

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

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

The City of Harper Woods 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 Harper Woods 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 Harper Woods:

- 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,



John Szymanski
Acting City Manager

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

Issued under authority of 2023 Public Act 119. 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:
 - a. Produced and made available to the public a Debt Service Report and a Projected Budget Report as required by 2023 Public Act 119.
 - b. Will 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.
 - c. Must use the public safety designated payments specifically for local public safety initiatives.
2. Submit to Treasury a Debt Service Report and a Projected Budget Report.

This certification, along with a Debt Service Report and a Projected Budget Report, **must be received by December 7, 2023**, (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 Harper Woods		Local Unit County Name County of Wayne	
Local Unit Code 82 2150		Contact E-Mail Address jszymanski@harperwoods.net	
Contact Name John Szymanski	Contact Title Acting City Manager	Contact Telephone Number 313-343-2500	Extension
Website Address, if reports are available online http://munetrix.com/sections/data/municipal.php?MuniID=73&Type=City		Current Fiscal Year End Date 12/31/2023	
PART 2: CERTIFICATION			
<i>In accordance with 2023 Public Act 119, the undersigned hereby certifies to Treasury that the above mentioned local unit:</i>			
<i>1. Produced a Debt Service Report and a Projected Budget Report;</i>			
<i>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;</i>			
<i>3. Will use public safety designated payments for local public safety initiatives only;</i>			
<i>4. Attached the Debt Service Report and Projected Budget Report to this signed certification.</i>			
Chief Administrative Officer Signature (as defined in MCL 141.422b) 		Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) John Szymanski	
Title Acting City Manager		Date December 04, 2023	

Email the completed and signed form (including required attachments) 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

General Info

Name	Type	Fiscal Year End	*Population (2010)	Phone	Website
Harper Woods	City	December	13746	(313) 343-2500	www.harperwoodscity.org

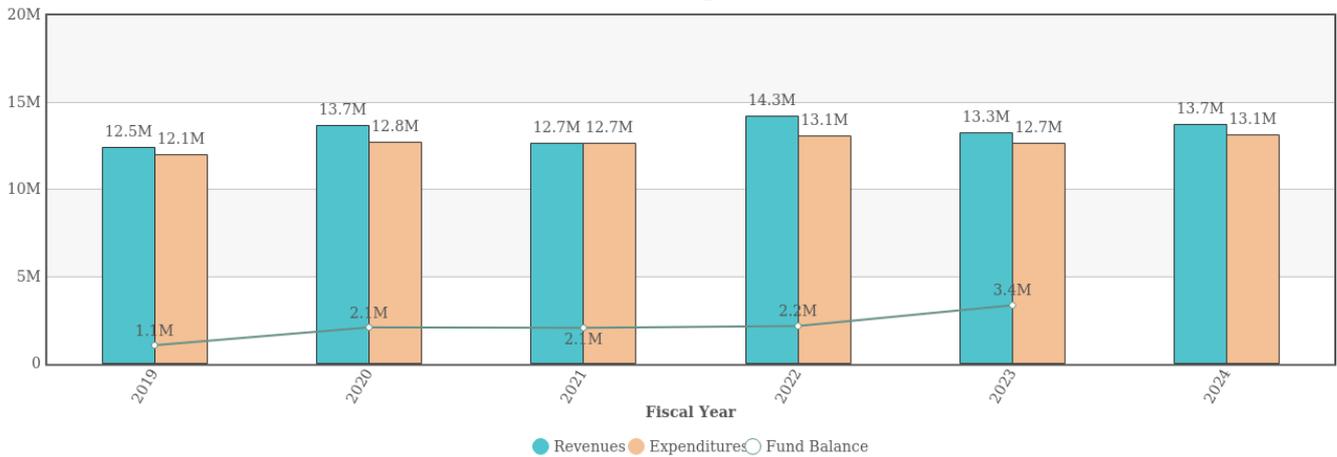
*2010 population data is being used here because its the value used to calculate the fiscal score that is displayed in the CVTRS report.

Multi-Year General Fund Only

Year	Data Status	Fiscal Score	Population	General Fund Revenues	General Fund Expenditures	*Available Fund Balance	Taxable Value
2024	Forecast		15492	\$13,748,536	\$13,147,249	\$0	\$263,982,909
2023	Budget	1	15492	\$13,267,457	\$12,668,202	\$3,357,380	\$245,329,676
2022	Historic	1	15492	\$14,272,575	\$13,125,358	\$2,165,005	\$232,004,325
2021	Historic	1	15287	\$12,675,100	\$12,675,100	\$2,059,846	\$226,503,635
2020	Historic	2	13829	\$13,698,943	\$12,768,264	\$2,086,619	\$223,749,312
2019	Historic	4	13895	\$12,466,998	\$12,063,389	\$1,058,850	\$217,630,795

*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

2024 Notes: General Fund

The General Fund, our main City operating fund, is showing signs of recovery starting in 2024. We are seeing an increase in residential property values with commercial property tax appeals being substantially less than in prior years. The City has made excellent strides in reducing costs associated with health insurance for active employees and future retirees. The City has capped future pension costs for a majority of active employees, but the cost of providing health care and legacy pension/OPEB expenses continues to represent a major expense that puts strain on this fund. In spite of financial challenges facing the City, service levels remain high for Police, Fire, Parks, DPW and other City provided services. Improvements for year 2024 include new windows at City Hall, self-standing generator to address energy needs during power outages, a new air conditioning system for City Hall and changes in Police and Fire service models. A new housing development will go up at the site originally occupied by the former Poupard elementary school.

Our overall taxable value for residential property has increased for this year and a new development, at the Eastland Mall site, is in its final buildout stages for 2024. This \$94.2 million dollar investment will stabilize commercial values in that location and provide a reliable revenue stream in the future. The city will regulate the new emerging cannabis industry in the city for 2024. All of these measures together ensure more jobs for the community and an expanding tax base that should further stabilize the city's revenues. The City, for 2024, will be reducing the mills for the PA. 33 assessment to supplement Police and Fire operations.

Our 2024 budget projects a modest increase in fund balance due to the uncertainties associated with inflation and other factors. The 2024 budget assumes a successful adoption of P.A.33 law, by our City Council, for Police and Fire services. There will be no reduction in Police or Fire services provided to residents or businesses in the City of Harper Woods. The City also levies a Public Act 359 millage, not to exceed \$50,000.00, to enhance the image of the City through publication and promotional advertising. In 2024 we need to continue to address the reliance of high taxation in our city. A long-term steady decrease of our millage assessment for P.A.33 may be possible once reliable revenues materialize from the Eastland development combined with the commercial ventures of both, the new housing prospects at the Poupard school location and the venture capital investment of the marijuana industry. The city has also applied for grant funding of a "pocket-park" and "recreation center" from the State of Michigan.

Our projection is for a fund balance of approximately **\$4,557,923 dollars for 2024**. This amount represents approximately 33% of revenues. This emergency fund balance amount should provide approximately four months of general fund expenditures.

2023 Notes: General Fund

The General Fund, our main City operating fund, is still a concern for 2023. We are seeing an increase in residential property values with commercial property tax appeals being somewhat less than prior years. The City has made excellent strides in reducing costs associated with health insurance for active employees and future retirees. Medicare supplemental insurance plans for active retirees are currently being evaluated. The City has capped future pension costs for a majority of active employees, but the cost of providing health care and legacy pension expenses continues to represent a major expense that puts strain on this fund. In spite of financial challenges facing the City, service levels remain high for Police, Fire, Parks, DPW and other City provided services. Improvements for year 2023 include new windows at City Hall, self-standing generator to address energy needs during power outages and potential changes in Police and Fire service models. Significant past budget variances were present due to decreased revenue from federal, state and local resources and decreased revenue collections overall due to COVID-19 related concerns.

Our overall taxable value for residential property has increased for this year and a new development, at the Eastland Mall site, is being undertaken for 2023. This \$94.2 million dollar investment will stabilize commercial values in that location and provide a reliable revenue stream in the future. The city is exploring regulations in the cannabis industry for 2023 and a new housing development is being proposed for the closed Poupard elementary school building. All of these measures together ensure more jobs for the community and an expanding tax base that should further stabilize the city's revenues. The City will be implementing a Headlee tax reduction unto the mills assessed for general operating purposes and reducing the mills for the PA. 33 assessment to supplement Police and Fire operations.

Our 2023 budget projects a break even fund balance due to the uncertainties associated with inflation and other factors. The 2023 budget assumes a successful adoption of P.A.33 law, by our City Council, for Police and Fire services. There will be no reduction in Police or Fire services provided to residents or businesses in the City of Harper Woods. The City also levies a Public Act 359 millage, not to exceed \$50,000.00, to enhance the image of the City through publication and promotional advertising. In 2023 we need to continue to address the reliance of high taxation in our city. A long-term steady decrease of our millage assessment for P.A.33 may be possible once reliable revenues materialize from the Eastland development combined with the commercial ventures of both, the new housing prospects at the Poupard school location and the venture capital investment of the marijuana industry. The city will also finalize the parks and recreation improvements like new basketball courts in both, Johnson and Salter parks and resurfacing of the tennis and pickle ball courts.

Financial Statement

Including General Fund only

Balance Sheet

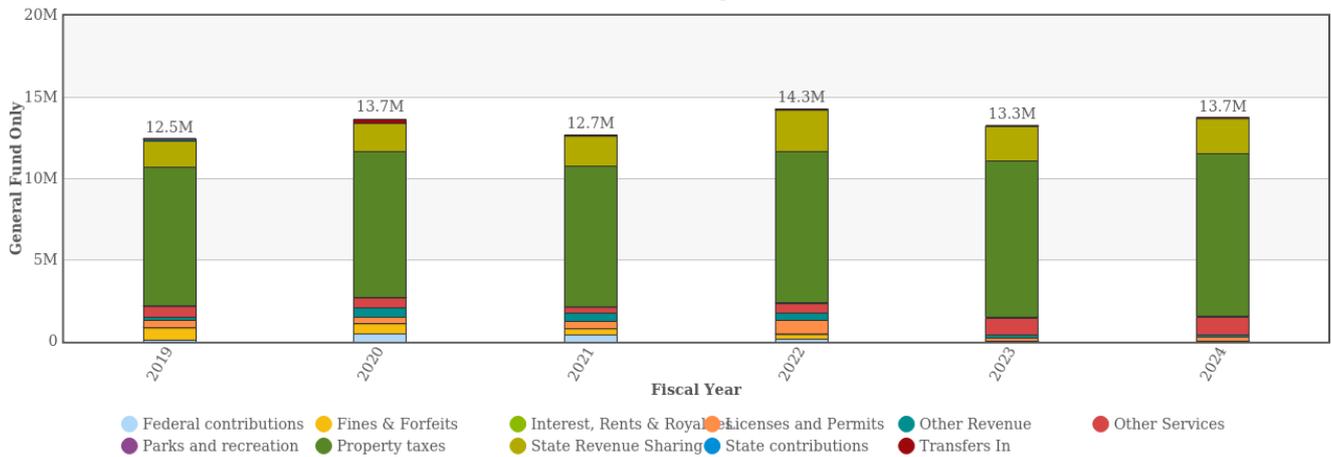
Category Name	2023	2022	2021	2020	2019
Fund Equity	\$3,357,380	\$3,312,432	\$2,165,215	\$2,165,215	\$1,234,536
Total Assets	N/A	\$9,038,466	\$8,491,573	\$7,930,252	\$6,786,768
Total Liabilities	N/A	\$5,726,034	\$6,326,646	\$5,756,421	\$5,473,718

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

Revenues

Category Name	2024	2023	2022	2021	2020	2019
Federal contributions			\$183,330	\$397,876	\$505,172	\$100,021
Fines & Forfeits			\$306,830	\$439,651	\$642,176	\$791,167
Interest, Rents & Royalties	\$54,727	\$52,877				
Licenses and Permits	\$214,247	\$207,003	\$823,849	\$406,353	\$379,599	\$411,240
Other Revenue	\$164,254	\$158,700	\$430,770	\$556,518	\$574,163	\$228,272
Other Services	\$1,101,096	\$1,063,860	\$636,489	\$363,135	\$632,936	\$680,452
Parks and recreation	\$21,218	\$20,500				
Property taxes	\$10,003,125	\$9,645,272	\$9,287,221	\$8,647,164	\$8,968,553	\$8,511,536
State Revenue Sharing	\$2,186,515	\$2,112,575	\$2,604,086	\$1,864,403	\$1,749,540	\$1,585,674
State contributions	\$3,354	\$6,670				\$158,636
Transfers In					\$246,804	
Total	\$13,748,536	\$13,267,457	\$14,272,575	\$12,675,100	\$13,698,943	\$12,466,998

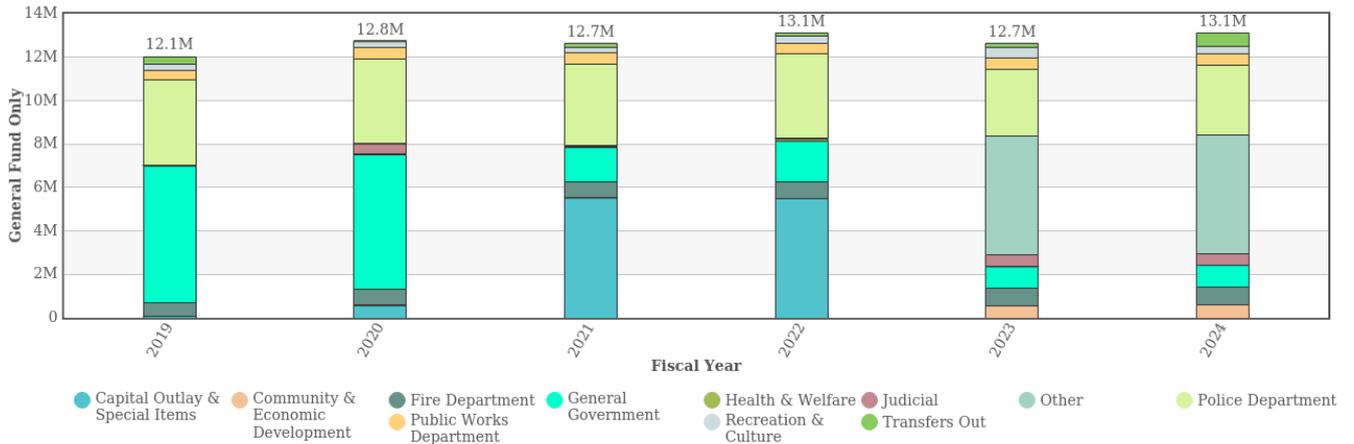
Where The Money Comes From



Expenses

Category Name	2024	2023	2022	2021	2020	2019
Capital Outlay & Special Items			\$5,529,009	\$5,556,748	\$593,015	\$103,106
Community & Economic Development	\$605,784	\$583,216				
Fire Department	\$817,639	\$792,893	\$734,230	\$728,567	\$734,415	\$624,550
General Government	\$1,031,504	\$1,012,298	\$1,908,410	\$1,586,065	\$6,192,411	\$6,311,443
Health & Welfare			\$71,956	\$51,060	\$51,535	
Judicial	\$521,478	\$512,698	\$43,586	\$44,711	\$477,907	
Other	\$5,476,775	\$5,502,520				
Police Department	\$3,186,826	\$3,077,671	\$3,910,335	\$3,754,431	\$3,892,631	\$3,953,021
Public Works Department	\$539,133	\$518,575	\$460,396	\$497,358	\$538,136	\$414,622
Recreation & Culture	\$364,451	\$464,672	\$366,019	\$252,501	\$288,214	\$289,939
Transfers Out	\$603,659	\$203,659	\$101,417	\$203,659		\$366,708
Total	\$13,147,249	\$12,668,202	\$13,125,358	\$12,675,100	\$12,768,264	\$12,063,389

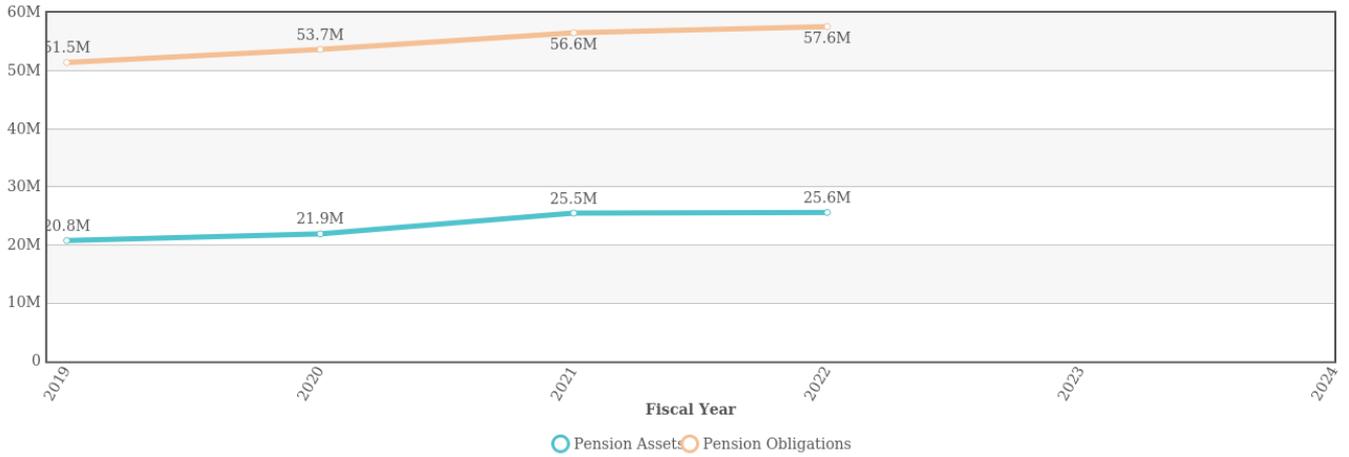
How The Money Is Spent



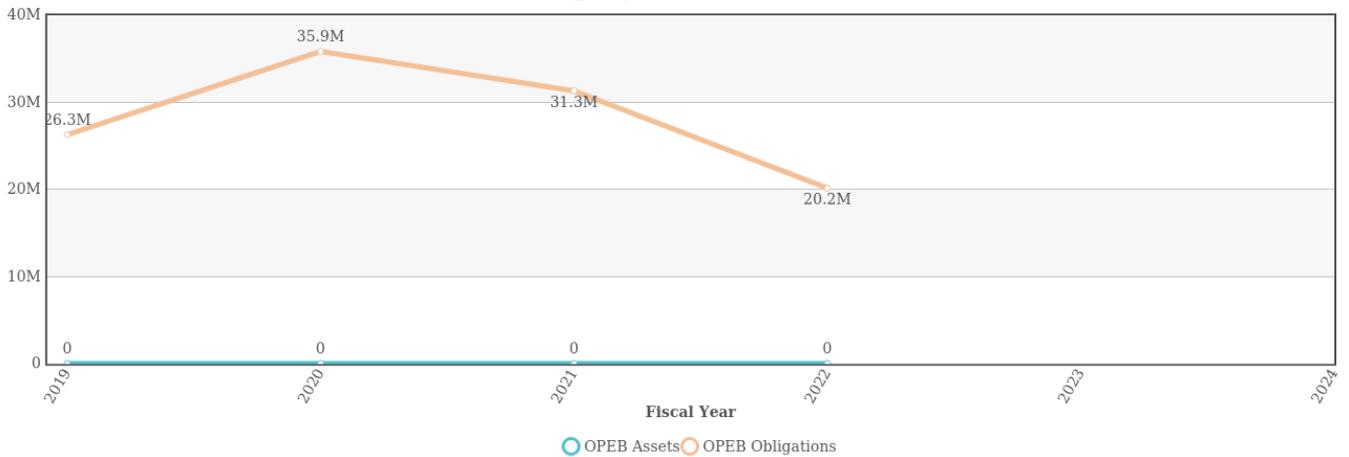
Supplementary Information (Pension / OPEB)

Category Name	2024	2023	2022	2021	2020	2019
Pensions Actuarial Liability	N/A	N/A	\$57,647,922.00	\$56,578,259.00	\$53,716,883.00	\$51,462,591.00
Pension Fund Assets	N/A	N/A	\$25,608,134.00	\$25,499,899.00	\$21,917,756.00	\$20,770,529.00
OPEB Actuarial Liability	N/A	N/A	\$20,164,770.00	\$31,340,345.00	\$35,873,380.00	\$26,303,770.00
OPEB Fund Assets	N/A	N/A	N/A	N/A	N/A	N/A

Pension Fund Status



Other Post-Employment Benefit Fund Status



Fund Equity Detail

Category Name	2023	2022	2021	2020	2019
Assigned	0	0	0	0	\$413,614.00
Nonspendable	0	\$151,048.00	\$105,369.00	\$78,596.00	\$175,686.00
Unassigned	\$3,357,380.00	\$3,161,384.00	\$2,059,846.00	\$2,086,619.00	\$645,236.00

Dashboard for Harper Woods

Fiscal Stability	2021	2022	Progress
Fiscal Wellness Indicator Score	1	1	↔
Annual General Fund expenditures per capita	\$829	\$847	↓
Fund balance as % of General Fund Revenues	16.3%	15.2%	↓
Debt burden per capita	\$130.5	\$108.1	↑
Economy & Financial Health	2021	2022	Progress
Population	15,287	15,492	↑
Taxable Value (100k)	\$226,504	\$232,004	↑
Public Safety	2021	2022	Progress
Crimes against persons per thousand residents	0.5	0.6	↓
Crimes against property per thousand residents	40.3	52.0	↓
Other crimes per thousand residents	54.3	49.8	↑
School District Enrollment	2021	2022	Progress
Chandler Park Academy	2,240	2,122	↓
Grosse Pointe Public Schools	7,340	6,913	↓
Harper Woods School District	2,719	2,313	↓

City of Harper Woods

Local Code: 82-2150

Debt Service Summary Report

Bonds & contracts payable	Fiscal Years			
Name	2023	2024	2025	2026
2004 Gen'l Obligation Lib:Series 2004	321,300	332,313	0	0
Capital Improvement Bonds:2018	89,000	89,040	89,000	88,880
Clean Water Project 5370-01:Series 2012	182,898	183,710	184,398	184,960
Milk River Bonds	164,510	165,360	162,982	163,769
Subtotal for Bonds & contracts payable	757,708	770,423	436,380	437,609
Total Principal & Interest	757,708	770,423	436,380	437,609

Harper Woods

Complete Debt Report for

2004 Gen'l Obligation Lib: Series 2004

Issuance Information

Debt Type: Bonds & contracts payable

Activity Type: Government

Repayment Source: Tax-Backed

Issuance Date: 2004-08-30

Issuance Amount: \$3,100,000

Interest Rate: 3.3 - 5%

Maturing Through: 2024

Principal Maturity Range: \$45,262 - \$325,000

Purpose: Library

Fund Number:

Comments:

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2023-05-01	4.45	300,000.00	13,987.50	313,987.50	\$325,000.00
2023-11-01	4.45	0.00	7,312.50	7,312.50	\$325,000.00
2024-05-01	4.5	325,000.00	7,312.50	332,312.50	
Total		\$625,000.00	\$28,612.50	\$653,612.50	

Harper Woods

Complete Debt Report for

Clean Water Project 5370-01: Series 2012

Issuance Information

Debt Type:	Bonds & contracts payable
Activity Type:	Business-type/Enterprise
Repayment Source:	Revenue - Sewer
Issuance Date:	2012-10-22
Issuance Amount:	\$3,410,000
Interest Rate:	2.5
Maturing Through:	2033
Principal Maturity Range:	\$135,000 - \$210,000
Purpose:	Sanitary Sewer Repair Replacement
Fund Number:	592
Comments:	Michigan Finance Authority SRF Bonds

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2023-04-01	2.5	165,000.00	9,980.11	174,980.11	\$1,920,000.00
2023-10-01	2.5	0.00	7,917.91	7,917.91	\$1,920,000.00
2024-04-01	2.5	170,000.00	7,917.61	177,917.61	\$1,750,000.00
2024-10-01	2.5	0.00	5,792.61	5,792.61	\$1,750,000.00
2025-04-01	2.5	175,000.00	5,792.61	180,792.61	\$1,575,000.00
2025-10-01	2.5	0.00	3,605.11	3,605.11	\$1,575,000.00
2026-04-01	2.5	180,000.00	3,605.11	183,605.11	\$1,395,000.00
2026-10-01	2.5	0.00	1,355.11	1,355.11	\$1,395,000.00
2027-04-01	2.5	185,000.00	0.00	185,000.00	\$1,210,000.00
2028-04-01	2.5	190,000.00	0.00	190,000.00	\$1,020,000.00
2029-04-01	2.5	195,000.00	0.00	195,000.00	\$825,000.00
2030-04-01	2.5	200,000.00	0.00	200,000.00	\$625,000.00
2031-04-01	2.5	205,000.00	0.00	205,000.00	\$420,000.00
2032-04-01	2.5	210,000.00	0.00	210,000.00	\$210,000.00
2033-04-01	2.5	210,000.00	0.00	210,000.00	
Total		\$2,085,000.00	\$45,966.18	\$2,130,966.18	

Harper Woods

Complete Debt Report for

Capital Improvement Bonds: 2018

Issuance Information

Debt Type: Bonds & contracts payable

Activity Type: Government

Repayment Source: Revenue

Issuance Date: 2018-04-19

Issuance Amount: \$1,183,000

Interest Rate:

Maturing Through: 2038

Principal Maturity Range: \$43,000 - \$87,000

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2023-04-01	4.00%	48,000.00	20,980.00	68,980.00	\$1,001,000.00
2023-10-01		0.00	20,020.00	20,020.00	\$1,001,000.00
2024-04-01	4.00%	50,000.00	20,020.00	70,020.00	\$951,000.00
2024-10-01		0.00	19,020.00	19,020.00	\$951,000.00
2025-04-01	4.00%	52,000.00	19,020.00	71,020.00	\$899,000.00
2025-10-01		0.00	17,980.00	17,980.00	\$899,000.00
2026-04-01	4.00%	54,000.00	17,980.00	71,980.00	\$845,000.00
2026-10-01		0.00	16,900.00	16,900.00	\$845,000.00
2027-04-01	4.00%	56,000.00	16,900.00	72,900.00	\$789,000.00
2027-10-01		0.00	15,780.00	15,780.00	\$789,000.00
2028-04-01	4.00%	59,000.00	15,780.00	74,780.00	\$730,000.00
2028-10-01		0.00	14,600.00	14,600.00	\$730,000.00
2029-04-01	4.00%	61,000.00	14,600.00	75,600.00	\$669,000.00
2029-10-01		0.00	13,380.00	13,380.00	\$669,000.00
2030-04-01	4.00%	63,000.00	13,380.00	76,380.00	\$606,000.00
2030-10-01		0.00	12,120.00	12,120.00	\$606,000.00
2031-04-01	4.00%	66,000.00	12,120.00	78,120.00	\$540,000.00
2031-10-01		0.00	10,800.00	10,800.00	\$540,000.00
2032-04-01	4.00%	68,000.00	10,800.00	78,800.00	\$472,000.00
2032-10-01		0.00	9,440.00	9,440.00	\$472,000.00
2033-04-01	4.00%	71,000.00	9,440.00	80,440.00	\$401,000.00
2033-10-01		0.00	8,020.00	8,020.00	\$401,000.00
2034-04-01	4.00%	74,000.00	8,020.00	82,020.00	\$327,000.00

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2034-10-01		0.00	6,540.00	6,540.00	\$327,000.00
2035-04-01	4.00%	77,000.00	6,540.00	83,540.00	\$250,000.00
2035-10-01		0.00	5,000.00	5,000.00	\$250,000.00
2036-04-01	4.00%	80,000.00	5,000.00	85,000.00	\$170,000.00
2036-10-01		0.00	3,400.00	3,400.00	\$170,000.00
2037-04-01	4.00%	83,000.00	3,400.00	86,400.00	\$87,000.00
2037-10-01		0.00	1,740.00	1,740.00	\$87,000.00
2038-04-01	4.00%	87,000.00	1,740.00	88,740.00	
Total		\$1,049,000.00	\$370,460.00	\$1,419,460.00	

Harper Woods

Complete Debt Report for

Milk River Bonds

Issuance Information

Debt Type: Bonds & contracts payable

Activity Type: Business-type/Enterprise

Repayment Source: General Obligation

Issuance Date: 2020-10-15

Issuance Amount: \$3,664,105

Interest Rate:

Maturing Through: 2042

Principal Maturity Range: \$39,435 - \$106,317

Purpose:

Fund Number:

Comments:

Payment Schedule

Date Due	Interest Rate	Principal	Interest	Payment	Balance
2023-12-01	2.125	105,467.00	59,043.00	164,510.00	\$2,548,092.00
2024-12-01	2.125	106,012.00	59,348.00	165,360.00	\$2,607,440.00
2025-12-01	2.125	104,488.00	58,494.00	162,982.00	\$2,665,934.00
2026-12-01	2.125	104,992.00	58,777.00	163,769.00	\$2,724,711.00
2027-12-01	2.125	105,453.00	59,035.00	164,488.00	\$2,783,746.00
2028-12-01	2.125	103,838.00	58,130.00	161,968.00	\$2,841,876.00
2029-12-01	2.125	104,255.00	58,364.00	162,619.00	\$2,900,240.00
2030-12-01	2.125	104,629.00	58,537.00	163,166.00	\$2,958,777.00
2031-12-01	2.125	104,959.00	58,758.00	163,717.00	\$3,017,535.00
2032-12-01	2.125	105,246.00	58,918.00	164,164.00	\$3,076,453.00
2033-12-01	2.125	105,488.00	59,054.00	164,542.00	\$3,135,507.00
2034-12-01	2.125	105,367.00	58,986.00	164,353.00	\$3,194,493.00
2035-12-01	2.125	105,842.00	59,253.00	165,095.00	\$3,253,746.00
2036-12-01	2.125	105,955.00	59,315.00	165,270.00	\$3,313,061.00
2037-12-01	2.125	103,989.00	58,215.00	162,204.00	\$3,371,276.00
2038-12-01	2.125	104,061.00	58,255.00	162,316.00	\$3,429,531.00
2039-12-01	2.125	104,081.00	58,267.00	162,348.00	\$3,487,798.00
2040-12-01	2.125	104,062.00	58,256.00	162,318.00	\$3,546,054.00
2041-12-01	2.125	104,005.00	58,221.00	162,226.00	\$3,604,275.00
2042-12-01	2.125	105,926.00	59,300.00	165,226.00	\$3,663,575.00
2043-12-01	2.125	0.00	0.00	0.00	
Total		\$2,098,115.00	\$1,174,526.00	\$3,272,641.00	