

City of Woodhaven, Michigan

Financial Statements

June 30, 2021

City of Woodhaven, Michigan
Management's Discussion & Analysis
June 30, 2021

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%. The City is projecting an increase in property values for the year ending June 30, 2022 of roughly 2.5%. While the increase seems insignificant, the City plans to continue monitoring its expenditures and maintain an appropriate level of fund balance. With the COVID-19 pandemic continuing to impact the City at all levels, administrators will consistently monitor and work with state officials to minimize the effect on the City. New ideas, partnered with proper planning, allow the City to use existing funds set aside by the City Council and administration to continue investing in our wonderful City.

A brief summary of some on the City's past and future improvements is listed below:

- In an effort to promote the City, the Downtown Development Authority (the Authority) continues to enhance the area within its boundaries. Last year, work began on stalling new, energy-efficient streetlights along Allen Road. Development of the property next to White Castle and Meijer continues to be built. The property will contain several businesses, a walkable pond, a playground, and an area for outdoor events. The completion date is tentatively set for the summer of 2022.
- 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 along 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 of received 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 budges, and other financial information are available on the City's website at www.woodhavenmi.org.

City of Woodhaven, Michigan
Statement of Net Position
June 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 13,770,570	\$ 2,999,223	\$ 16,769,793	\$ 1,303,378
Receivables				
Taxes	34,107	-	34,107	-
Customers	571,899	871,859	1,443,758	-
Due from other units of government	729,432	-	729,432	-
Internal balances	31,835	(31,835)	-	-
Due from component unit	278,134	-	278,134	-
Inventories	10,953	34,047	45,000	-
Prepaid items	46,520	-	46,520	-
Restricted assets				
Cash and cash equivalents	9,492	-	9,492	-
Investment in joint ventures	361,245	154,171	515,416	-
Capital assets not being depreciated	1,732,186	297,753	2,029,939	-
Capital assets, net of accumulated depreciation	30,581,440	20,808,673	51,390,113	-
Total assets	<u>48,157,813</u>	<u>25,133,891</u>	<u>73,291,704</u>	<u>1,303,378</u>
Deferred Outflows of Resources				
Deferred charges on bond refunding	166,846	-	166,846	-
Deferred amount relating to net pension liability	924,505	39,301	963,806	-
Deferred amount relating to net OPEB liability	973,380	1,105	974,485	-
Total deferred outflows of resources	<u>2,064,731</u>	<u>40,406</u>	<u>2,105,137</u>	<u>-</u>

See Accompanying Notes to the Financial Statements

City of Woodhaven, Michigan
Statement of Net Position
June 30, 2021

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Liabilities				
Accounts payable	\$ 361,878	\$ 379,300	\$ 741,178	\$ 39,984
Accrued and other liabilities	772,843	206,484	979,327	10,850
Due to primary government	-	-	-	278,134
Unearned revenue	17,843	-	17,843	-
Noncurrent liabilities				
Debt due within one year	1,171,343	273,766	1,445,109	-
Debt due in more than one year	3,504,129	5,175,111	8,679,240	798,023
Net pension liability	2,844,731	73,355	2,918,086	-
Net OPEB liability	21,872,011	844,815	22,716,826	-
Total liabilities	30,544,778	6,952,831	37,497,609	1,126,991
Deferred Inflows of Resources				
Deferred amount relating to net pension liability	3,579,101	130,940	3,710,041	-
Deferred amount relating to net OPEB liability	4,213,442	288,879	4,502,321	-
Total deferred inflows of resources	7,792,543	419,819	8,212,362	-
Net Position				
Net investment in capital assets	28,041,812	15,677,466	43,719,278	-
Restricted for				
Roads	2,089,038	-	2,089,038	-
Rubbish	247,254	-	247,254	-
Police	288,161	-	288,161	-
Unrestricted (deficit)	(18,781,042)	2,124,181	(16,656,861)	176,387
Total net position	\$ 11,885,223	\$ 17,801,647	\$ 29,686,870	\$ 176,387

See Accompanying Notes to the Financial Statements

City of Woodhaven, Michigan
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 2,945,447	\$ 942,423	\$ 16,785	\$ 603,775	\$ (1,382,464)	\$ -	\$ (1,382,464)	\$ -
Public safety	5,118,389	950,654	-	-	(4,167,735)	-	(4,167,735)	-
Public works	3,833,306	17,167	-	562,106	(3,254,033)	-	(3,254,033)	-
Community and economic development	93,034	-	-	-	(93,034)	-	(93,034)	-
Recreation and culture	357,032	128,702	1,200	250	(226,880)	-	(226,880)	-
Interest and fiscal charges on long-term debt	131,258	-	-	-	(131,258)	-	(131,258)	-
Total governmental activities	12,478,466	2,038,946	17,985	1,166,131	(9,255,404)	-	(9,255,404)	-
Business-type activities								
Water and sewer	5,243,329	5,038,802	-	86,674	-	(117,853)	(117,853)	-
Recreational vehicle storage	19,982	28,685	-	-	-	8,703	8,703	-
Total business-type activities	5,263,311	5,067,487	-	86,674	-	(109,150)	(109,150)	-
Total primary government	\$ 17,741,777	\$ 7,106,433	\$ 17,985	\$ 1,252,805	(9,255,404)	(109,150)	(9,364,554)	-
Component unit								
Brownfield Development Authority	\$ 1,919,188		\$ 900,000		-	-	-	(1,019,188)
Downtown Development Authority	504,318	-	-	-	-	-	-	(504,318)
Total component units	\$ 2,423,506	\$ -	\$ 900,000	\$ -	-	(109,150)	(109,150)	(1,523,506)
General revenues								
Property taxes					10,737,545	-	10,737,545	1,081,464
Unrestricted state-shared revenue					3,933,918	-	3,933,918	-
Unrestricted investment earnings					31,544	4,893	36,437	2,163
Gain on sale of capital assets					1,150	350	1,500	-
Miscellaneous					60,979	-	60,979	-
Total general revenues					14,765,136	5,243	14,770,379	1,083,627
Change in net position					5,509,732	(103,907)	5,405,825	(439,879)
Net position - beginning of year					6,375,491	17,905,554	24,281,045	616,266
Net position - end of year					\$ 11,885,223	\$ 17,801,647	\$ 29,686,870	\$ 176,387

See Accompanying Notes to the Financial Statements