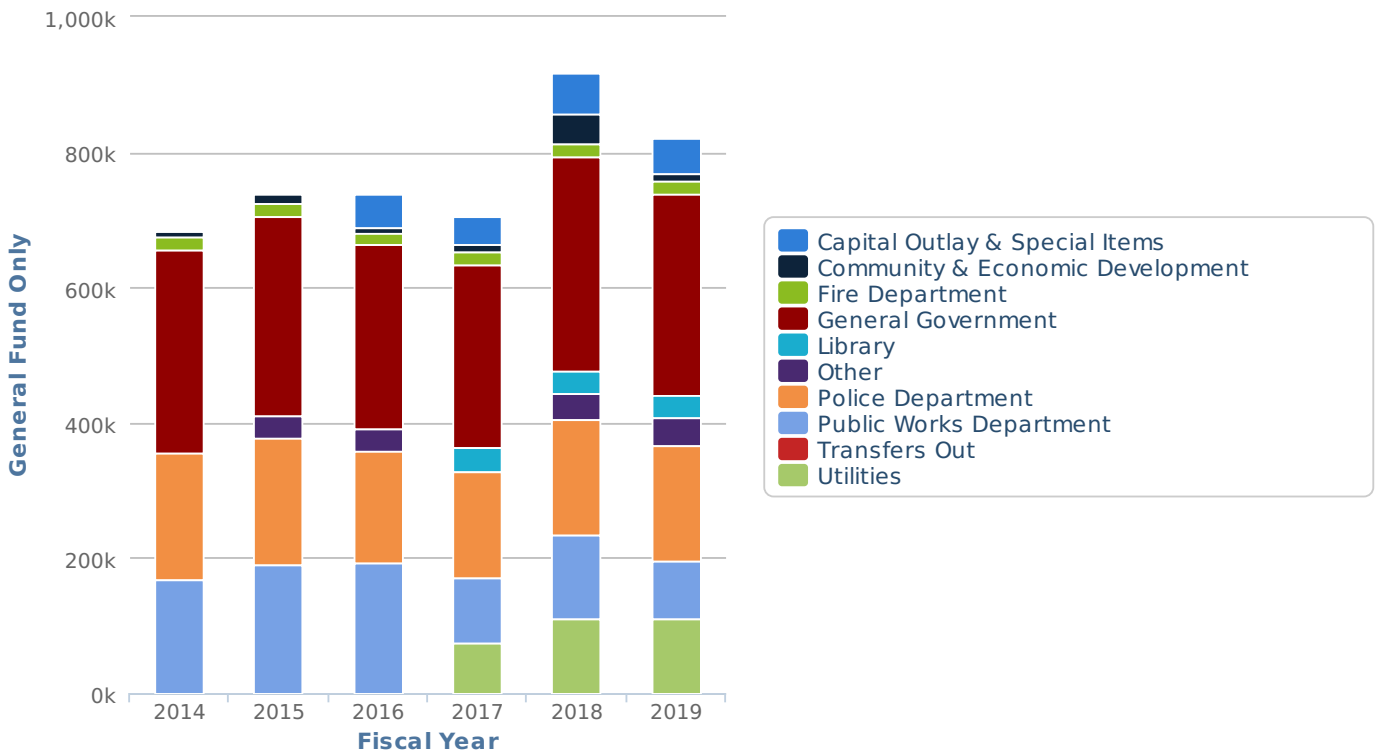
Where The Money Comes From



Expenses

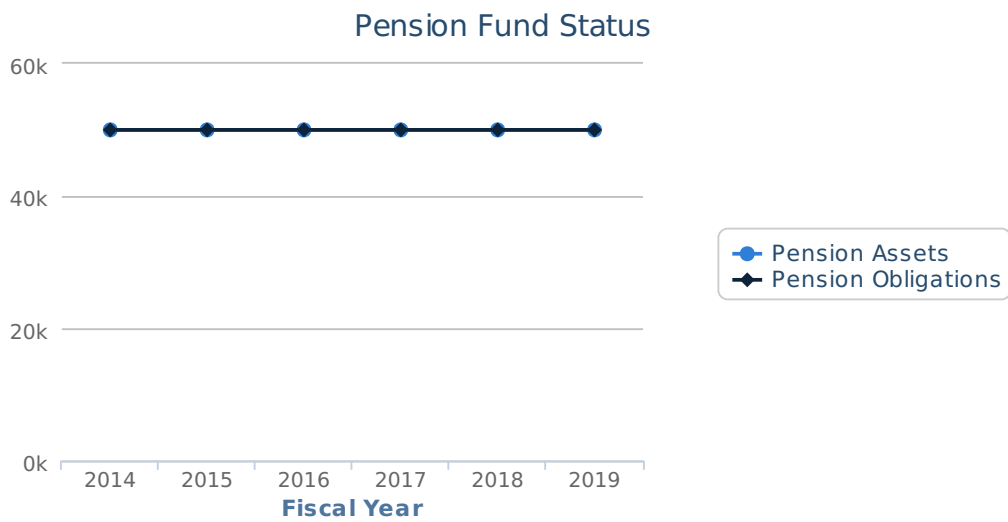
Category Name	2019	2018	2017	2016	2015	2014
Capital Outlay & Special Items	\$52,750	\$59,510	\$43,511	\$49,449		
Community & Economic Development	\$10,700	\$45,100	\$8,824	\$9,074	\$13,886	\$9,189
Fire Department	\$18,250	\$17,150	\$20,342	\$18,311	\$19,481	\$19,445
General Government	\$298,057	\$316,780	\$270,880	\$270,350	\$294,949	\$298,647
Library	\$33,000	\$33,000	\$34,637			
Other	\$40,250	\$40,250		\$33,780	\$33,319	
Police Department	\$170,880	\$170,880	\$157,094	\$165,116	\$186,786	\$188,047
Public Works Department	\$85,550	\$122,800	\$96,234	\$193,434	\$190,472	\$167,991
Transfers Out	\$0	\$0				
Utilities	\$110,950	\$110,850	\$74,615			
Total	\$820,387	\$916,320	\$706,137	\$739,514	\$738,893	\$683,319

How The Money Is Spent

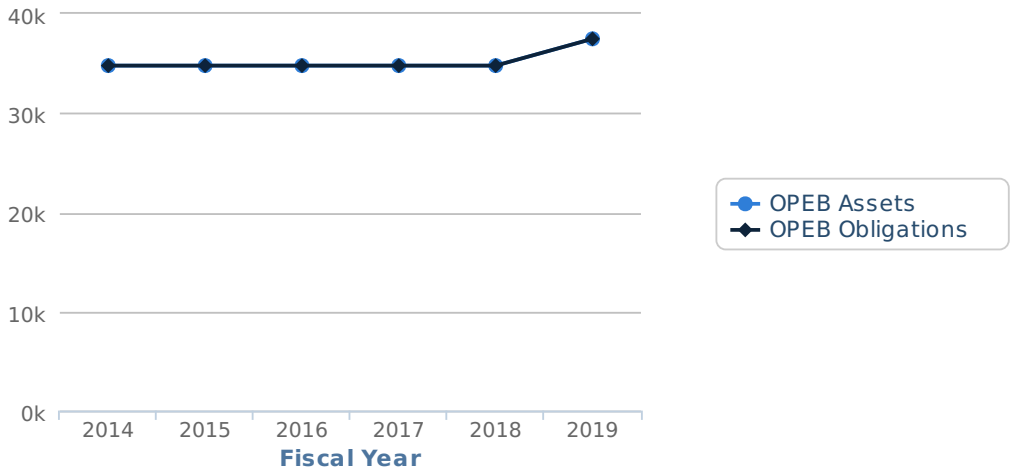


Supplementary Information (Pension / OPEB)

Category Name	2019	2018	2017	2016	2015	2014
Pensions Actuarial Liability	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Pension Fund Assets	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
OPEB Actuarial Liability	\$37,480	\$34,780	\$34,780	\$34,780	\$34,780	\$34,780
OPEB Fund Assets	\$37,480	\$34,780	\$34,780	\$34,780	\$34,780	\$34,780




Other Post-Employment Benefit Fund Status



Fund Equity Detail

Category Name	2019	2018	2017	2016	2015	2014
Assigned	\$0	\$0	\$20,349	\$20,257	\$24,561	\$29,896
Committed	\$0	\$0	\$155,490	\$113,244	\$80,579	\$119,781
Nonspendable	\$0	\$0	\$13,445			
Restricted	\$0	\$0	\$109,640	\$71,978	\$34,147	\$103,110
Unassigned	\$694,212	\$688,399	\$575,010	\$554,898	\$579,059	\$553,524

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Fiscal Stability	2016	2017	Progress
Fiscal Wellness Indicator Score	1	1	↑
Annual General Fund expenditures per capita	\$591	\$566	↑
Fund balance as % of General Fund Revenues 	87.2%	93.1%	↑

Economy & Financial Health	2016	2017	Progress
Taxable Value (100k) 	\$18,874	\$19,306	↑

Education and Talent	2016	2017	Progress
Percent of Population Age 25-34 With a Bachelor's Degree	-	-	↔
Percent of Population age 3-5 Enrolled in Preschool	-	-	↔

School District Enrollment	2016	2017	Progress
Brown City Community Schools	874	848	↓

Brown City
Local Code: 76-2010
Debt Service Summary Report

Bonds & contracts payable

Fiscal Years

Name	2018	2019	2020	2021
2007 General Obligation:	55,210	53,705	52,200	55,695
Infrastructure Bond:	22,342	22,342	22,342	22,342
Subtotal for Bonds & contracts payable	\$77,552	\$76,047	\$74,542	\$78,037

Capital leases

Fiscal Years

Name	2018	2019	2020	2021
Equipment Lease Purchase:	22,342	22,342	22,342	22,342
Subtotal for Capital leases	\$22,342	\$22,342	\$22,342	\$22,342
Total Principal & Interest	\$99,894	\$98,390	\$96,884	\$100,380

Brown City Complete Debt Report for 2007 General Obligation:

Issuance Information

Debt Type: Bonds & contracts payable
Activity Type: Government
Repayment Source: Revenue - Water
Issuance Date: 2007-06-05
Issuance Amount: \$700,000
Interest Rate: 4.30
Maturing Through: 2027
Principal Maturity Range: \$20,000 - \$55,000
Purpose: Remove arsenic from drinking water required by EPA/MDEQ.
Fund Number: 592

Comments: Bond was acquired through Sanilac County to fund the construction of an arsenic abatement facility as required by EPA/MDEQ.

Payment Schedule

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2017-05-01			10,105.00	10,105.00	\$470,000.00
2017-11-01	4.3%	35,000.00	10,105.00	45,105.00	\$435,000.00
2018-05-01			9,352.50	9,352.50	\$435,000.00
2018-11-01	4.3%	35,000.00	9,352.50	44,352.50	\$400,000.00
2019-05-01			8,600.00	8,600.00	\$400,000.00
2019-11-01	4.3%	35,000.00	8,600.00	43,600.00	\$365,000.00
2020-05-01			7,847.50	7,847.50	\$365,000.00
2020-11-01	4.3%	40,000.00	7,847.50	47,847.50	\$325,000.00
2021-05-01			6,987.50	6,987.50	\$325,000.00
2021-11-01	4.3%	40,000.00	6,987.50	46,987.50	\$285,000.00
2022-05-01			6,127.50	6,127.50	\$285,000.00
2022-11-01	4.3%	40,000.00	6,127.50	46,127.50	\$245,000.00
2023-05-01			5,267.50	5,267.50	\$245,000.00
2023-11-01	4.3%	45,000.00	5,267.50	50,267.50	\$200,000.00
2024-05-01			4,300.00	4,300.00	\$200,000.00
2024-11-01	4.3%	45,000.00	4,300.00	49,300.00	\$155,000.00
2025-05-01			3,332.50	3,332.50	\$155,000.00
2025-11-01	4.3%	50,000.00	3,332.50	53,332.50	\$105,000.00
2026-05-01			2,257.50	2,257.50	\$105,000.00
2026-11-01	4.3%	50,000.00	2,257.50	52,257.50	\$55,000.00
2027-05-01			1,182.50	1,182.50	\$55,000.00
2027-11-01	4.3%	55,000.00	1,182.50	56,182.50	

Totals

\$470,000.00

\$130,720.00

\$600,720.00

Brown City Complete Debt Report for Infrastructure Bond:

Issuance Information

Debt Type: Bonds & contracts payable
Activity Type: Government
Repayment Source: Revenue - Sewer
Issuance Date: 2016-01-13
Issuance Amount: \$200,000
Interest Rate: 4.20
Maturing Through: 2025
Principal Maturity Range: \$18,075 - \$21,822
Purpose: Improve sanitary sewer mains.
Fund Number: 590
Comments: Bond acquired through Sanilac County to grout existing sanitary sewer mains to meet EPA/MDEQ requirements. Bond will be paid off in April 2018.

Payment Schedule

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2017-04-30	2.35%	18,075.77	4,266.48	22,342.25	\$160,991.96
2018-04-30	2.35%	18,506.43	3,835.82	22,342.25	\$142,485.53
2019-04-30	2.35%	18,947.38	3,394.87	22,342.25	\$123,538.15
2020-04-30	2.35%	19,390.75	2,951.50	22,342.25	\$104,147.40
2021-04-30	2.35%	19,860.82	2,481.43	22,342.25	\$84,286.58
2022-04-30	2.35%	20,334.03	2,008.22	22,342.25	\$63,952.55
2023-04-30	2.35%	20,818.51	1,523.74	22,342.25	\$43,134.04
2024-04-30	2.35%	21,311.72	1,030.53	22,342.25	\$21,822.32
2025-04-30	2.35%	21,822.32	519.94	22,342.26	

Totals		\$179,067.73	\$22,012.53	\$201,080.26
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Brown City Complete Debt Report for Equipment Lease Purchase:

Issuance Information

Debt Type: Capital leases
Activity Type: Government
Repayment Source: Internal Service Funds
Issuance Date: 2017-04-03
Issuance Amount: \$200,000
Interest Rate: 2.35
Maturing Through: 2025
Principal Maturity Range: \$18,075 - \$21,822
Purpose: Purchase of dump truck and backhoe
Fund Number: 661
Comments: Purchase was made to replace necessary heavy equipment.

Payment Schedule

<u>Date Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
2017-04-30	18,075.17	4,266.48	22,341.65	\$0.00
2018-04-30	18,506.43	3,835.82	22,342.25	\$0.00
2019-04-30	18,947.38	3,394.87	22,342.25	\$0.00
2020-04-30	19,390.75	2,951.50	22,342.25	\$0.00
2021-04-30	19,860.82	2,481.43	22,342.25	\$0.00
2022-04-30	20,334.03	2,008.22	22,342.25	\$0.00
2023-04-30	20,818.51	1,523.74	22,342.25	\$0.00
2024-04-30	21,311.72	1,030.53	22,342.25	\$0.00
2025-04-30	21,822.32	519.94	22,342.26	\$0.00
Totals	\$179,067.13	\$22,012.53	\$201,079.66	

