



# CITIZENS' GUIDE

## POPULAR ANNUAL FINANCIAL REPORT

For Fiscal Year Ended June 30, 2011



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## *A Crossroads Community with Character*



City of Wixom  
Entrepreneurial City  
University of Michigan



Named an Entrepreneurial City by the University of Michigan – Dearborn School of Management in 2007, 2009, 2010, and 2011. The City has been hosting their 2025 City Visioning sessions to address the future direction, needs and appearance of the City. In tandem with the 2025 Visioning, the City is updating the City’s Master Plan and the Parks and Recreation’s Master Plan. The City has received valuable public input and we are integrating our citizen’s ideas into the 2025 City Vision Plan to make our City a holistically sustainable community.

Our mission is to provide our citizen’s with quality, cost effective services and leadership. We will foster a strong business environment, with a safe and livable community while offering educational, cultural, and recreational opportunities. Wixom, Michigan is one of the most desirable locations to live, work, raise a family and run a business. A community that is easy to fall in love with.

Wixom has a positive outlook which serves as an example to other communities. Innovative collaborations and programs that aid entrepreneurial business growth make it an excellent community in which to work and live. Historic homes, downtown development and many green spaces make it a highly desirable location situated in Oakland County.



## To the Citizens of the City of Wixom:

It is with great pleasure that we present our annual Citizen's Report for fiscal year ended June 30, 2011. The intent of this report is to offer, in an uncomplicated way, information on how your tax dollars were spent. We hope that this report is useful for you to better determine the City of Wixom's financial condition.

The information provided in this report is derived primarily from the 2011 Comprehensive Annual Financial Report (CAFR). The financial information provided in the CAFR was independently audited by Plante & Moran, PLLC, and was prepared in accordance with generally accepted accounting principles (GAAP). The City has once again received an unqualified ("clean") opinion from our auditors which is the highest form of financial assurance that an organization can receive from their audit firm.

Unlike the CAFR, this PAFR is unaudited and not prepared in accordance with GAAP. Only the financial data for the primary government is included in this report and all of the City's discretely presented components units are excluded. Information in this report is condensed and summarized and certain financial statements and note disclosures required by GAAP are not included. A copy of the City's 2011 CAFR prepared in accordance with GAAP is located on the City's website at <http://www.wixomgov.org>.

We are honored to have received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the seventh straight year for the fiscal year ended June 30, 2010 CAFR. A certificate is valid for one year only, and we believe that the City has met the requirements to receive the award for the fiscal year ended June 30, 2011.

The City of Wixom is responding to the current economic downturn in the correct way and in a fiscally responsive manner. Providing the highest quality government services to this community, in a cost-effective manner, continues to be our fundamental goal. The City continues to maintain existing services while improving the delivery of those services. We have tightened our belts and found better ways to get the job done.

The City of Wixom's finances continue to be solid. A number of years ago, in a proactive approach to the economic projections, the City adopted a Five Year Fiscal Action Plan. This Plan, which includes a Budget Stabilization Fund, has provided a means to maintain consistency in taxes while avoiding service reductions during the current state of the economy. Partly attributable to the Five Year Action Plan, the State of Michigan Department of Treasury has rated Wixom's financial strength and future as superior. Only 13.4% of Michigan cities were able to attain this rating. Further, Moody's has continued to affirm an A1 bond rating for the City citing sound financial operations characterized by healthy reserves and prudent fiscal management. Like all communities, the City is not immune to the economic downturn, the decline in property tax values, and the decrease in overall revenues, but the City through its fiscally conservative approach to the City's finances has provided a sensible plan to deal with the downturn.

The City has placed on their website interactive financial tools including a Citizen's Guide, a City Scorecard, a City Dashboard and further financial data. The Citizen's Guide and Dashboard is the Accountability and Transparency requirement under the State of Michigan Economic Vitality Incentive Plan (EVIP). Understanding the current status and future prospect of the City of Wixom's financial health/condition is an integral responsibility of City Council and the professional staff, and is essential to paving the way to prosperity for the generations to come.

We hope you find this information interesting and informative. We welcome any feedback and suggestions regarding the information provided in this report. The achievements of the last year are a clear indication of our sustainability and our bright future.

Respectfully,

J. Michael Dornan  
City Manager

Kevin Brady  
Finance Director

# City of Wixom Officials

As of June 30, 2011

Mayor: Kevin W. Hinkley, (248) 624-4557

City Council: Richard Ziegler, Mayor Pro Tem  
 Patrick Beagle  
 James Cutright  
 John Lee  
 Lori Rich  
 Thomas Rzezniak

Meetings: 7:30PM, 2nd and 4th Tuesday of each month  
 City Hall—City Council Chamber  
 49045 Pontiac Trail  
 Wixom, MI 48393

Manager: J. Michael Dornan, (248) 624-0894

Clerk: Linda Kirby, (248) 624-4557

[www.wixomgov.org](http://www.wixomgov.org)

## Awards

Selected Awards from  
 July 2010 - June 2011



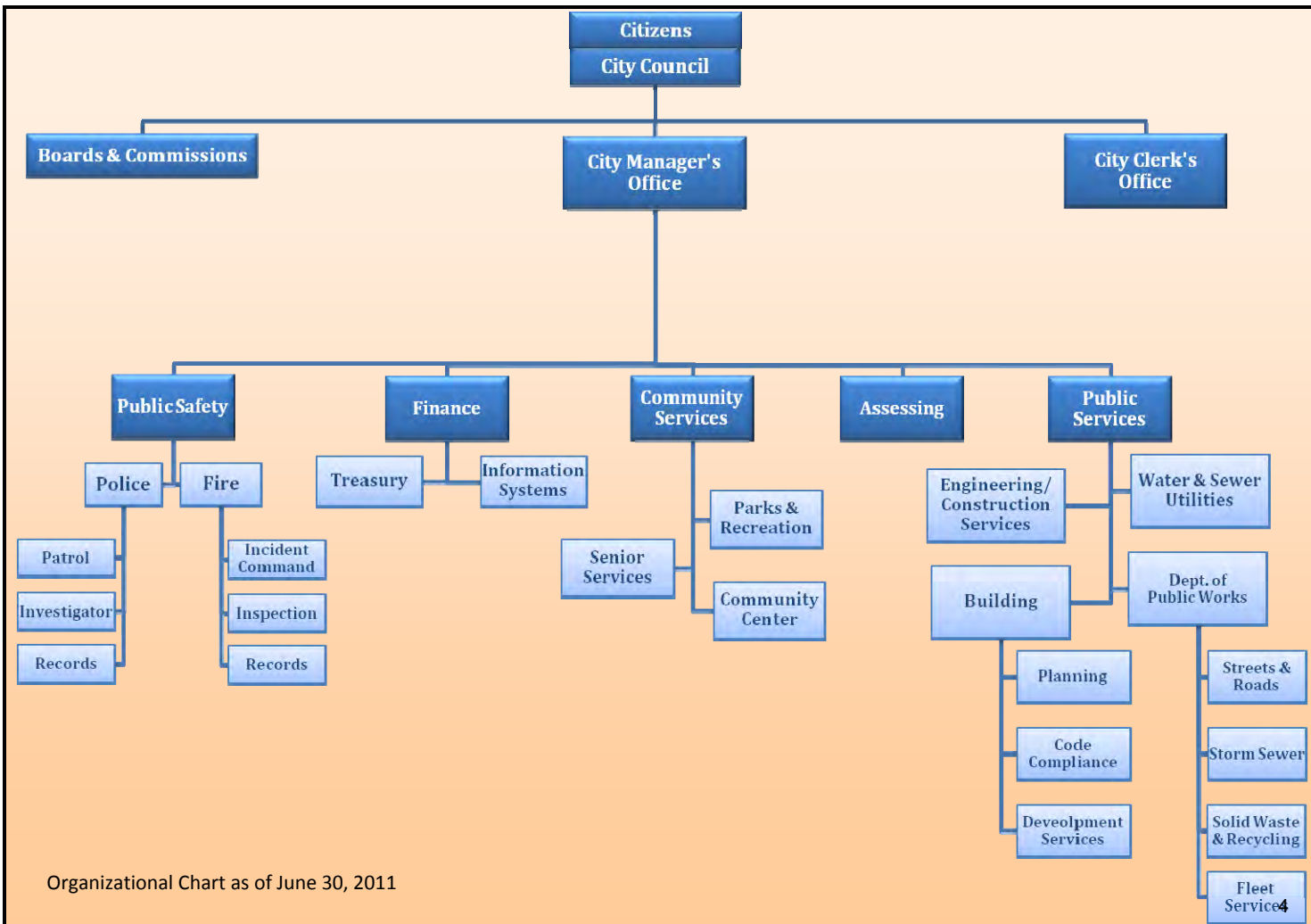
**Entrepreneurial City - 2011**  
 by the University of Michigan – Dearborn School of Management



**Certificate of Achievement**  
 for Excellence in Financial Reporting  
 for Fiscal Year 2010 from the GFOA



**Award for Outstanding Achievement**  
 in Popular Annual Financial Reporting  
 for Fiscal Year 2010 from the GFOA



Organizational Chart as of June 30, 2011



The City of Wixom's website is your source to information about City policies, services, and events, available 24 hours per day, seven days a week. Log onto [www.wixomgov.org](http://www.wixomgov.org) and find information about public meetings, press releases, employment opportunities, community events and much more. Take advantage of many online services through our website.

- Ability to check your property taxes
- City Council meeting agendas & minutes
- Emergency alert notice
- Community Calendar
- Activity and event Information
- City Charter and Code
- Business Tools - Economic Development and Film Office
- City Hall Department Information, Passports, Permits, Trash & Taxes
- Crossroads, Annual Budgets, Citizen's Guide and CAFR and other publications
- Interactive Scorecard & Dashboards
- Construction Project Updates
- Customizable Home Page
- Document / Archive Center - Agendas, Minutes, Applications, Newsletters
- Current bid Information
- External Links
- FAQ's
- General Government Information, Mayor and City Council
- GIS Maps
- Job Postings within the City
- News and Announcements
- Notify Me / Email Subscription updates
- Online Job Application
- Online Payments
- Opinion Polls
- Parks and Recreation Registration
- Photo Album
- Quick Links
- Quick Search
- Report a concern
- Resident Information - Event and rental information
- Resources Directory
- Staff Directory
- Visitor Information - Parks, maps and trails
- Voter Information - Ballots and Precincts

Categories	Telephone
<u>Emergencies</u>	911
<u>Your Elected Officials</u>	248-624-4557
<u>Mayor</u>	248-624-4557
<u>City Administration</u>	248-624-0894
<u>City Manager</u>	248-624-0894
<u>City Clerk</u>	248-624-4557
<u>Assessing</u>	248-624-3280
<u>Building, Planning &amp; Zoning</u>	248-624-0880
<u>Finance</u>	248-624-0885
<u>Information Systems</u>	248-624-0885
<u>City Community Services</u>	248-624-2850
<u>Community Center</u>	248-624-2850
<u>Parks &amp; Recreation</u>	248-624-2850
<u>Active Adults 50+</u>	248-624-0870
<u>City Public Works</u>	248-624-0141
<u>City Public Safety</u>	
<u>Fire</u>	248-624-1055
<u>Police</u>	248-624-6114
<u>Board of Review</u>	248-624-3280
<u>Cemetery Board</u>	248-624-4557
<u>Parks &amp; Recreation</u>	248-624-2850
<u>Planning Commission</u>	248-624-0880
<u>Zoning Board of Appeals</u>	248-624-0880
<u>City Water &amp; Wastewater</u>	248-624-6421
<u>Wixom Library</u>	248-624-2512

## City of Wixom Photo Album

### CityofWixom's Albums

#### TABLE OF CONTENTS

34 albums in TIMELESS, showing 1-20 [Show all TIMELESS]

- TIMELESS
- Around the Town
- At the Showcase
- Beach Party
- Circus
- Community Sponsors
- Concert Series
- Daddy/Daughter Dance
- Easter Egg Hunt
- eCities Award Ceremony
- Fall Fest / Panther Hunt
- Farmers Market



Come visit <http://www.cityofwixom.phanfare.com/>

BUILDING A LASTING COMMUNITY



Remembering the Past



**The Vision creates the Place:  
You can't have a "Place" until you have a Vision.**

- the vision creates consensus
- the vision creates opportunity
- the vision provides confidence
- the vision can attract investors
- the vision affects decisions
- the vision allows adaptability
- having a vision prevents you from stopping short!

**Once we have a vision and a plan – we can develop a road map that will take us there. We are all part of this new and exciting journey.**

## What Makes Wixom Great?



- Known for good services, reasonable taxes
- Safe
- Easy to get around
- Great neighborhoods
- Convenient retail, services, and businesses
- Good schools
- Access to neighboring cities
- Variety of industry
- Recreational amenities
- Involved citizens
- Convenient access to interstate



## What Makes a Great Neighborhood?



- Variety (suburban to urban neighborhoods)
- Identifiable neighborhood character
- Variety in housing
- Character of older buildings
- Well-maintained homes
- Neighborhood commercial areas
- Good and safe streets
- Well-maintained public and private spaces and buildings
- Places to connect with neighbors and friends
- Community gardens
- Parks, open spaces, nature preserves
- Good city services
- Good schools
- Safety
- Sidewalks that connect
- Tree-lined streets
- Strong neighborhood organizations
- Well-maintained Housing



## What Makes an Economically Sustainable City?



- A commercial and industrial base that employs local residents and those from the region



- Modern, efficient buildings to house a wide range of industrial and commercial uses



- Educational and training opportunities to maintain a qualified work force



- Support for start-up companies and entrepreneurs



- Organized industrial recruitment efforts

- Companies that grow in place rather than relocating to meet their needs

## What Makes a Great Parks and Recreation System?



- Availability
- Accessibility
- Building trail connections



- Different park types and sizes



- Passive, active and natural parks

- Variety of programming

- Variety of learning abilities



## TOP EMPLOYERS IN THE CITY OF WIXOM

Here the City of Wixom recognizes their Top Employers

Did You Know?

Acromag Inc	Ford Motor Company	Lakeside Oakland Dev LLC	Sabic Innovative Plastics
AFC-Holcroft LLC	Gary's Catering Inc	Mac Valves Inc	Trijicon Inc
Beck Business Center Inc	General Motors	McDonalds Restaurant	Trugreen
Burger King	General RV Center	Meijer Inc.	US Real Property, LLC
Container, Dart	GM Performance Build Center	Moeller Manufacturing Company, Inc.	United Parcel Service, Inc
Detroit Edison Company	Great Lakes Rubber Co, Inc.	NLB Corporation	Walter Toebe Construction
Detroit Public TV	International - Wixom, Llc	Occidental Development	Wix Property, LLC
Diversified Machine Inc	ITC Transmission	Occidental Development Ltd	Wixkix Properties LLC
Eagle Industries Inc	Jatco USA Inc	Property Asset Management Inc	Wixom Grand River Assoc
Edward Rose & Sons	K Tool Corporation	Rockwell Medical Technologies Inc	

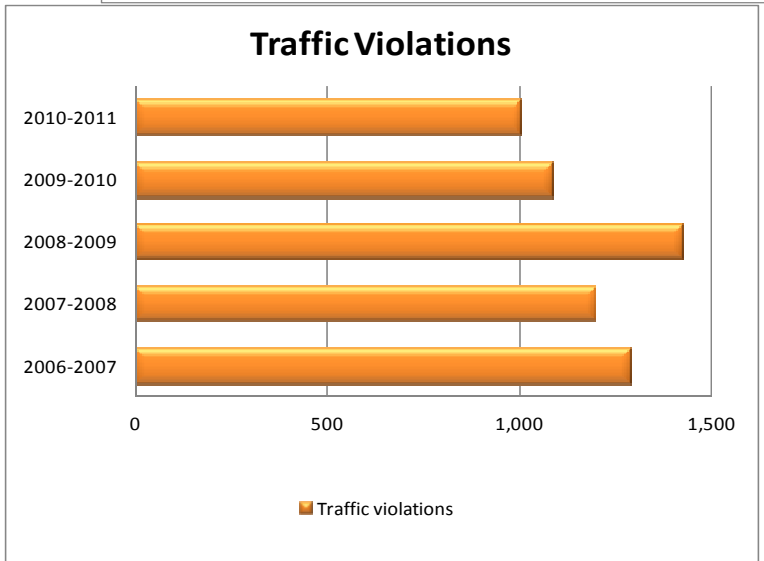
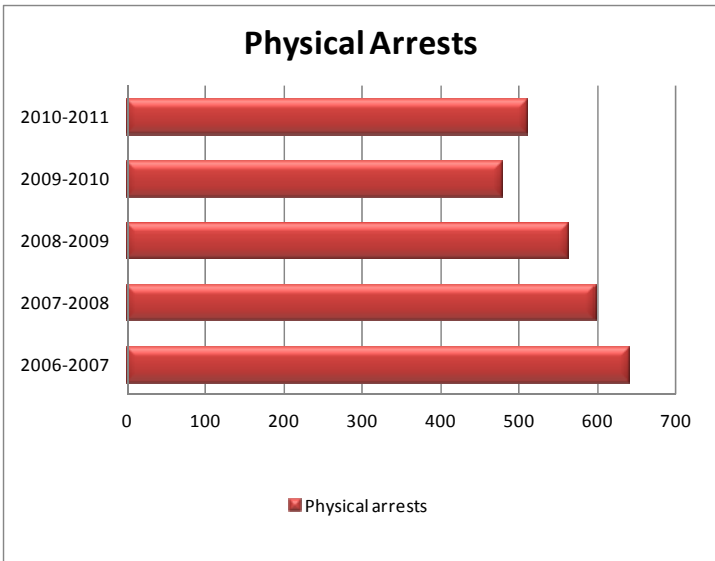
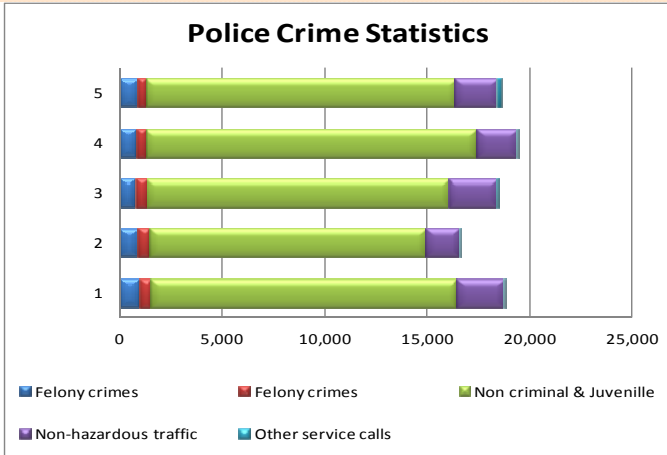


# Police

The Police Department is responsible for the welfare and safety of the citizens of our community. This requires the Police Department to enforce City ordinances and state and federal laws, and to ensure the safety of those living, working, or traveling in our community. It is the Police Department's patrol strategy to facilitate public safety through community policing, crime prevention, and the aggressive apprehension and prosecution of offenders.



Through the sharing of personnel and equipment resources with the Fire Department, the Police Department strengthens its public safety responsiveness to provide efficiency and excellence. Through a continued and concerted effort to expand the training of police and fire first responders, the Police Department will facilitate emergency management and provide a mechanism whereby emergencies can be quickly resolved. The Police Department will continue to foster partnerships with individuals, groups, and businesses in our community and use these relationships to minimize crime as well as the impact of crime that occurs.

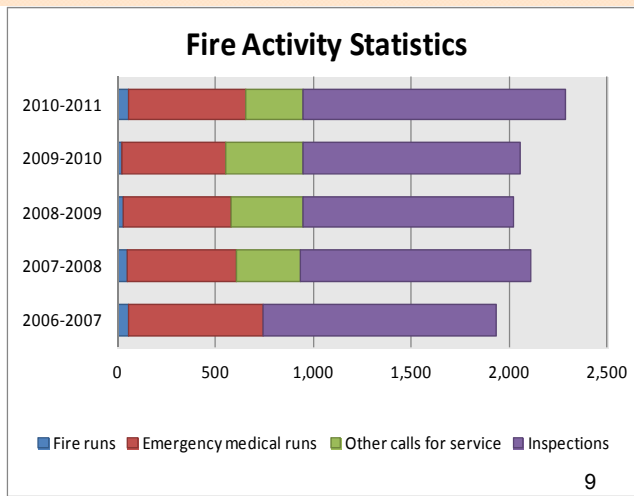


# Fire

The Fire Department is responsible for the prevention and extinguishment of fires in the City of Wixom as well as providing basic life support services during medical emergencies. Additionally, the Fire Department performs annual safety inspections through the Business License Program and sponsors fire safety seminars for adults and children. In this manner, the Fire Department promotes the safety and welfare of all persons who work and live in our City, and prevents the loss of property from fire.



The Fire Department is staffed by a Fire Chief, Administrative support, two part-time Certified Fire Inspectors and a Training Coordinator. Fire and Emergency Medical Services response consists of twenty-two Paid-on-Call Firefighters EMT's responding to over 1000 calls for service annually. The fire department is responsible for the prevention and extinguishment of fires and the loss of property from fire, as well as providing basic life support services and transport during medical emergencies. Additionally, the fire department performs annual life safety inspections and sponsors fire and medical safety seminars for adults and children. The fire department promotes the safety and welfare of all who live, work and visit the City.



# COMMUNITY DEVELOPMENT



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Rebuilding Together  
Lowe's

THANKS TO ALL OUR SUPPORTERS

Walled Lake Eagles  
F.O.E. 3492  
WIXOM

Rebuilding Together  
HEROES at Home

Walled Lake Eagles  
F.O.E. 3492  
WIXOM

Proudly Sponsored By  
Walled Lake Eagles  
F.O.E. 3492  
"People Helping People"

Rebuilding Together  
WIXOM

Proudly Sponsored By  
Walled Lake Eagles  
F.O.E. 3492  
WIXOM  
Walled Lake Eagles  
F.O.E. 3492  
"People Helping People"

Rebuilding Together  
WIXOM

Rebuilding Together

## THANKS TO ALL OUR SUPPORTERS

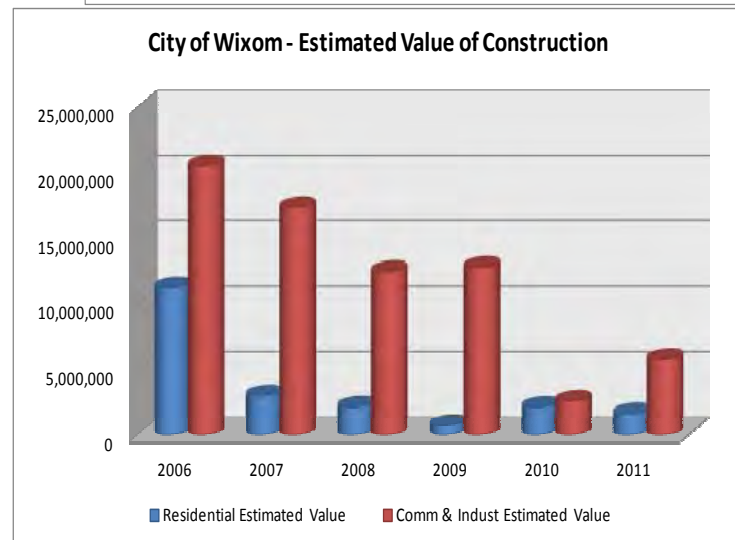
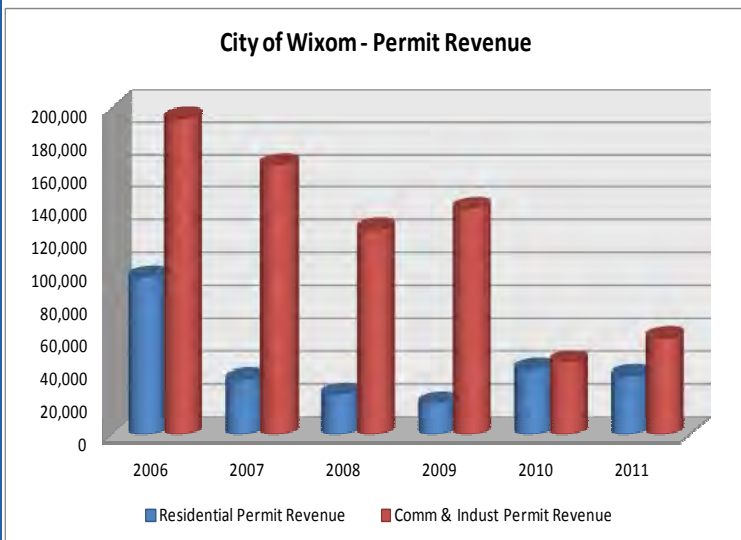
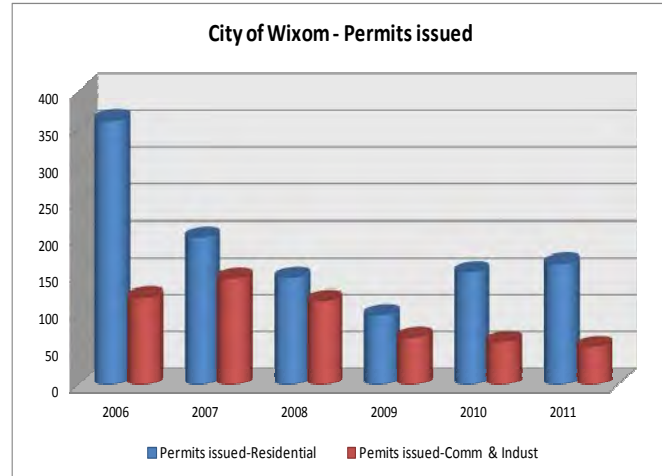
DANTOM SYSTEMS INC. VOLUNTEERS	BUILDMASTER
CITY OF WIXOM VOLUNTEERS	WALLED LAKE EAGLES VOLUNTEERS
TONY POTTER ELECTRICAL	SHERRY HUDSON CLEANING SERVICES
VINCENT HAIR STUDIO	TOCONSTRUCT
LOWES	WASTE MANAGEMENT
CONVEYALL INDUSTRIAL SUPPLY	OAKLAND COUNTY REBUILD TOGETHER

# Building

The Building Department is responsible for ensuring that all work performed for new construction, rehabilitation and demolition is carried out with the materials and methods that conform to approved site plans and the appropriate federal state and local building codes including the review of plans and permit applications for building electrical, plumbing, mechanical, sewers signs, and other permits required by the City as well as obtaining required easements.



The Building Department is also responsible for all coordination and administration of the Planning Commission, Zoning Board of Appeals, Construction Board of Appeals, Property Maintenance and Code Enforcement. The Staff routinely provides data and reports to City Departments and represents the City in meetings with developers and landowners.

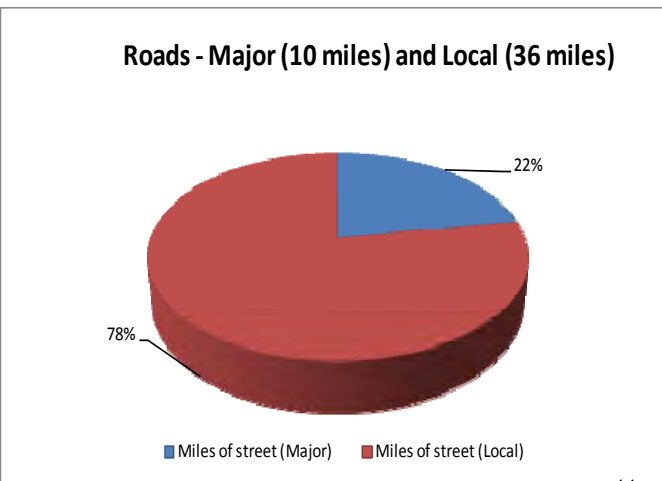


# Public Works

The Department of Public Works is responsible for planning and delivery of the basic day-to-day public services that have become part of our daily life. Key objectives include maintenance and repair of a public infrastructure system. Specifically, services include maintenance of all City streets, buildings and grounds, public parks, sidewalks and bike paths, traffic control, street lights, vehicle and construction/maintenance equipment, street sweeping, roadside/park/cemetery mowing and snow removal and ice control.



As the City continues to grow, mature, and encounters an increasing request for service, the Department of Public Works continues to implement time and labor saving measures through multi-use equipment and operational improvements. The DPW is also responsible for providing the contractual oversight of the water and wastewater systems, refuse collection, recycling programs, and storm water management.





"In Wixom, discover what it means to be an active citizen, and take action in new and exciting ways. Wixom prides itself on delivering the highest level of service along with being the kind of place where we know and enjoy interacting with our neighbors. Our recreation and cultural offerings are constantly adapting to the characteristics of the amazingly diverse citizens we serve. Programs are sponsored throughout the year that expose citizens to different challenges to increase their awareness of self and the world in which we live. By bringing together citizens of all ages and walks of life, our recreation and parks programs and City events build the sense of community that makes Wixom home."

Deanna Magee  
Director of Community Services

# COMMUNITY CENTER

At the Wixom Community Center we welcome small meetings, large meetings, bridal showers, engagement parties and wedding receptions up to 250 people. The Community Center is the perfect choice for your engagement.



# Where Does Your Tax Dollar Go?

# MILLAGE AND RATES

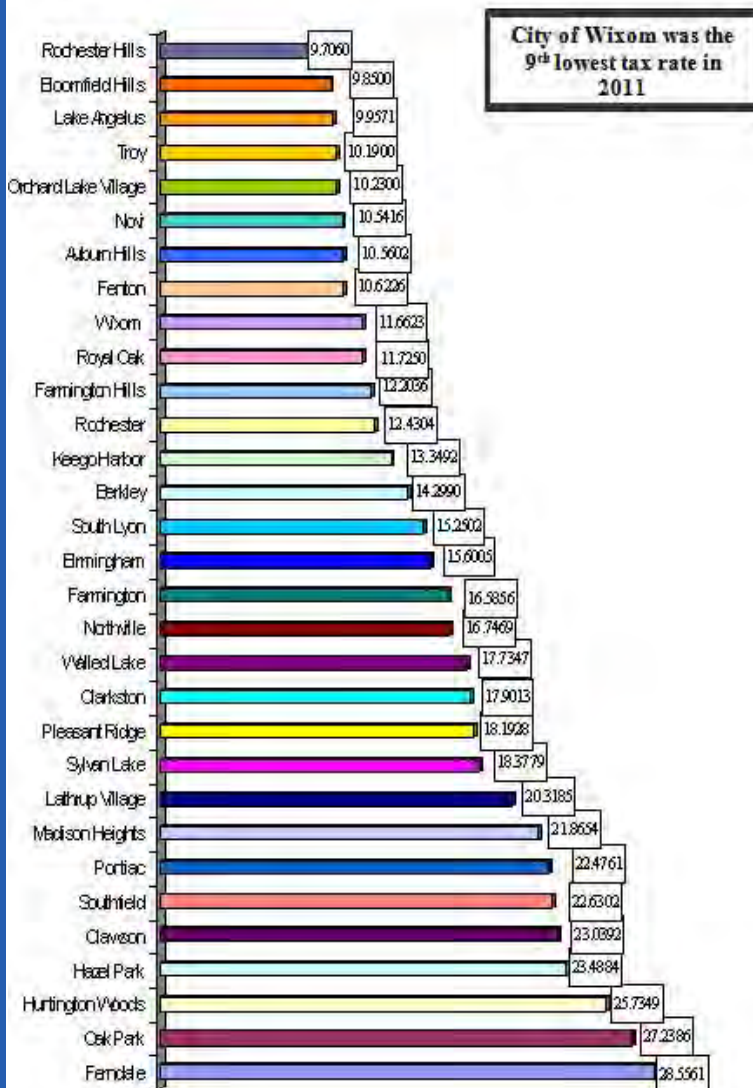
				Residents - Where do my taxes go?					
Oakland County	Oakland Community	Oakland Intermediate	Library	State of Michigan	City	Schools			
13%	5%	10%	3%	17%	33%	19%			



				Business - Where do my taxes go?					
Oakland County	Oakland Community	Oakland Intermediate	Library	State of Michigan	City	Schools			
9%	3%	7%	2%	12%	23%	44%			

## Millage Rates—9th lowest in Oakland County

## Water & Sewer Rates



City	Combined Rate: Water Rate Sewer Rate		
Berkley	\$26.00	\$13.00	\$13.00
Bingham Farms	\$34.89	\$17.29	\$17.60
Wixom	\$36.57	\$25.45	\$11.12
Pontiac	\$39.80	\$21.20	\$18.60
Detroit	\$43.27	\$15.17	\$28.10
Auburn Hills	\$43.62	\$23.12	\$20.50
Troy	\$45.50	\$26.40	\$19.10
Novi	\$50.34	\$30.37	\$19.97
Rochester Hills	\$51.30	\$26.60	\$24.70
Beverly Hills	\$51.34	\$15.66	\$35.68
Farmington Hills	\$51.58	\$28.74	\$22.84
Waterford (City Wells)	\$53.50	\$12.00	\$41.50
Farmington	\$55.57	\$25.80	\$29.77
Madison Heights	\$57.70	\$22.60	\$35.10
West Bloomfield	\$59.70	\$35.18	\$24.52
Bloomfield Twp.	\$60.21	\$31.04	\$29.17
Walled Lake	\$61.25	\$32.46	\$28.79
Milford Village	\$61.56	\$30.78	\$30.78
Northville	\$62.97	\$33.73	\$29.24
Lathrup Village	\$63.05	\$26.57	\$36.48
Hazel Park	\$66.10	\$31.20	\$34.90
Southfield	\$67.25	\$27.79	\$39.46
Huntington Woods	\$70.00	\$35.00	\$35.00
Birmingham	\$71.44	\$21.62	\$49.82
Royal Oak	\$75.00	\$22.50	\$52.50
Oak Park	\$77.74	\$27.64	\$50.10
Pleasant Ridge	\$86.63	\$43.31	\$43.32
Ferndale	\$92.00	\$46.00	\$46.00
Clawson	\$103.50	\$51.75	\$51.75
Commerce	\$110.97	\$40.12	\$70.85

## Governmental Activities

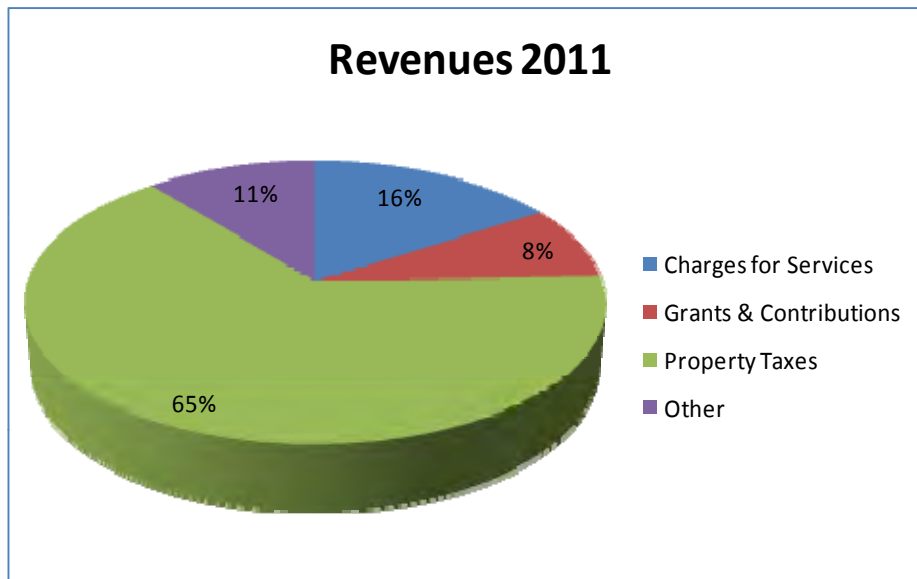
The governmental activities are the main operating activities for a city. Most city expenditures and revenues are accounted for in the general fund. In this section we will break down the revenues and expenditures of the governmental activities for the City of Wixom.

### Revenues—Where City Money Comes From

Just like a for-profit business, governments need sources of income (revenue) in order to operate. However, unlike businesses, governments do not solely rely on selling a good or service in order to create revenues. Most of a government's revenues come from assessing and collecting taxes. The following chart shows the dollar amounts Wixom collected for each of its different sources of revenues. The table also gives 2010 data and displays the change from year to year.

Revenues	2011	2010	Change
Charges for Services	1,886,233	1,644,794	241,439
Grants & Contributions	982,480	979,741	2,739
Property Taxes	7,576,257	8,649,835	(1,073,578)
Other	1,281,987	1,142,464	139,523
<b>Total</b>	<b>11,726,957</b>	<b>12,416,834</b>	<b>(689,877)</b>

The other revenue category consists of state-shared revenue, earnings from unrestricted investments the City holds, and miscellaneous revenues. All revenues, except for property taxes, experienced an increase from 2010.



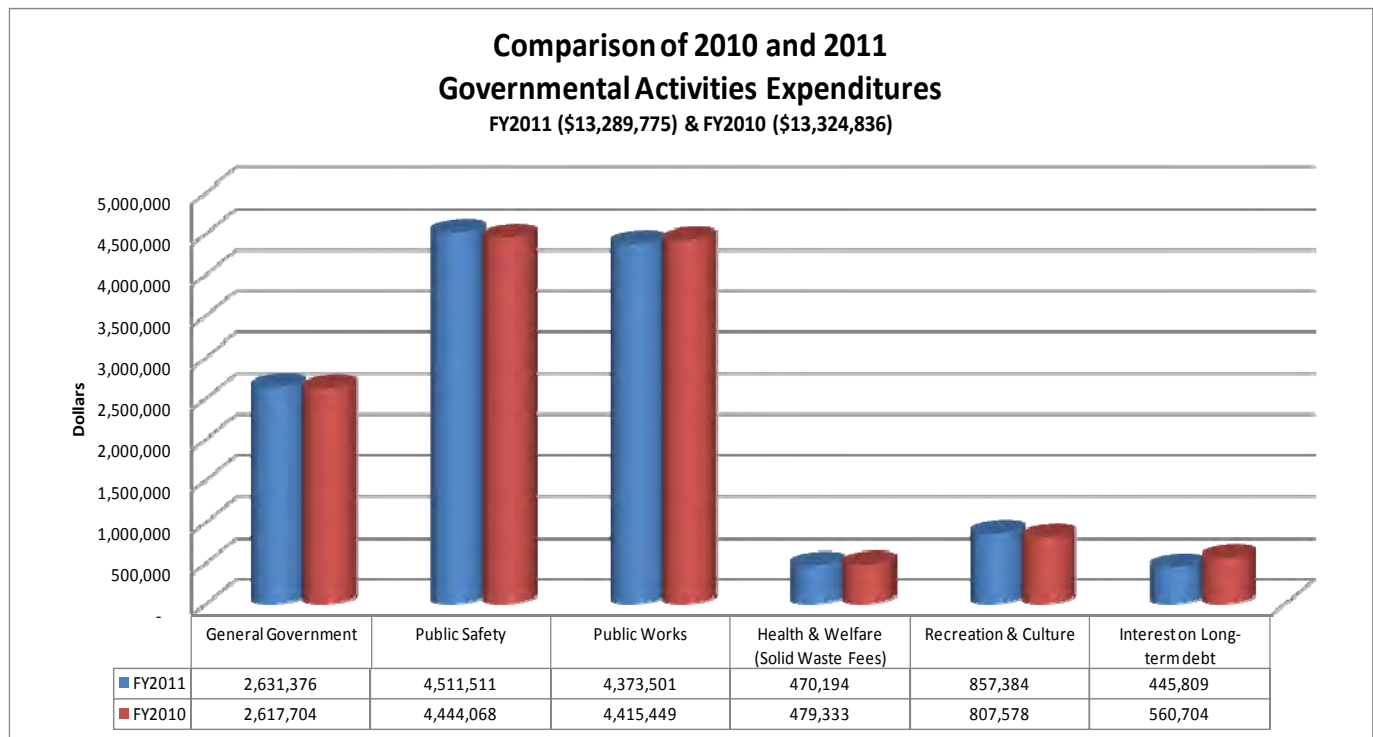
The following further breaks down revenues earned from charges for services for 2010, 2011, and the percentage change between the two years. These are revenues earned from charges paid by citizens for services provided by the city; they are not taxes collected by the city.

Charges for Services	2011	2010	Change	% Change
General Government	237,507	236,369	1,138	0.5%
Public Safety	140,345	125,333	15,012	12.0%
Public Works	769,118	562,942	206,176	36.6%
Health & Welfare (Solid Waste Fees)	486,895	480,494	6,401	1.3%
Recreation & Culture	252,368	239,656	12,712	5.3%
<b>Total</b>	<b>1,886,233</b>	<b>1,644,794</b>	<b>241,439</b>	<b>15%</b>

## Expenditures—Where City Money Goes

Expenditures are the costs the government incurs while performing its every day job. The revenues collected by the government are used to pay the expenditures, just like a for-profit business. The expenditure categories listed below represent the different areas the City used its money. Expenditures can be for programs and activities, paying for financing, or for City sponsored business-type activities.

Charges for Services	2011	%	2010	%	Change	% Change
General Government	2,631,376	20%	2,617,704	20%	13,672	1%
Public Safety	4,511,511	34%	4,444,068	33%	67,443	2%
Public Works	4,373,501	33%	4,415,449	33%	(41,948)	-1%
Health & Welfare (Solid Waste Fees)	470,194	4%	479,333	4%	(9,139)	-2%
Recreation & Culture	857,384	6%	807,578	6%	49,806	6%
Interest on Long-term debt	445,809	3%	560,704	4%	(114,895)	-20%
<b>Total</b>	<b>13,289,775</b>	<b>100%</b>	<b>13,324,836</b>	<b>100%</b>	<b>(35,061)</b>	<b>0%</b>



The following list provides a more detailed explanation of the Governmental Activities expenditure categories:

- **General government** expenditures include the administration of City offices and officials. This includes the following functions and Departments: City Council, City Manager’s Office, Clerk’s Office, Assessing Department, Finance Department, Information Systems Department, Legal Counsel, General Operating and Maintenance, and certain Boards & Commissions.
- **Public safety** expenditures include the Wixom Police and Fire departments.
- **Public works** includes the DPW Department, which includes maintenance of City streets, parks, and other infrastructure, Building Department, Planning Commission and the Board of Appeals.
- **Health and welfare** are expenditures for the City’s Solid Waste Collection program through Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) whose member communities include Farmington, Farmington Hills, Novi, Southfield, South Lyon, Walled Lake, and Wixom.
- **Recreation and culture** are expenditures for the City’s Parks & Recreation Department, Cultural Center activities, Senior’s Commission activities and Beautification Committee activities sponsored by the City.
- **Interest on long-term debt** are interest charges from long-term debt of the City which includes debt for Major Road Improvements, Fire and DPW Building construction and renovation, Special Assessments, and Downtown Development/Village Center Area improvements.

All revenue and expenditure information was taken from the Change in Net Assets statement in the Management Discussion and Analysis section of Wixom’s CAFR.



## Assets and Liabilities

To better gauge the financial state of the city, we also need to look at the City's assets and liabilities. Looking at the City's assets and liabilities, along with the revenues and expenditures, will give us a complete financial picture of the City.

Assets are considered anything tangible or intangible of value owned by the City that will provide future benefits. Liabilities are amounts owed to others. The following table shows the difference in Wixom's assets and liabilities as of June 30, 2011.

Condensed Statement of Net Assets			
June 30, 2011			
	Governmental	Business-type	
	Activities	Activities	Total
<b>Assets</b>			
Cash and investments	10,175,736	9,535,211	19,710,947
Receivables, net	2,610,973	955,886	3,566,859
Internal Balances	(369,726)	369,726	-
Inventories	39,919	122,149	162,068
Restricted Assets	-	402,962	402,962
Capital Assets	42,796,883	54,314,667	97,111,550
Other Assets	180,960	-	180,960
<b>Total Assets</b>	<b>55,434,745</b>	<b>65,700,601</b>	<b>121,135,346</b>
<b>Liabilities</b>			
Payables and accrued liabilities	1,033,034	703,983	1,737,017
Deferred Revenue-unearned	149,000	-	149,000
Compensated absences:			
Due in one year	433,675	-	433,675
Due in more than one year	274,113	-	274,113
Long-term debt:			
Due in one year	1,140,000	962,772	2,102,772
Due in more than one year	8,910,000	8,529,953	17,439,953
Other liabilities	170,005	534,678	704,683
<b>Total Liabilities</b>	<b>12,109,827</b>	<b>10,731,386</b>	<b>22,841,213</b>
<b>Net Assets</b>	<b>43,324,918</b>	<b>54,969,215</b>	<b>98,294,133</b>

Below are explanations of a few of the asset and liability accounts.

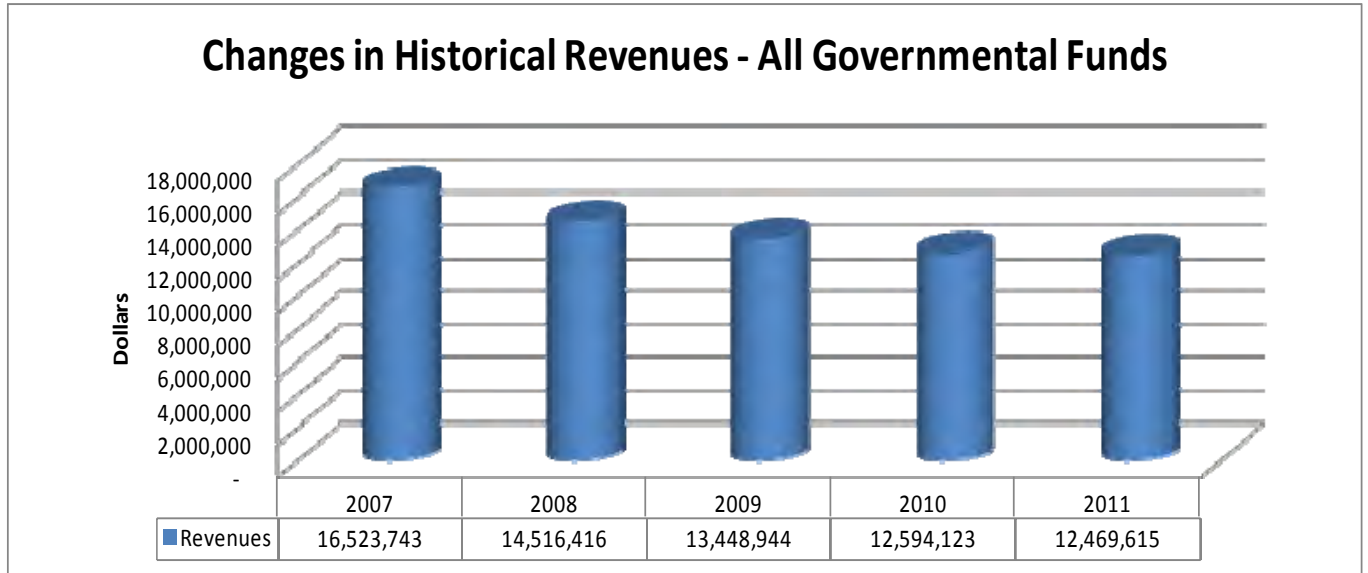
- **Receivables** are amounts owed to the City.
- **Capital assets** represent office furnishings, equipment, vehicles, land, buildings and the City's infrastructure including major and local roads, sidewalks, bike paths and utility and storm water systems.
- **Payables and accrued liabilities** represent amounts owed by the City to companies or individuals who supply goods or services to the City including accrued payroll and taxes.
- **Long-term debt** are amounts owed by the City for the issuance of debt.



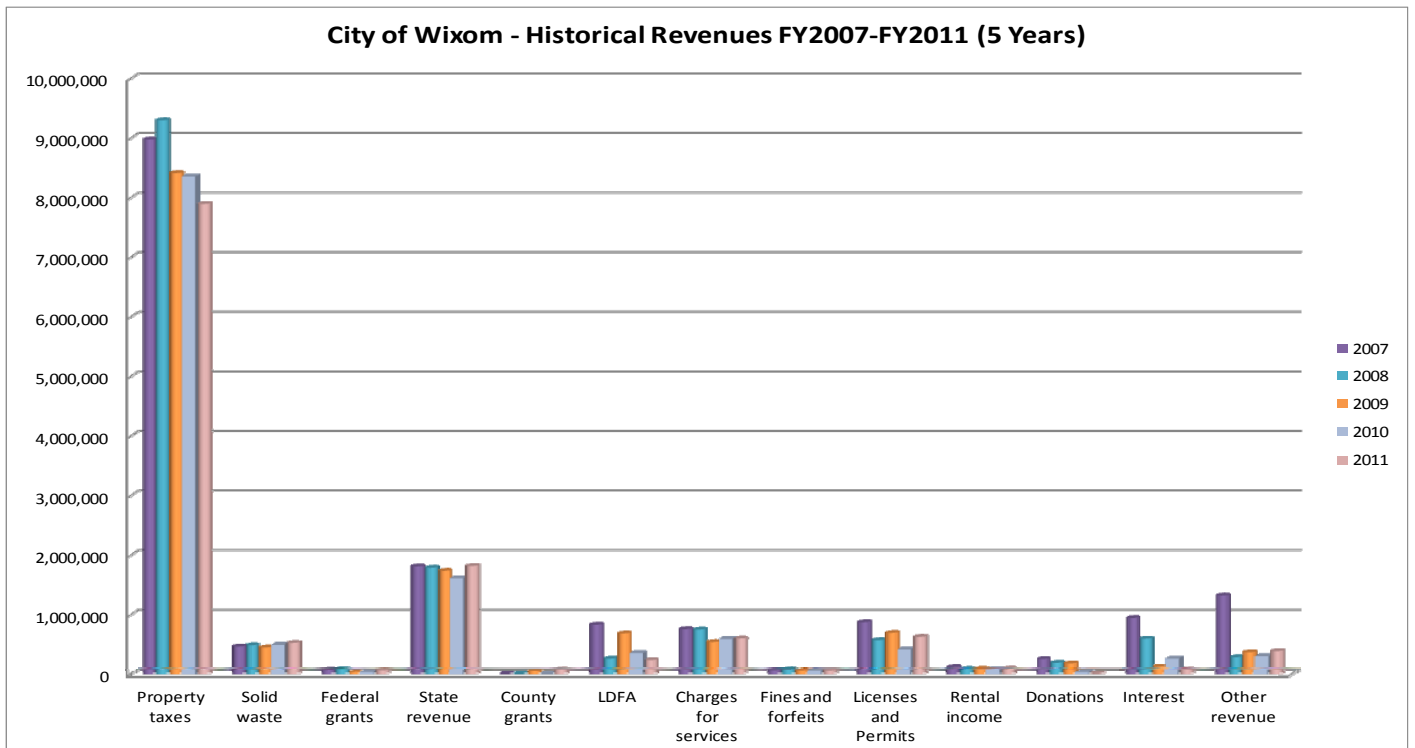
Historical Revenues

Taking into account how the City has performed in the past is essential to understand how it is doing now. We will dive deeper in the historical revenues and look at total historical revenues for the entire Governmental Funds. The Governmental Funds are a broader classification for current funds, which includes governmental activities discussed earlier. These Historical Revenues are reported on a Modified Accrual Basis (MAB), and are only showing Governmental Funds Activities.

The chart below represents the total historical revenues for the last five years. The numbers below were taken from the Governmental Funds Statement of Revenue, Expenditures, and changes in Fund Balances for the year ended June 30, 2011.

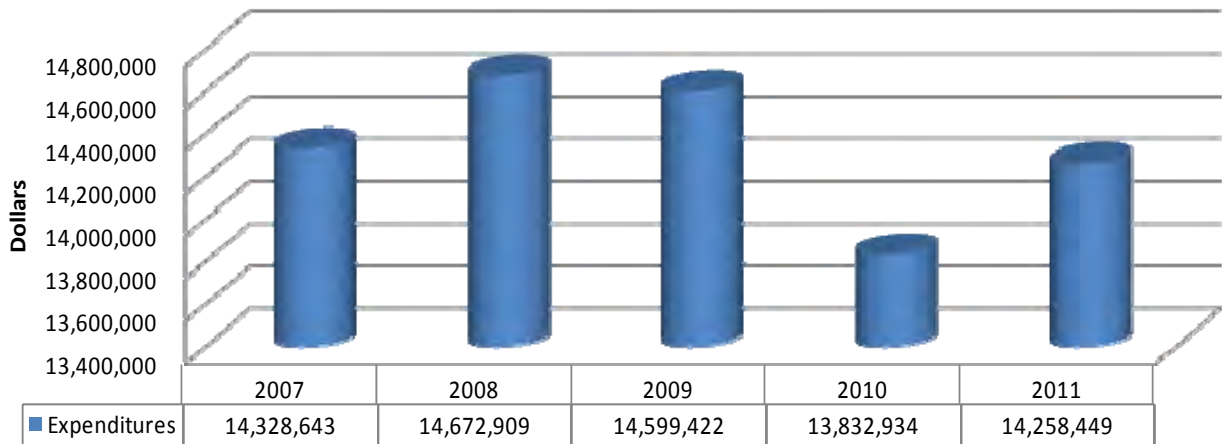


Governmental fund revenues come from various sources. The following chart indicates where the different sources of revenues have come from over the past five years. From 2010 to 2011, revenue for the Governmental Funds decreased by less than 1.00 percent or a decrease of **(\$124,508)**. Some of the contributing factors over the year are decreases in property taxes, early payment of State Shared revenue, increase in licenses, permits, and development fees and deposits, and increase in miscellaneous income.



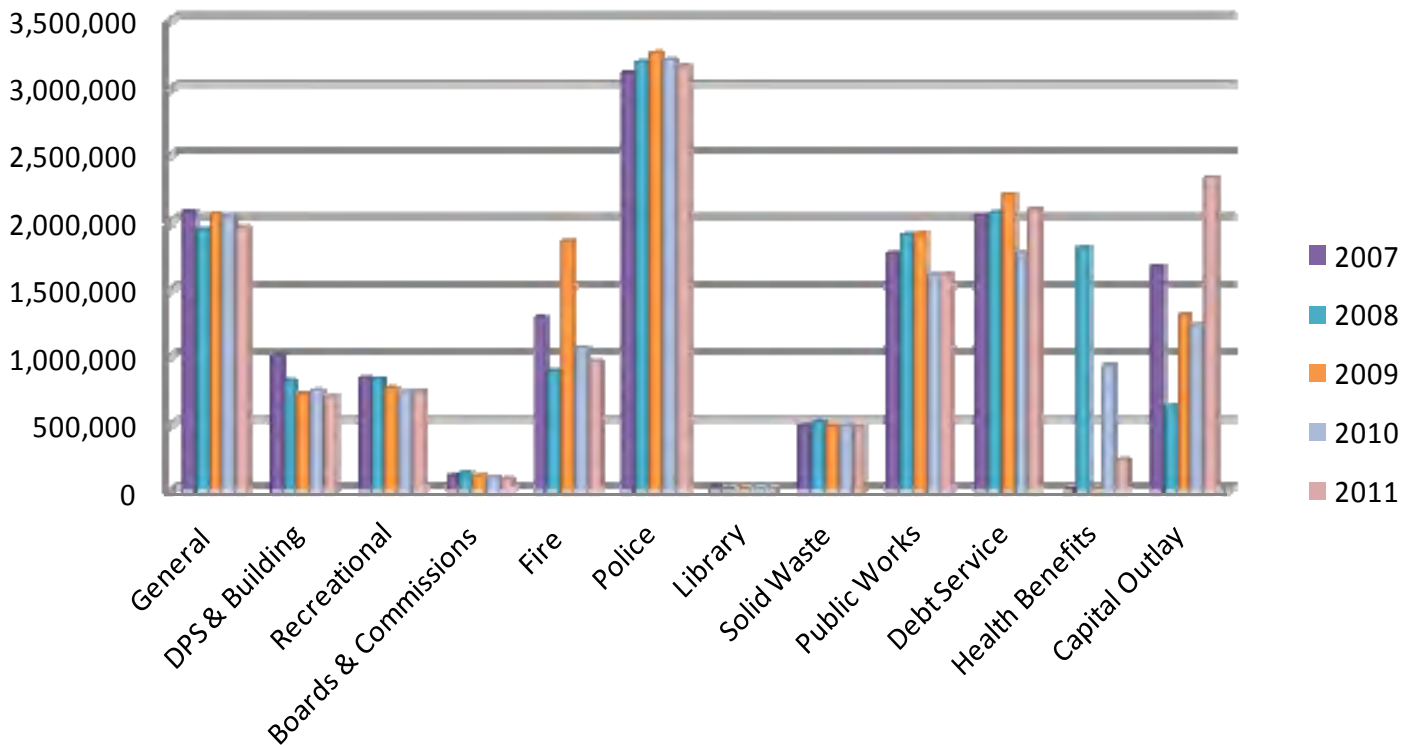
Now that we have looked at historical revenues, we will turn our attention to historical expenditures for the Governmental Funds. The chart below represents the total historical expenditures for the last five years. The numbers below were taken from the Governmental Funds Statement of Revenue, Expenditures, and changes in Fund Balances for the year ended June 30, 2011.

### Changes in Historical Expenditures - All Governmental Funds



From 2010 to 2011, expenditures for Governmental Funds increased by 3 percent. Some of the factors that caused expenditures to increase over the year were general operating expenses, police and fire department expenditures, and public safety. Below is a further breakdown of historical expenditures by activity.

### City of Wixom - Historical Expenditures FY2007- FY2011 (5 Years)

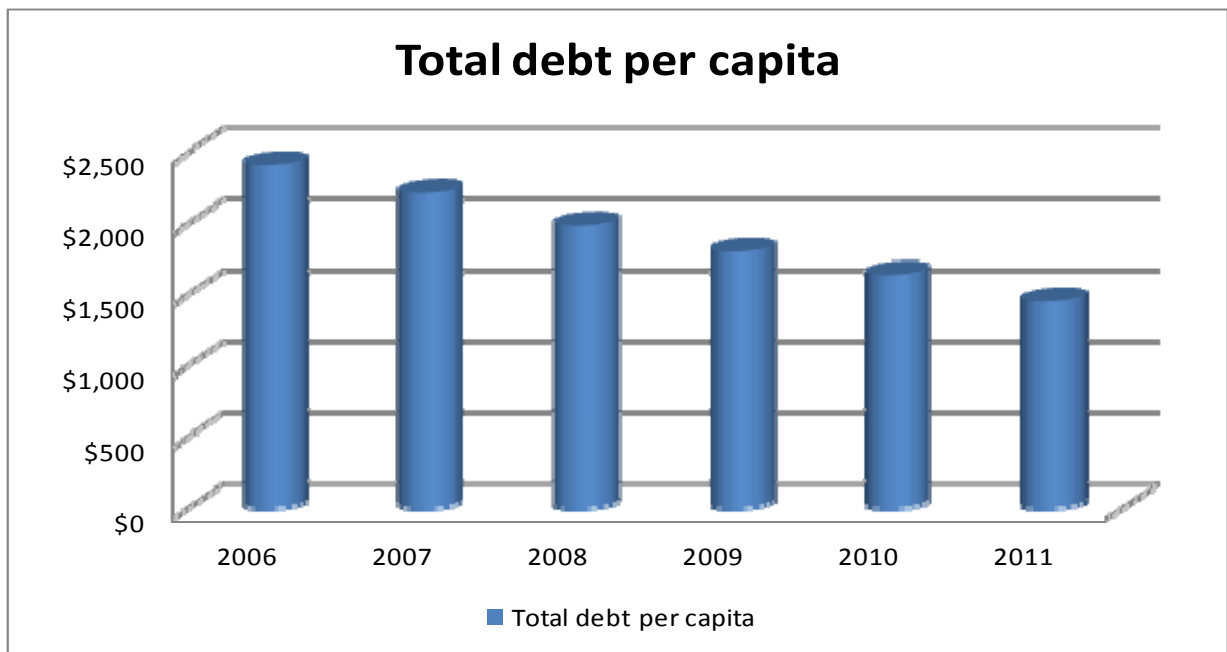


Other Important Financial Information and Recap

The following represents the most significant financial highlights for the fiscal year ended June 30, 2011:

- The current assets of the City’s governmental activities exceed its current liabilities at the close of June 30, 2011 by \$12,597,943.
- The current assets of the City’s business-type activities exceed its current liabilities at the close of June 30, 2011 by \$10,982,972.
- The City’s total debt during the fiscal year decreased from \$22,105,678 to \$19,542,725, a decrease of \$2,562,953, which represents payments of outstanding debt.
- At the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$9,573,342, a decrease of (\$1,788,834). The decrease in fund balance is primarily due to total expenditures exceeding total revenues for all governmental funds by (\$1,788,834), which provided resources for assistance in Local Roads Capital Program to be used for road projects (\$1,898,084), assistance in funding of capital improvement projects through the City’s five year capital improvement plan, payments from Special Agency Fund, and the payment of debt service.
- The total debt per capita shows us the amount of debt the city has per each resident. The Ratio of debt to taxable value for 2011 was 2.59%. For the City population of 13,498, the total debt per capita for 2011 was
- Total net assets related to the City’s governmental activities decreased by (\$1,562,818). The chart below provides the sources for the change in governmental activities total net assets.
- The net assets related to the City’s business-type activities decreased by (\$872,512). This was primarily due to operating expenditures exceeding operating revenues by (\$1,665,145), contributions of water and sewer lines by developers of \$83,940, and non-operating revenues in the amount of \$708,693.

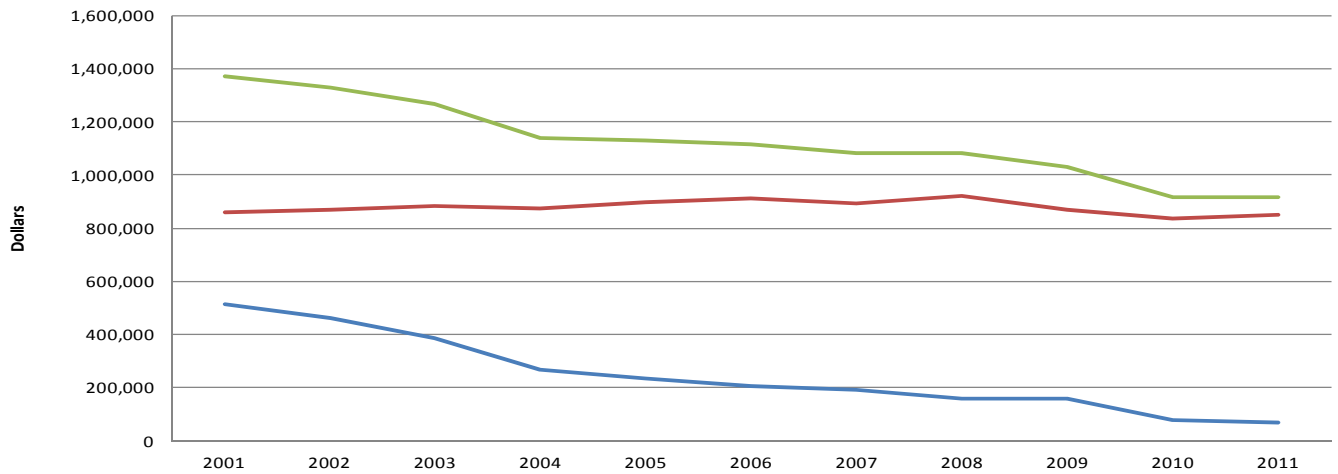
Category	Net Change
Increase in net investment in capital assets	1,007,623
Decrease in reserves for street and highway programs	(1,196,424)
Decrease capital projects expenditure reserves	(14,672)
Increase in special agency reserves	37,621
Other Purpose - Land Acquisition Fund	(551)
Other Purpose - Forfeiture Fund	11,172
Other Purpose - Other Funds	31,998
Change in debt service funds and deferred revenue for SAD	(876,856)
Change in unrestricted net assets	(562,729)
<b>Net Change to Net Assets-Statement of Activities</b>	<b>(1,562,818)</b>



The City’s debt limit is \$70,718,522 for 2011. Direct debt of \$17,612,725 is subtracted from that amount to arrive at the Legal Debt Margin, or amount still legally available for the city to borrow. Only 24.91% of the Legal Debt Limit has been used, so 75.09% is available to the City.

State Shared Revenue

City of Wixom - State Shared Revenue



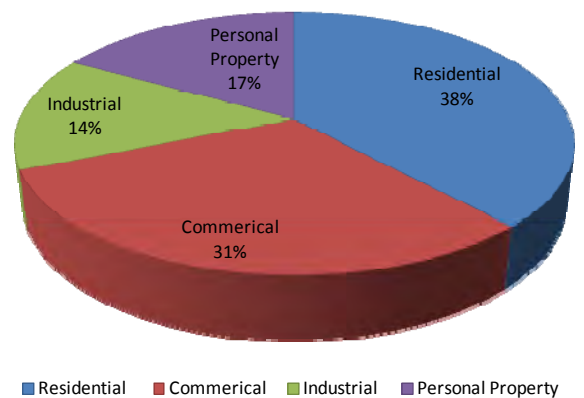
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	10/31/2001	10/31/2002	10/31/2003	10/31/2004	10/31/2005	10/31/2006	10/31/2007	10/31/2008	10/31/2009	10/31/2010	10/31/2011
Statutory	511,469	460,228	384,318	265,494	232,197	204,406	190,121	160,349	160,349	78,092	67,360
Constitutional	860,664	869,432	884,153	874,548	895,419	910,663	891,741	921,513	869,098	837,498	848,230
Total	1,372,133	1,329,660	1,268,471	1,140,042	1,127,616	1,115,069	1,081,862	1,081,862	1,029,447	915,590	915,590

Though the State increased their income tax rate from 3.9% to 4.35% and raised their sales tax to 6% on certain services, the State still has severe budget problems. On March 21, 2011, Governor Snyder announced in his letter to the Michigan Legislature that he has proposed the statutory revenue sharing program be discontinued and replaced with the new Economic Vitality Incentive Program. Funding for the first year is expected to limit allocation to communities that are expected to receive over \$6,000 of the new reduced funding under the existing formula. Communities must qualify for this funding by meeting certain requirements based on best practices and implementing reforms. The City complied with State requirements by producing a Citizen’s Guide to their finances, as well as a “Dashboard” and Scoreboard for FY2010. Citizens of the City of Wixom can look forward to greater transparency and understanding through these documents. The City of Wixom has also adopted a multi-year budget for fiscal years 2012 and 2013.

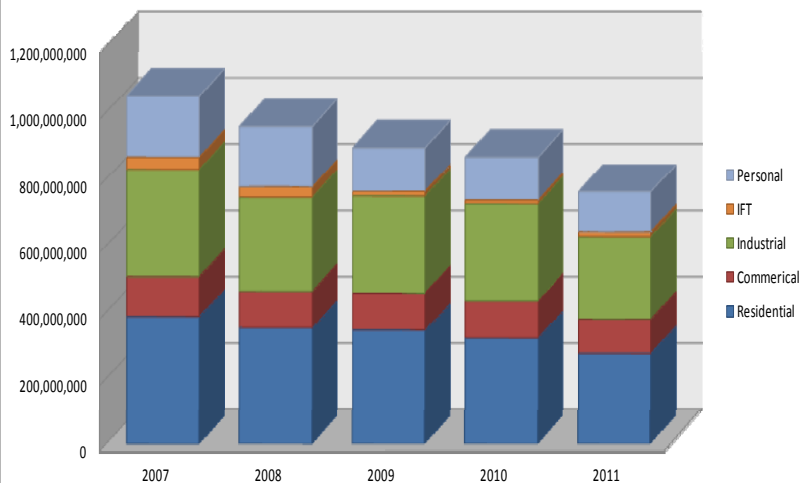
Tax Mix

The diverse tax mix of residential, manufacturing, office, service, technology, and retail recreational centers reduces Wixom’s impact of adverse economic cycles and provides a stable environment for new investment. The City also continues to have a strong, diversified tax base. A total of 38% of the tax roll is residential and apartments. The remaining 62% is nonresidential, composed of 31% commercial, 14% industrial and 17% personal property. The City is approximately 80 percent developed.

City of Wixom - Tax Mix



Property Tax Levy



Property Taxes

Property taxes were collected from the following (ordered from most to least) during the past 10 years:

1. Residential
2. Industrial
3. Personal
4. Commercial
5. IFT
6. Agricultural (None collected since 2007)

2011 Budget Highlights

The differences between the final amended budget and the actual amounts were significant in the revenue and expenditure areas. Revenues received were lower than budgeted by \$512,626 or 4.5%, while expenditures were 6.8 % less than budgeted (\$698,861).

The differences between the original budget and the final amended budget for revenues was 2/10ths of 1% and for overall expenditures remain the same for FY2010. The original General Fund budget planned to appropriate \$307,935 from Fund Balance, while the actual appropriation was for \$106,478.

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
<b>General Fund</b>				
<b>Fund Balance - Beginning of year</b>	1,052,366	1,052,366	1,408,152	355,786
Resources (inflows):				
Property taxes	6,037,176	6,037,176	5,792,459	(244,717)
State sources	906,043	906,043	1,070,137	164,094
Fees and Permits	300,870	300,870	240,358	(60,512)
Miscellaneous revenues	792,365	792,365	773,446	(18,919)
Transfer from other funds	1,627,499	1,668,940	1,693,166	24,226
Amounts available for appropriation	10,716,319	10,757,760	10,977,718	219,958

The City of Wixom amended the budget to take into account unanticipated events during the year. The most significant event was the merging of the Capital Planning Fund with the Capital Improvement Fund. The Capital Planning Fund was a mechanism to fund and support the Capital Improvement Fund's 5 year capital plan. During the budget process each Department provided a five year projection of capital improvement expenditures. The Capital Planning Fund was used to even out the funding needs for these expenditures over a five year period as planned. This merger was done to comply with future GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions.

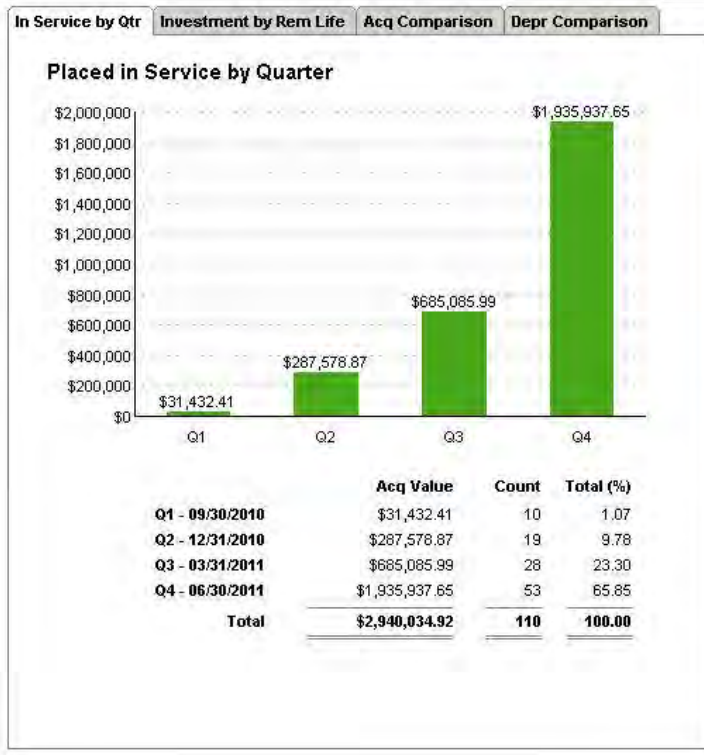
Budgeting for 2012

Description	Amended Budget	Original Budget	Difference	Percent Change
	2010-2011	2011-2012		
<b>Legislative</b>	17,626	17,626	-	0.00%
<b>City Manager</b>	488,067	482,098	(5,969)	-1.22%
<b>Assessor</b>	162,537	162,992	455	0.28%
<b>Building</b>	430,865	430,385	(480)	-0.11%
<b>Legal Counsel and Assistance Clerks</b>	77,100	73,000	(4,100)	-5.32%
<b>Information Systems</b>	185,564	175,896	(9,668)	-5.21%
<b>Financial Administration</b>	134,759	131,907	(2,852)	-2.12%
<b>General Operating</b>	433,742	418,095	(15,647)	-3.61%
<b>Building Maintenance</b>	455,871	564,555	108,684	23.84%
<b>Cultural Center</b>	61,970	61,970	-	0.00%
<b>Fire</b>	328,486	324,866	(3,620)	-1.10%
<b>Police</b>	919,586	912,667	(6,919)	-0.75%
<b>DPW</b>	3,258,770	3,098,219	(160,551)	-4.93%
<b>Board of Appeals</b>	1,584,191	1,553,127	(31,064)	-1.96%
<b>Board of Review</b>	3,900	3,900	-	0.00%
<b>Planning Committee</b>	1,200	1,200	-	0.00%
<b>Senior Citizen Committee</b>	34,800	34,300	(500)	-1.44%
<b>Community Service - P&amp;R</b>	60,392	60,392	-	0.00%
<b>Interfund Transfers</b>	451,028	449,481	(1,547)	-0.34%
<b>EXPENDITURE TOTAL</b>	573,500	359,780	(213,720)	-37.27%
<b>EXPENDITURE TOTAL</b>	<b>9,663,954</b>	<b>9,316,456</b>	<b>(347,498)</b>	<b>-3.60%</b>

The FY2012 General Fund budget calls for overall expenditures to decrease to \$9,316,456, compared to the amended budget for fiscal year 2011 with overall expenditures of \$9,663,954. This is an approximate 3.60 percent decrease, or a reduction of (\$347,498) in total General Fund budgeted expenditures over the previous year.

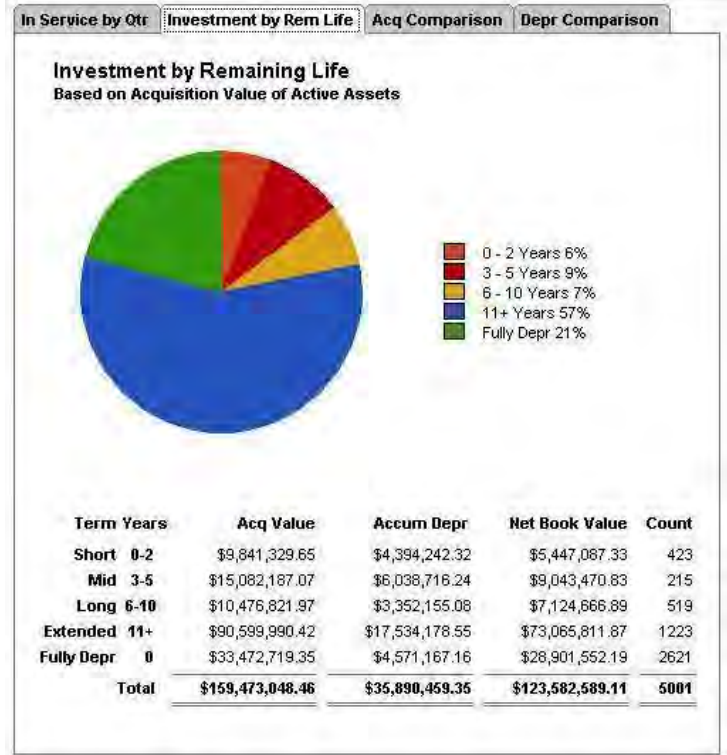
## FY2011 Capital Assets - Placed in Service

Current reporting period: 06/30/2011



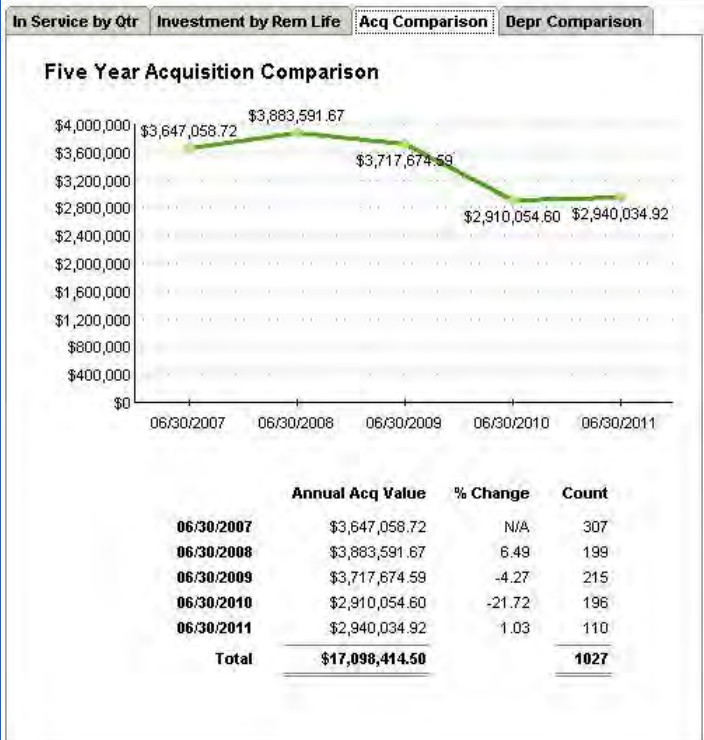
## FY2011 Capital Assets - Remaining Life

Current reporting period: 06/30/2011

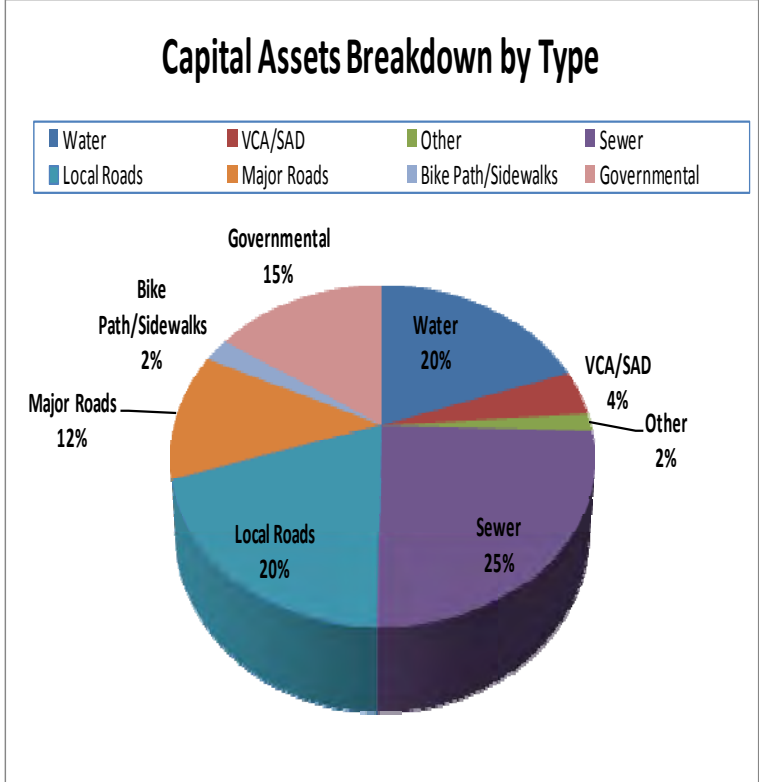


## FY2011 Capital Assets - 5 Year Acquisitions

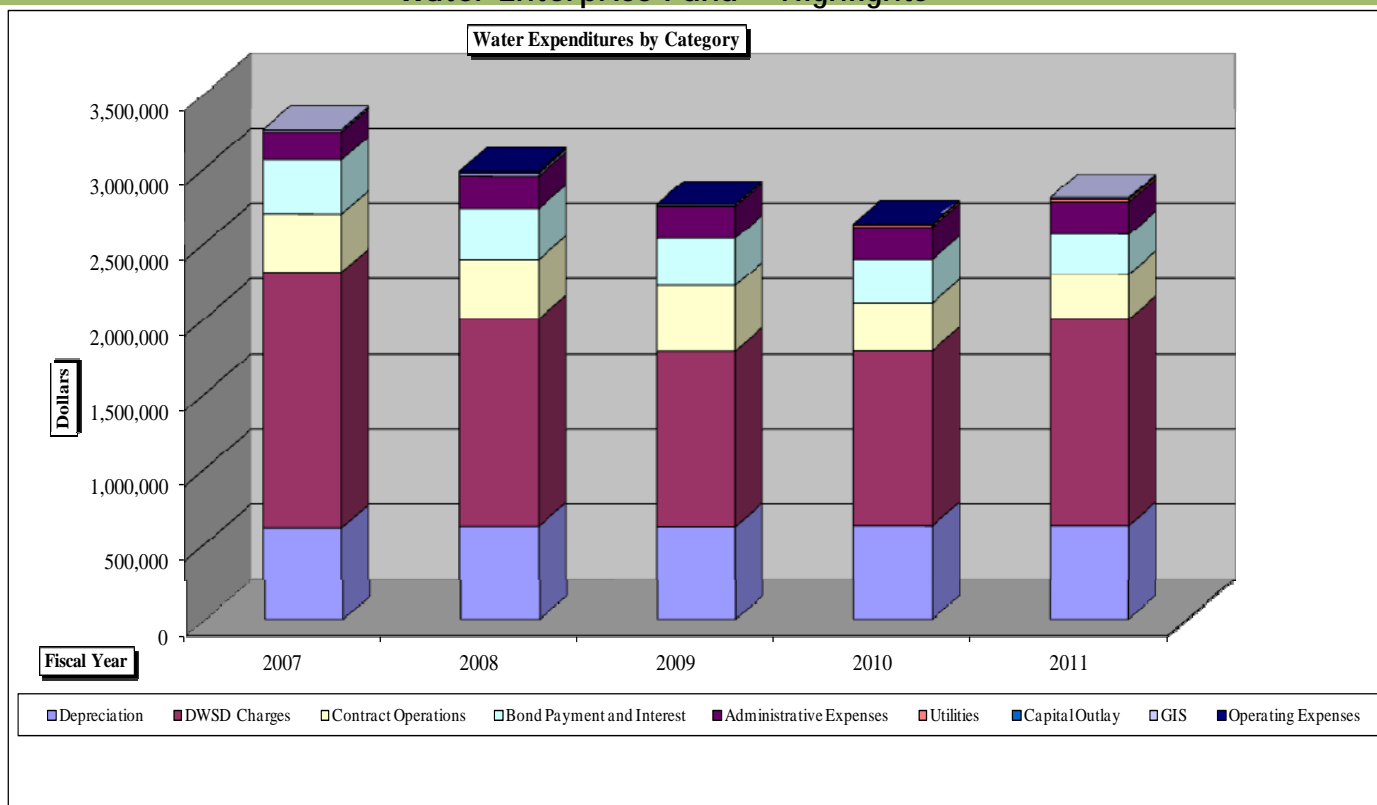
Current reporting period: 06/30/2011



## FY2011 Capital Assets Breakdown by Type



The Water and Sewer system is the largest asset group of the City which comprises 45% of capital assets. This would include items such as buildings, lift stations, water and sewer lines, and equipment. Road improvements, local and major, comprise approximately 34%. The remainder of the capital assets are Governmental (15%), VCA/SAD (4%) and other (2%). The Governmental capital assets comprise buildings, equipment, vehicles and miscellaneous assets.



Water Enterprise Fund - The Water Enterprise Fund accounts for the operation and maintenance of the water supply system, capital additions, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds. This fund serves as the repositories for monies received by the City from the operation of the water system, bond sales, grants, payments, and capital improvement expenditures from proceeds realized from the water utility system. The City uses these monies for the maintenance and improvement of our water distribution system, elevated storage tank and booster station facility and payment for water provided by Detroit Water and Sewer Department (DWSD). The funds supplied from utility revenue and connection fees are used to cover the cost of providing the current level of maintenance and planned capital improvement for the distribution system in the City.

The City provides its residents water, which it purchases from the City of Detroit Water System. Approximately 50% of the City’s water operating expense is related to the City of Detroit’s wholesale charge for water service. The capital contribution for lines from developers decreased from \$93,708 to \$83,940. The Water Fund’s operating expenses increased from fiscal year 2010 with additional increase in DWSD costs. The City has a 10 year contract with United Water for the operation and maintenance of the City’s metering, booster station, elevated storage tank, water wells, and the distribution system.

The proposed water utility rate for Fiscal Year 2010-2011 decreased from \$25.45/mcf to \$23.45/mcf. The wholesale price for Detroit water increased awaiting the approval by Detroit City Council to increase our wholesale rate from \$15.15/mcf to \$14.83/mcf with an additional monthly charge of \$13,765.

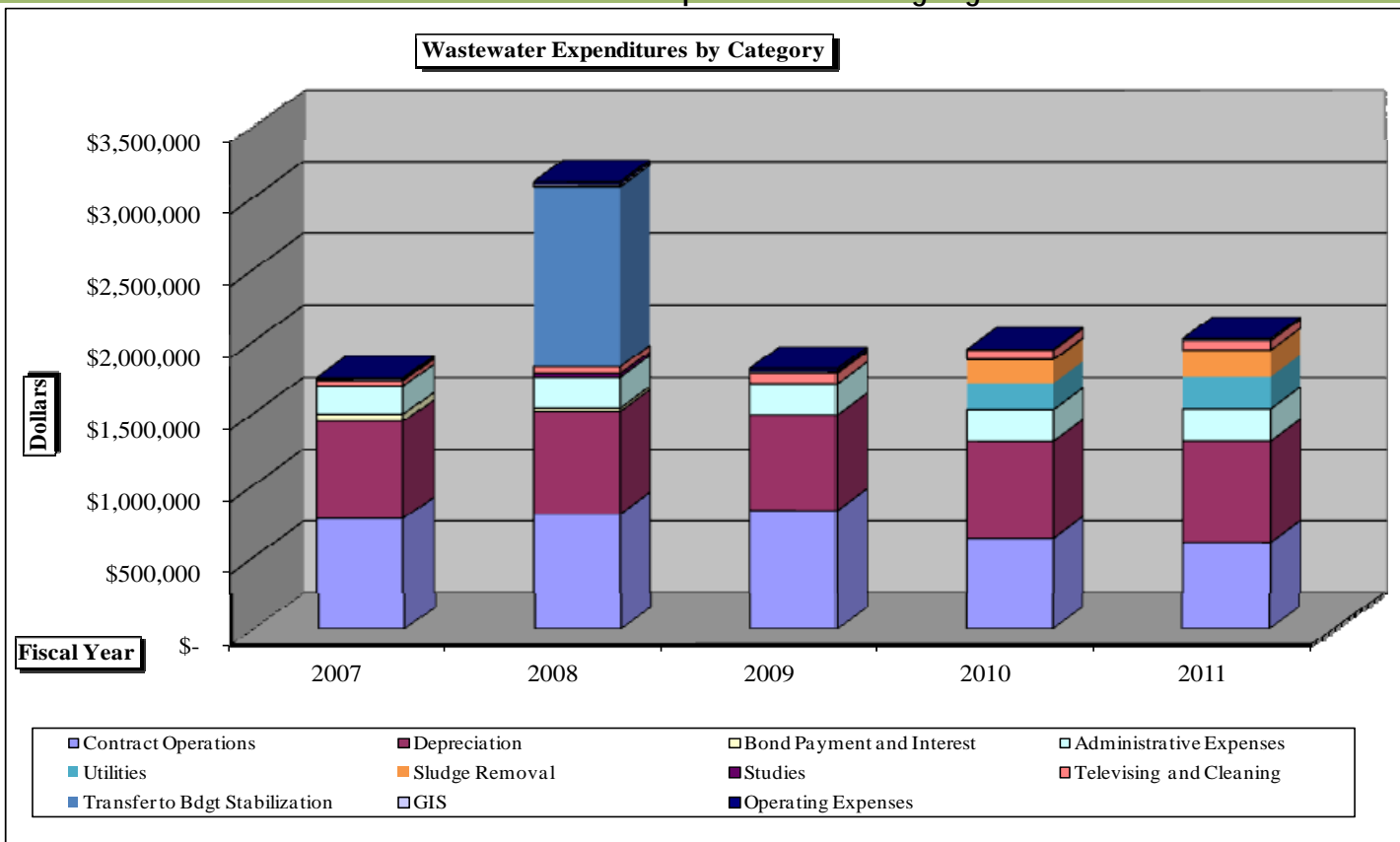
**Achievement Goals for FY2010-2011**

- Continuation of capital improvement program for replacement and repair of various hydrants and gate wells within the distribution system including Storz hydrant retrofit.
- Continuation of capital improvement program for replacement of older water meters in the system.
- Continue with the implementation of a Municipal Water System Cross-Connection Control Program in accordance with State of Michigan’s Part 14 of Act 399 and the Rules promulgated pursuant to the Act to eliminate any potential of contamination into the water system.
- Repaint the Water Tower.

Capital Improvements of \$273,100 were proposed for system improvements and upgrades for telemetry equipment and other contract repairs and replacements. The combined total water and wastewater rates for FY2010-2011 remained the



Wastewater Enterprise Fund – Highlights



Sewer Enterprise Fund - The Sewer Enterprise Fund accounts for the operation and maintenance of the sewage disposal system, capital additions and improvements, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds and municipalities. This fund provides for the collection, treatment and discharge of municipal wastewater including residential, commercial and industrial waste. Revenue generated for the fund includes various sources, such as, grants, bond sales and wastewater service billings.

The Sewer Fund’s operating expenses increased by \$74,713 from fiscal year 2010 which was due to an increase in all categories of expenses. It should be noted that United Water’s new contract stipulated that the City will be responsible for sludge removal and utility costs. The City has a 10 year contract with United Water for the operation and maintenance of the City sewage disposal system and the wastewater treatment plant. The increase is due to a projected adjustment to the United Water contract. Funding for this expenditure is paid through utility revenues.

The wastewater utility rate for Fiscal Year 2010-2011 increased from \$11.12/mcf to \$13.12/mcf, which reflects an increased rate to cover system operating costs while also using surplus funds from retained earnings. Currently, the City of Wixom’s Sewer Rate is the lowest rate in Oakland County and one of the lowest in Michigan for these services. Therefore the combined total water and wastewater rates for FY2010-2011 remained at \$36.57/mcf.

**Achievement Goals for FY2010-2011**

- Continue to plan capital upgrades to correspond to the expansion from the sewer expansion from the Milford connection.
- Monitor energy savings after capital improvements are implemented.
- Construction of new grit handling system.

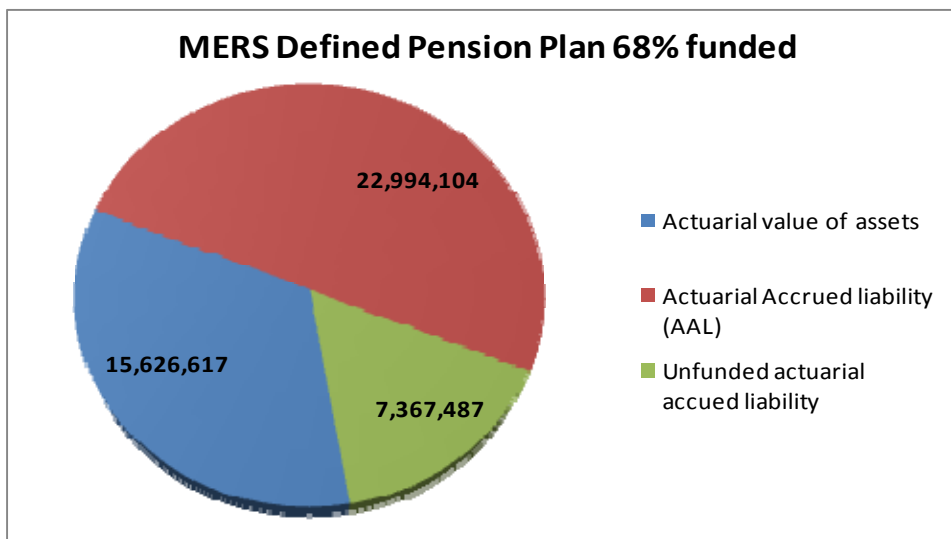
Capital Improvements of \$943,000 were proposed for system improvements for upgrading the ultra-violet and grit handling system improvements, and other contract repairs and replacements.

### Pension Plan— Highlights

The City participates in the Municipal Employees’ Retirement System of Michigan (MERS), an agent multiple-employer defined benefit pension plan that covers substantially all full-time employees of the City. MERS provides retirement, disability, and death benefits to plan members and their beneficiaries. The MERS issues a publicly available financial report that includes financial statements and required supplementary information for the MERS.

#### Minimum Funding Requirements

Funding levels were required at 100% funding commencing July 1, 2012. This means no improvements to MERS benefits can occur unless the City has reached the funding percentage. This policy is designed to help municipalities provide sustainable, affordable retirement benefits to their employees. Beginning in fiscal year 2006 new non-union employees were only able to use the MERS Defined Contribution Plan. In addition, beginning with the December 31, 2006 annual actuarial valuations, the 30-year maximum amortization period for unfunded accrued liability was reduced to a 20-year maximum amortization period over the next 10 years. Annual pension cost was \$895,324 for FY2011.

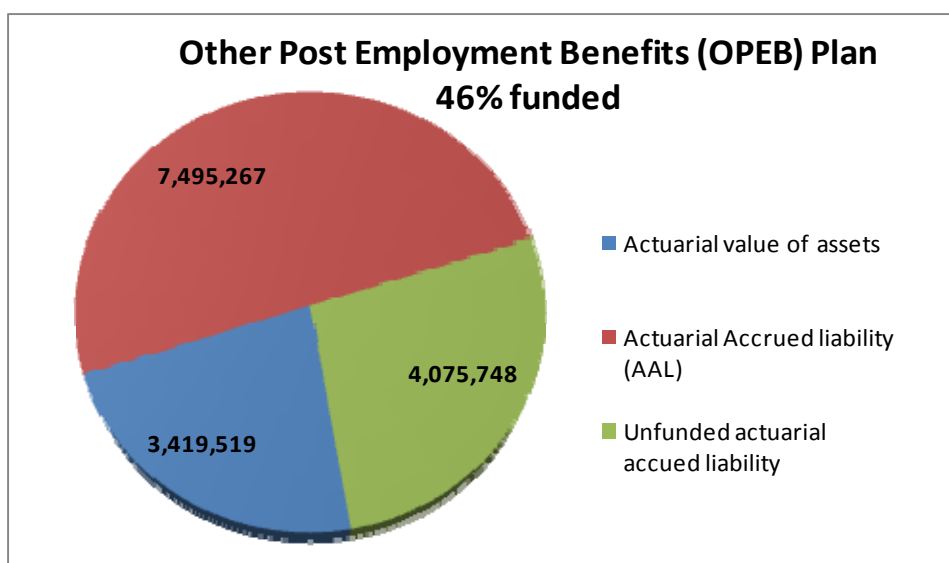


### OPEB Highlights

Other Post Employment Benefits (OPEB): The City provides retiree health care benefits to eligible employees and their spouses. Currently, the plan has 59 members (including employees in active service, terminated employees not yet receiving benefits, and retired employees and beneficiaries currently receiving benefits). This is a single employer defined benefit plan administered by the Municipal Employees Retirement System (MERS). The benefits are provided under collective bargaining agreements or Executive Directives approved by City Council.

#### Minimum Funding Requirements

No funding levels are currently required. The City began to fund for this benefit in FY1993. Annual OPEB cost was \$623,623 for FY2011.





## 2000 / 2010 U.S. Census Results

	2010 Census	Percent		2000 Census	Percent
<b>POPULATION</b>			<b>POPULATION</b>		
Total population	13,498	100	Total population	13,263	100
Male population	6,731	49.9	Male population	6,933	52.3
Female population	6,767	50.1	Female population	6,330	47.7
Median age (years)	34.8	( X )	Median age (years)	30.3	(X)
18 years and over	10,075	74.6	18 years and over	9,963	75.1
21 years and over	9,603	71.1	21 years and over	9,279	70
62 years and over	1,237	9.2	62 years and over	878	6.6
65 years and over	945	7	65 years and over	721	5.4
<b>EMPLOYMENT STATUS</b>			<b>EMPLOYMENT STATUS</b>		
Population 16 years and over	10,272	100	Population 16 years and over	10,313	100
In labor force	8,099	78.8	In labor force	8,175	79.3
Civilian labor force	8,099	78.8	Civilian labor force	8,175	79.3
Employed	7,571	73.7	Employed	7,956	77.1
Unemployed	528	5.1	Unemployed	219	2.1
Not in labor force	2,173	21.2	Not in labor force	2,138	20.7
<b>HOUSEHOLDS BY TYPE</b>			<b>HOUSEHOLDS BY TYPE</b>		
Total households	5,725	100	Total households	5,889	100
Family households (families)	3,382	59.1	Family households (families)	3,153	53.5
With own children under 18 years	1,829	31.9	With own children under 18 years	1,821	30.9
Married-couple family	2,521	44	Married-couple family	2,462	41.8
With own children under 18 years	1,291	22.6	With own children under 18 years	1,370	23.3
Householder 65 years and over	87	1.5	Householder 65 years and over	241	4.1
Households with individuals under 18 years	1,925	33.6	Households with individuals under 18 years	1,896	32.2
Households with individuals 65 years and over	714	12.5	Households with individuals 65 years and over	522	8.9
Average household size	2.36	( X )	Average household size	2.24	(X)
Average family size	3.09	( X )	Average family size	3.07	(X)
<b>OCCUPANCY STATUS</b>			<b>OCCUPANCY STATUS</b>		
Total housing units	6,577	100	Total housing units	6,086	100
Occupied housing units	5,725	87	Occupied housing units	5,889	96.8
Vacant housing units	852	13	Vacant housing units	197	3.2



City of Wixom  
49045 Pontiac Trail  
Wixom, MI 48393