

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

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

The City of Brown City 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 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 City of Brown City:

- 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

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

Issued under authority of 2020 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 2020 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, 2020**, (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 Brown City		Local Unit County Name Sanilac County	
Local Unit Code 76 2010		Contact E-Mail Address browncty@greatlakes.net	
Contact Name Clint Holmes	Contact Title City Manager	Contact Telephone Number 810-346-2325	Extension
Website Address, if reports are available online http://munetrix.com/sections/data/municipal.php?MuniID=97&Type=City		Current Fiscal Year End Date 03/31/2021	

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

In accordance with 2020 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.

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 19, 2020

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	1326	(810) 346-2325	www.ci.brown-city.mi.us

Multi-Year General Fund Only

Year	Data Status	Fiscal Score	Population	Operating Millage	General Fund Revenues	General Fund Expenditures	*Available Fund Balance	Taxable Value
2022	Forecast	0	1325	16.8733	\$839,960	\$839,860	\$503,880	\$22,545,294
2021	Budget	0	1325	16.8733	\$951,690	\$919,140	\$503,880	\$22,234,018
2020	Amended Budget	1	1325	16.8733	\$883,710	\$883,710	\$694,212	\$20,204,683
2019	Historic	0	1250	16.8733	\$858,718	\$841,829	\$636,607	\$21,902,446
2018	Historic	1	1251	18.1233	\$812,086	\$960,155	\$660,281	\$20,204,683
2017	Historic	1	1253	16.8733	\$806,250	\$706,137	\$750,849	\$19,306,163

*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

2022 Notes: General and All Other Governmental Funds

The City Budget consists of three types of funds: Revenue, Enterprise and special. Revenue funds use tax dollars directly and consist of the General Fund (property tax and revenue sharing (CVTRS)), Major and Local Street Funds (Act 51, Street Reserve Account, County Road Tax, Metro Act), and Park Fund (special-voted Park Millage). Enterprise Funds are fee for service, generally expected to be self-supporting, and include the Sewer, Storm Sewer, Water, Arsenic Abatement, Lead and Copper Rule, Cemetery, DDA, and Festival Funds. Special Funds are accounts required by law or the City Council for a specific use and includes the Sewer Reserve Account, Street Reserve Account and Veterans Memorial Account.

The proposed 2021/2022 Forecast Budget (April 1, 2021 – March 31, 2022) shows an overall DECREASE of \$77,330. 00 or about 3.86% relative to 2020-2021 October Amendment.

The general assumptions associated with this 2021/2022 Budget include an overall reduction in economic activity as a result of COVID-19 and delayed vaccine availability. This could cause a decrease in sales, gasoline and other taxes resulting in decreased CVTRS and road construction funds, and combined with the City's desire not to raise rates and fees until the economic picture is more clear, may necessitate the postponement, scaling down or abandonment of critical infrastructure programs. Specifically:

Decrease in the General Fund: The proposed \$111,730 reduction primarily reflects removal of Library-related funds since it will begin operating independently prior to the implementation of this budget; decrease in property taxes; a predicted decrease in CVTRS transfer payments; loss of an AT&T lease; reduced Cable Franchise fee; and no transfer of street reserve funds. Loss of revenue resulted in decreases in planned expenditures for administration, public safety, public works and available contingency funds.

No Net Change in Major Streets and Increase in Local Street Funds: Increase in Local Street fund due to the Reed Street surface, curb and gutter, and sidewalk replacement project planned for mid-2021 to include engineering and contracting.

Increase in the Sewer and small Decrease in Storm Sewer Funds: Increase in Sewer Fund to cover a required detailed engineering study to determine if Maple Valley Lift Station and identified sewer mains require immediate replacement. Replacement/repair will be contingent on grant/loans from USDA-Rural Development. Applications are expected to be finalized and the engineering study completed in early Spring 2021, with the budget adjusted to reflect these future projects if approved. A small decrease in Storm Sewer Fund due to reduced revenues.

Significant decrease in Water and Arsenic Funds: The Reed Street water main replacement project was completed and no major water infrastructure project is planned for 2021/2022.

Addition of the Lead and Copper Rule Fund: As funds accumulate, need to replace water service lines on various streets as required by EGLE and prior to the statutory deadline. Specific areas will be next addressed in the 2022/2023 Budget.

No net change in Equipment Fund: Primarily due to no expected purchase of a vehicle or heavy equipment.

Small decrease in Park and Recreation Fund: Anticipating slightly reduced revenues and donations.

No net change in the Storm Sewer, Cemetery Operating and Perpetual Care, or Festival Funds: No anticipated significant change in revenues or expenditures in these funds.

Decrease in DDA Fund: Due to zero income and the subsequent suspension of the organization.

Decrease in Veterans Memorial Fund: Resulting from no anticipated significant maintenance or capital improvement costs.

2020 Notes:

- Marginal increase in revenue expected for General and Enterprise Funds.
- Significant increase in Major Streets expenses 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 expenditures for resurfacing Thelman Avenue, Belview and Autumn Gold Drives.
- Expected increase in Water Fund due to state mandates for replacement of water mains and house leads due to changes in the Lead and Copper Rule.
- Other funds are expected to remain essentially flat.

Financial Statement

Including General Fund only

Balance Sheet

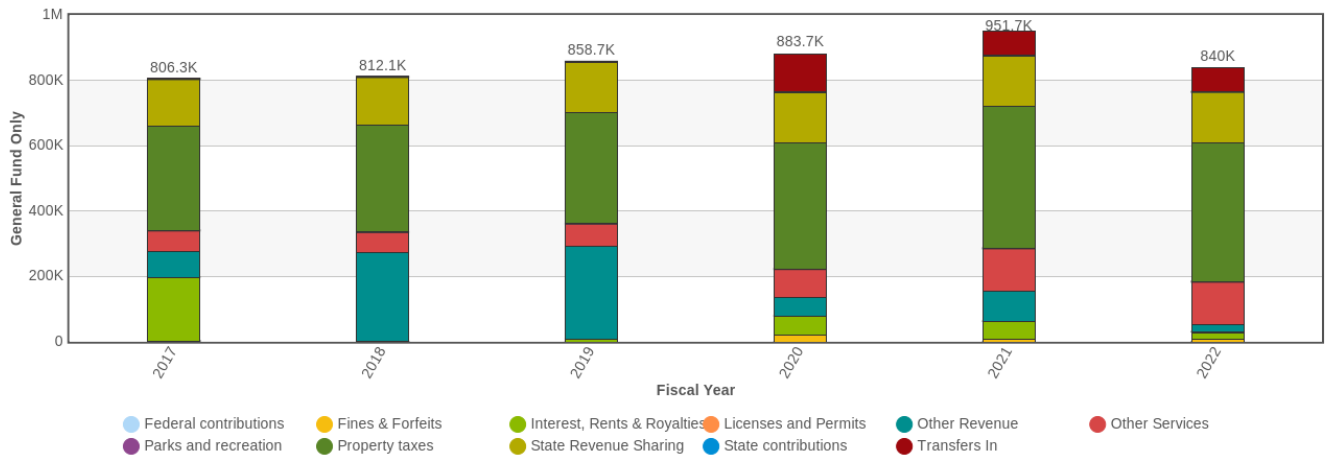
Category Name	2022	2021	2020	2019	2018	2017
Fund Equity	\$503,880	\$503,880	\$694,212	\$743,030	\$726,141	\$873,934
Total Assets	N/A	N/A	\$0	\$815,908	\$774,956	\$133,152
Total Liabilities	N/A	N/A	\$0	\$25,798	\$10,735	\$1,736

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

Revenues

Category Name	2022	2021	2020	2019	2018	2017
Federal contributions						\$3,165
Fines & Forfeits	\$9,050	\$9,050	\$21,050			
Interest, Rents & Royalties	\$20,350	\$52,680	\$57,000	\$7,390		\$193,329
Licenses and Permits	\$1,500	\$1,500	\$1,600	\$1,430	\$1,352	\$1,401
Other Revenue	\$23,630	\$91,730	\$56,250	\$284,157	\$271,437	\$80,091
Other Services	\$130,550	\$132,350	\$88,050	\$70,026	\$64,374	\$64,071
Parks and recreation			\$0			
Property taxes	\$425,900	\$434,150	\$386,750	\$338,815	\$325,913	\$319,696
State Revenue Sharing	\$155,600	\$155,600	\$152,000	\$153,567	\$148,010	\$144,497
State contributions		\$3,250	\$4,400	\$3,333	\$1,000	
Transfers In	\$73,380	\$71,380	\$116,610			
Total	\$839,960	\$951,690	\$883,710	\$858,718	\$812,086	\$806,250

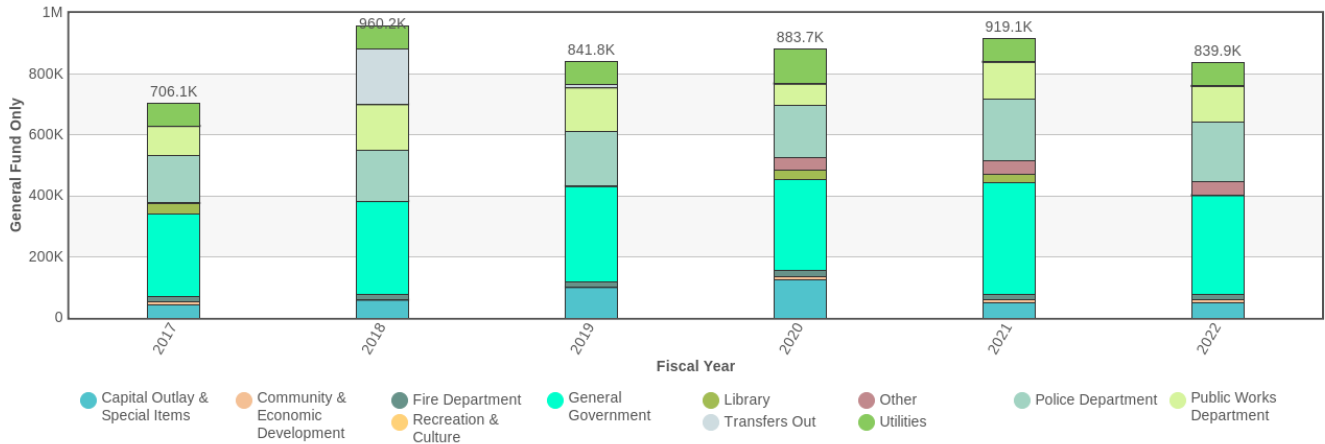
Where The Money Comes From



Expenses

Category Name	2022	2021	2020	2019	2018	2017
Capital Outlay & Special Items	\$49,250	\$49,250	\$127,030	\$102,302	\$60,615	\$43,511
Community & Economic Development	\$9,950	\$10,450	\$10,700			\$8,824
Fire Department	\$17,150	\$17,150	\$18,250	\$17,146	\$18,484	\$20,342
General Government	\$327,360	\$366,440	\$298,600	\$314,796	\$305,610	\$270,880
Library		\$30,700	\$33,000			\$34,637
Other	\$42,950	\$42,950	\$40,250			
Police Department	\$197,300	\$201,700	\$170,880	\$180,099	\$167,806	\$157,094
Public Works Department	\$118,650	\$123,250	\$71,850	\$143,496	\$150,105	\$96,234
Recreation & Culture			\$0			
Transfers Out			\$0	\$8,000	\$181,300	
Utilities	\$77,250	\$77,250	\$113,150	\$75,990	\$76,235	\$74,615
Total	\$839,860	\$919,140	\$883,710	\$841,829	\$960,155	\$706,137

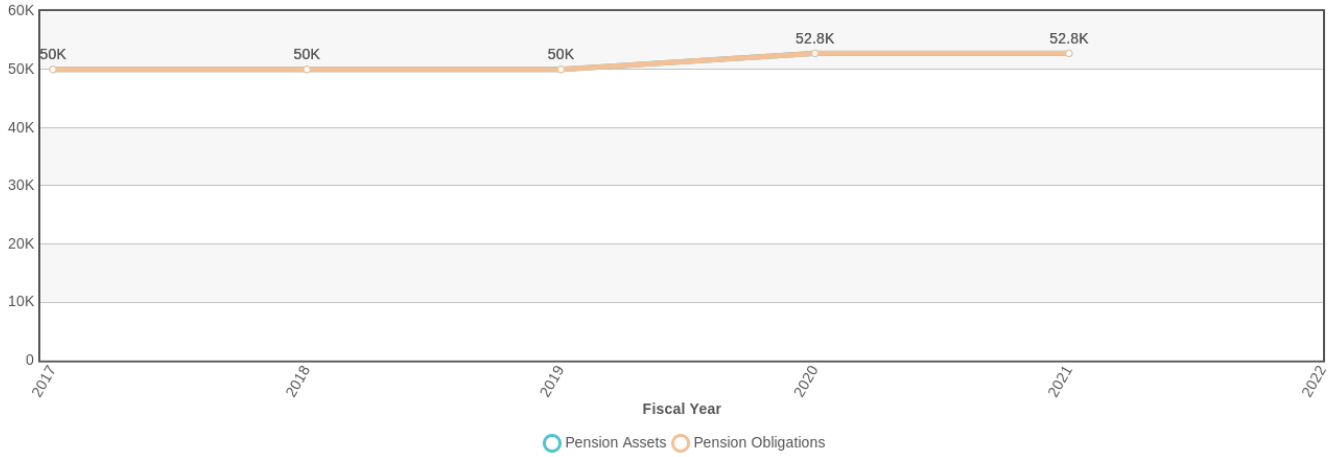
How The Money Is Spent



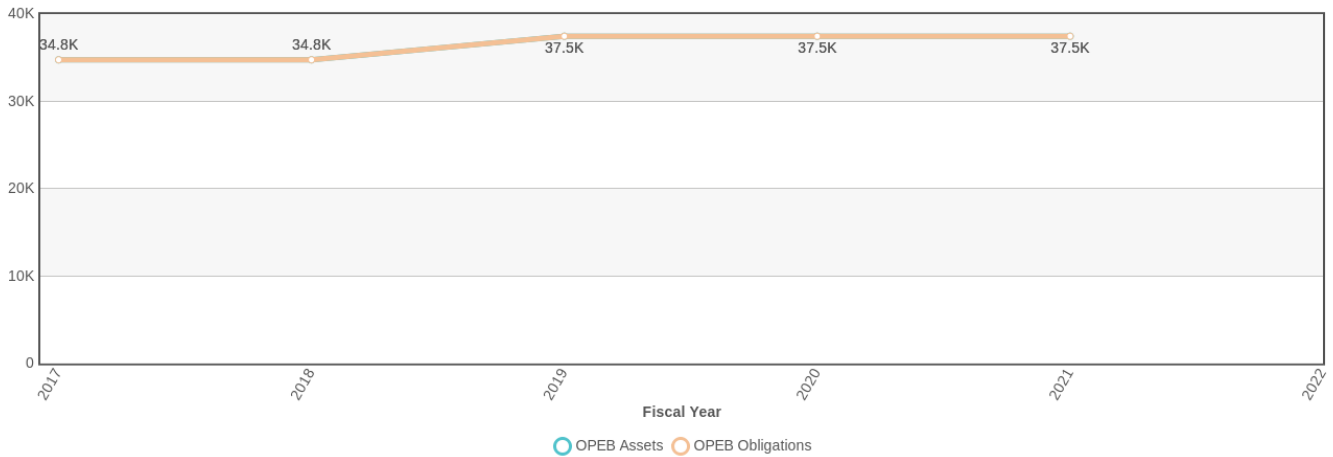
Supplementary Information (Pension / OPEB)

Category Name	2022	2021	2020	2019	2018	2017
Pensions Actuarial Liability	N/A	\$52,767.00	\$52,767.00	\$50,000.00	\$50,000.00	\$50,000.00
Pension Fund Assets	N/A	\$52,767.00	\$52,767.00	\$50,000.00	\$50,000.00	\$50,000.00
OPEB Actuarial Liability	N/A	\$37,480.00	\$37,480.00	\$37,480.00	\$34,780.00	\$34,780.00
OPEB Fund Assets	N/A	\$37,480.00	\$37,480.00	\$37,480.00	\$34,780.00	\$34,780.00

Pension Fund Status



Other Post-Employment Benefit Fund Status



Fund Equity Detail

Category Name	2022	2021	2020	2019	2018	2017
Assigned	0	0	0	\$18,745.00	\$20,441.00	\$20,349.00
Committed	0	0	0	\$113,982.00	\$80,249.00	\$155,490.00
Nonspendable	0	0	0	\$19,899.00	\$18,048.00	\$13,445.00
Restricted	0	0	0	\$86,524.00	\$47,812.00	\$109,640.00
Unassigned	\$503,880.00	\$503,880.00	\$694,212.00	\$503,880.00	\$559,591.00	\$575,010.00

Dashboard for Brown City

Fiscal Stability	2019	2020	Progress	Target
Fiscal Wellness Indicator Score	0	1	↓	0
Annual General Fund expenditures per capita	\$673	\$667	↔	\$694
Fund balance as % of General Fund Revenues	74.1%	78.6%	↑	52.9%
Other Post Employment Benefits % Funded	100.0%	100.0%	↔	100.0%
Pension % Funded	100.0%	100.0%	↔	100.0%
Debt burden per capita	\$64.5	\$347.6	↓	\$426.8
Operating Millage	16.87	16.87	↔	16.87
Economy & Financial Health	2019	2020	Progress	Target
Population	1,250	1,325	↑	1,325
Taxable Value (100k)	\$21,902	\$20,205	↓	\$22,234
Public Safety	2018	2019	Progress	Target
Crimes against persons per thousand residents	16.8	24.0	↓	-
Crimes against property per thousand residents	40.0	41.6	↓	-
Crimes against society per thousand residents	9.6	9.6	↔	-
Traffic crashes property	13	9	↑	0
Traffic crashes injuries	2	2	↔	0
Traffic crashes fatalities	0	0	↔	0

City of Brown City

Local Code: 76-2010

Debt Service Summary Report

Bonds & contracts payable	Fiscal Years			
Name	2020	2021	2022	2023
2007 General Obligation	52,200	55,695	53,975	52,255
Subtotal for Bonds & contracts payable	52,200	55,695	53,975	52,255
Capital leases	Fiscal Years			
Name	2020	2021	2022	2023
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	74,542	78,037	76,317	74,597

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

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2020-05-01		0.00	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		0.00	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		0.00	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		0.00	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		0.00	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		0.00	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		0.00	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		0.00	1,182.50	1,182.50	\$55,000.00
2027-11-01	4.3	55,000.00	1,182.50	56,182.50	
Total		\$365,000.00	\$74,605.00	\$439,605.00	

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

Date Due	Principal	Interest	Payment	Balance
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
Total	\$123,538.15	\$10,515.36	\$134,053.51	