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# City of Woodhaven, Michigan

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**Financial Report  
with Supplemental Information  
June 30, 2019**

## **City of Woodhaven, Michigan**

### **Management's Discussion and Analysis (Continued)**

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#### **General Fund Budgetary Highlights**

Over the course of the year, the City amended the budget to take into account events during the year. Total General Fund expenditures were under budget by approximately \$541,000, with the majority of the difference due to capital projects budgeted during 2019 that were not started. There were no city departments over budget.

#### **Capital Assets and Debt Administration**

At the end of 2019, the City had approximately \$50,531,000 (net of depreciation) invested in a broad range of capital assets, including land, buildings, police and fire equipment, roads, and water and sewer lines.

#### **Economic Factors and Next Year's Budgets and Rates**

Due to the impact of Proposal A and the Headlee amendment on the taxable value of properties located within the City, the City needs to continue to watch its budget very closely. The statewide Tax Reform Act limits growth in taxable value on any individual property to the lesser of inflation or 5 percent. The City of Woodhaven, Michigan is projecting an increase of less than 2 percent in property values for the year ending June 30, 2020. While the increase seems insignificant, the City plans to continue monitoring its expenditures and maintain an appropriate level of fund balance. The increase, along with proper planning of existing funds by the City Council and administration, allows us to continue investing in our wonderful city. A brief summary of some of the City's past and future improvements is listed below:

- In an effort to promote Woodhaven, the Downtown Development Authority (the "Authority") continues to enhance the area within its boundaries. Last year, Ford Lane (formerly Westwood Road), along with its intersection at West Road, was completed to allow for better traffic flow and access around the Van Horn and Allen train tracks. The railroad cameras were installed to assist commuters with stoppages at all three Woodhaven crossings. Beginning this budget year, new energy-efficient streetlights will be installed on Allen Road, along with the development of the property next to White Castle and Meijer.
- Outside of the Authority's district, the City works hard to maintain and improve at all levels. Roads and sidewalks continue to be replaced, along with trails and paths throughout the parks. Over the next couple of years, a portion of property behind Ford Lane is being developed into a walkable nature preserve. This area will feature a network of walking paths that wind through the woodlands and alongside several ponds where abundant wildlife can be observed and enjoyed.

The City met all of the requirements of the City, Village, and Township Revenue Sharing (CVTRS), which allowed the City to receive all possible funding from the State of Michigan. The City intends to continue meeting all future CVTRS requirements.

#### **Requests for Further Information**

This financial report is intended to provide a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, please contact the administrative offices at City Hall. This report, city budgets, and other financial information are available on the City's website at [www.woodhavenmi.org](http://www.woodhavenmi.org).



## City of Woodhaven, Michigan

Functions/Programs	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 3,494,424	\$ 574,078	\$ -	\$ 125,890
District court	418,318	593,194	-	-
Public safety	8,522,668	523,076	201,269	-
Public works	4,215,220	99,863	1,280,833	688,215
Community and economic development	73,491	-	74,450	-
Recreation and culture	1,082,702	261,399	21,673	-
Interest on long-term debt	198,085	-	-	-
Total governmental activities	18,004,908	2,051,610	1,578,225	814,105
Business-type activities:				
Water and Sewer	4,708,381	4,316,477	317,962	-
Recreational Vehicle Storage	20,469	28,930	-	-
Total business-type activities	4,728,850	4,345,407	317,962	-
Total primary government	<u>\$ 22,733,758</u>	<u>\$ 6,397,017</u>	<u>\$ 1,896,187</u>	<u>\$ 814,105</u>
Component units - Downtown Development Authority	<u>\$ 1,337,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenue:				
Property taxes				
Unrestricted state-shared revenue				
Unrestricted investment income				
Cable franchise fees				
Gain on sale of capital assets				
Income from joint venture (not directly allocated)				
Other miscellaneous income				
Total general revenue				
<b>Change in Net Position</b>				
<b>Net Position - Beginning of year</b>				
<b>Net Position - End of year</b>				

# Statement of Activities

Year Ended June 30, 2019

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (2,794,456)	\$ -	\$ (2,794,456)	\$ -
174,876	-	174,876	-
(7,798,323)	-	(7,798,323)	-
(2,146,309)	-	(2,146,309)	-
959	-	959	-
(799,630)	-	(799,630)	-
(198,085)	-	(198,085)	-
(13,560,968)	-	(13,560,968)	-
-	(73,942)	(73,942)	-
-	8,461	8,461	-
-	(65,481)	(65,481)	-
(13,560,968)	(65,481)	(13,626,449)	-
-	-	-	(1,337,910)
10,251,354	-	10,251,354	976,289
2,802,960	-	2,802,960	-
162,288	18,279	180,567	10,982
296,627	-	296,627	-
3,600	-	3,600	-
-	94,178	94,178	-
30,526	-	30,526	-
13,547,355	112,457	13,659,812	987,271
(13,613)	46,976	33,363	(350,639)
2,693,179	17,541,224	20,234,403	735,201
<b>\$ 2,679,566</b>	<b>\$ 17,588,200</b>	<b>\$ 20,267,766</b>	<b>\$ 384,562</b>

# City of Woodhaven, Michigan

## Statement of Net Position

June 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
<b>Assets</b>				
Cash and investments	\$ 15,281,580	\$ 2,755,929	\$ 18,037,509	\$ 467,191
Receivables:				
Property taxes receivable	161,572	-	161,572	-
Customer receivables	-	725,240	725,240	-
Other receivables	266,637	-	266,637	-
Due from other governments	422,766	51,235	474,001	-
Due from component units	19,494	-	19,494	-
Internal balances	286,047	(286,047)	-	-
Inventory	15,774	36,853	52,627	-
Prepaid expenses and other assets	152,445	7,442	159,887	196
Restricted cash and cash equivalents	9,429	-	9,429	-
Investment in joint ventures (Note 11)	385,975	404,115	790,090	-
Land held for resale	213,880	-	213,880	-
Capital assets: (Note 4)				
Assets not subject to depreciation	1,673,689	236,023	1,909,712	-
Assets subject to depreciation - Net	30,673,148	17,948,010	48,621,158	-
<b>Total assets</b>	<b>49,562,436</b>	<b>21,878,800</b>	<b>71,441,236</b>	<b>467,387</b>
<b>Deferred Outflows of Resources</b>				
Deferred charges on bond refunding	233,586	-	233,586	-
Deferred pension costs (Note 9)	196,734	7,916	204,650	-
Deferred OPEB costs (Note 10)	1,723,862	81,463	1,805,325	-
<b>Total deferred outflows of resources</b>	<b>2,154,182</b>	<b>89,379</b>	<b>2,243,561</b>	<b>-</b>
<b>Liabilities</b>				
Accounts payable	304,649	332,674	637,323	60,280
Due to primary government	-	-	-	19,494
Accrued liabilities and other	333,712	196,228	529,940	3,051
Noncurrent liabilities:				
Due within one year:				
Compensated absences (Note 6)	82,516	4,570	87,086	-
Current portion of bonds payable (Note 6)	870,000	291,370	1,161,370	-
Due in more than one year:				
Compensated absences (Note 6)	93,038	-	93,038	-
Net pension liability (Note 9)	5,354,516	223,784	5,578,300	-
Net OPEB obligation (Note 10)	36,064,584	1,704,270	37,768,854	-
Bonds payable - Net of current portion (Note 6)	5,558,412	1,610,209	7,168,621	-
<b>Total liabilities</b>	<b>48,661,427</b>	<b>4,363,105</b>	<b>53,024,532</b>	<b>82,825</b>
<b>Deferred Inflows of Resources</b>				
Deferred pension cost reductions (Note 9)	179,808	7,621	187,429	-
Deferred OPEB cost reductions (Note 10)	195,817	9,253	205,070	-
<b>Total deferred inflows of resources</b>	<b>375,625</b>	<b>16,874</b>	<b>392,499</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	26,152,011	16,282,454	42,434,465	-
Restricted:				
Streets and highways	2,775,714	-	2,775,714	-
Police	533,809	-	533,809	-
Rubbish	264,771	-	264,771	-
Capital projects	9,429	-	9,429	-
Unrestricted	(27,056,168)	1,305,746	(25,750,422)	384,562
<b>Total net position</b>	<b>\$ 2,679,566</b>	<b>\$ 17,588,200</b>	<b>\$ 20,267,766</b>	<b>\$ 384,562</b>

See notes to financial statements.