

Economic Vitality Incentive Program Certification of Accountability and Transparency

Issued under authority of Public Act 63 of 2011. Filing is mandatory to qualify for payments.

Each city/village/township applying for Accountability and Transparency payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a citizen's guide and a performance dashboard of the local unit's finances, including recognition of unfunded liabilities.
2. Submit to Treasury a citizen's guide and a performance dashboard.

This certification, along with a citizen's guide and a performance dashboard, **must be received by October 1, 2011** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

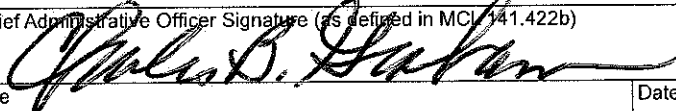
PART 1: LOCAL UNIT INFORMATION

Local Unit Name City of Frankenmuth	
Local Unit Code 73-2010	Local Unit County Saginaw
Contact Name Charles B. Graham	Contact Telephone Number 989-652-9901

PART 2: CERTIFICATION

In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by October 1, 2011, the above mentioned local unit has produced and made readily available to the public a citizen's guide, and a performance dashboard of the local unit's finances, including recognition of unfunded liabilities. The citizen's guide and performance dashboard are attached to this signed certification.

Chief Administrative Officer Signature (as defined in MCL 141.422b)



Title
City Manager

Date
September 26, 2011

Completed and signed forms (including required attachments) should be e-mailed to: TreasORTA@michigan.gov

If you are unable to submit via e-mail, mail the completed form and required attachments to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

Treasury Use Only		
EVIP Eligible Y N	Certification Received	EVIP Notes
Final Certification	Dashboard Received	
	Citizen's Guide Received	

City of Frankenmuth - Performance Dashboard

	2008-09	2009-10	Trend	Performance
Fiscal Stability				
Annual GF Expenditures per capita	\$844	\$828	↓ -1.9%	Positive
Fund Balance as % of Annual GF Expenditures	44.5%	40.8%	↓ -8.5%	Negative
Unfunded Pension & Retiree health care liability, as a % of annual GF revenue	53%	67%	↑ 26.4%	Negative
Debt burden per capita	\$3,153	\$2,664	↓ -15.5%	Positive
Percentage of road funding provided by the General Fund	29.0%	55.9%	↑ 92.9%	Neutral
Ratio of pensioners to employees	0.79	0.70	↓ -10.4%	Positive
Number of services delivered via cooperative venture	19	19	→ 0.0%	Neutral
Economic Strength				
% of community with access to high speed broadband	100%	100%	→ 0.0%	Neutral
% of community age 25+ with Bachelor's Degree or higher.	32%	33%	↑ 3.9%	Positive
Average age of critical infrastructure (years)	40.0	41.1	↑ 2.6%	Negative
Public Safety				
Violent crimes per thousand	2	1	↓ -31.5%	Positive
Property crimes per thousand	26	27	↑ 5.7%	Negative
Traffic injuries or fatalities	32	23	↓ -28.1%	Positive
Quality of Life				
Miles of sidewalks and non-motorized paths/trails as a factor of total miles of local/major road streets	2.00	2.00	→ 0.0%	Neutral
Percent of GF Expenditures Committed to Arts, Culture and Recreation	2.1%	2.3%	↑ 7.3%	Neutral
Acres of park per thousand residents	25.0	24.5	↓ -2.1%	Negative
Percent of community being provided with curbside recycling	100%	100%	→ 0.0%	Neutral

	2008-09	2009-10
Population	4,838	4,944
Annual GF Expenditures per capita		
General Fund Expenditures	4,082,690	4,093,210
Expenditures per capita	844	828
Fund Balance as % of Annual GF Expenditures		
Fund Balance	1,818,080	1,668,374
Fund Balance as % of Annual GF Expenditures	44.5%	40.8%
Unfunded Pension & Retiree health care liability, as a % of annual GF revenue		
Pension funding:		
Actuarial value of assets	9,047,000	9,212,000
Actuarial accrued liability	11,328,000	11,833,000
Overfunded (Unfunded)	(2,281,000)	(2,621,000)
OPEB funding:		
Actuarial value of assets	18,000	23,000
Actuarial accrued liability	18,000	25,000
Overfunded (Unfunded)	-	(2,000)
Combined overfunding (underfunding)	(2,281,000)	(2,623,000)
General Fund revenue	4,272,231	3,886,504
Unfunded OPEB liability as a % of annual GF revenue	53%	67%
Debt burden per capita		
Total direct debt, from the FS:		
Bonds, notes & contracts payable	15,252,000	13,170,000
Capital leases		
Total direct debt	15,252,000	13,170,000
Debt burden per capita	3,153	2,664
Percentage of road funding provided by the General Fund		
Road expenditures:		
Major streets fund	1,142,809	373,509
Local streets fund	305,082	294,168
Municipal streets fund		
Total road expenditures	1,447,891	667,677
Transfers from the General Fund into:		
Major streets fund	230,215	209,000
Local streets fund	189,000	164,000
Municipal streets fund		
Total General Fund funding	419,215	373,000
Ratio of road funding to total GF expenditures	29.0%	55.9%
Ratio of pensioners to employees		
Number of retirees participating in the DB pension system	22	19
Number of current active employees	28	27
Ratio	0.79	0.70
Number of services delivered via cooperative venture		

List the individual services delivered via cooperative venture: (place an "X" in each year t

Police Protection	X	X
Fire Protection	X	X
9-1-1 Emergency Dispatch	X	X
Emergency Services	X	X
Property Tax Billing	X	X
Water Service	X	X
Protective Codes Inspections	X	X
Refuse and Recycling	X	X
Geographical Information System	X	X
Office Space Sharing	X	X
Cemetery	X	X
Community Master Planning	X	X
Road Repairs & Maintenance	X	X
Traffic & Pedestrian Control Devices	X	X
Economic Development	X	X
Brownfield Redevelopment	X	X
Flood and Drainage Control	X	X
Library Service	X	X
Recreation Programs	X	X
Totals	19	19

Economic Strength		
% of community with access to high speed broadband		
Number of homes	2,390	2,396
Number of homes passed by highspeed internet	2,390	2,396
% of homes with access to high speed boradband	100.0%	100.0%

% of community age 25+ with Bachelor's Degree or higher.		
Population aged 25 and over	3,642	3,740
Number with Bachelor's degree or higher	1,158	1,235
% of community age 25+ with bachelor's degree or high	31.8%	33.0%

Average age of critical infrastructure (years)		
Water lines		
Historical cost	6,122,000	6,122,000
Accumulated depreciation	3,150,000	3,291,000
Average depreciable life (in years)	50	50
Average age	26	27
<i>component of the weighted average</i>	8.82	9.22
Sewer lines		
Historical cost	3,536,000	3,536,000
Accumulated depreciation	1,590,000	1,644,000
Average depreciable life (in years)	25	25
Average age	44	45
<i>component of the weighted average</i>	8.71	8.91
Roads		
Historical cost	5,396,000	5,396,000

Accumulated depreciation	1,800,000	1,800,000
Average depreciable life (in years)	20	20
Average age	49	50
<i>component of the weighted average</i>	14.81	15.11
Storm drains		
Historical cost	2,800,000	2,800,000
Accumulated depreciation	1,100,000	1,100,000
Average depreciable life (in years)	41	41
Average age	49	50
<i>component of the weighted average</i>	7.68	7.84
Weighted average:		
Total cost of critical infrastructure	17,854,000	17,854,000
Average age of critical infrastructure	40.0	41.1

Public Safety

Violent crimes per thousand

Violent crimes	10	7
Violent crimes per thousand	2	1

Property crimes per thousand

Property crimes	125	135
Property crimes per thousand	26	27

Traffic injuries or fatalities

Traffic incidents form the UD - 10	32	23
------------------------------------	----	----

Quality of Life

Miles of sidewalks and non-motorized paths/trails as a factor of total miles of local/major road streets

Miles of sidewalks and non-motorized paths/trails	56.5	56.5
Total miles of local/major road streets	28.3	28.3
	1.996	1.996

Percent of GF Expenditures Committed to Arts, Culture and Recreation

Arts, recreation & culture expenditures	86,467	92,980
	2.1%	2.3%

Acres of park per thousand residents

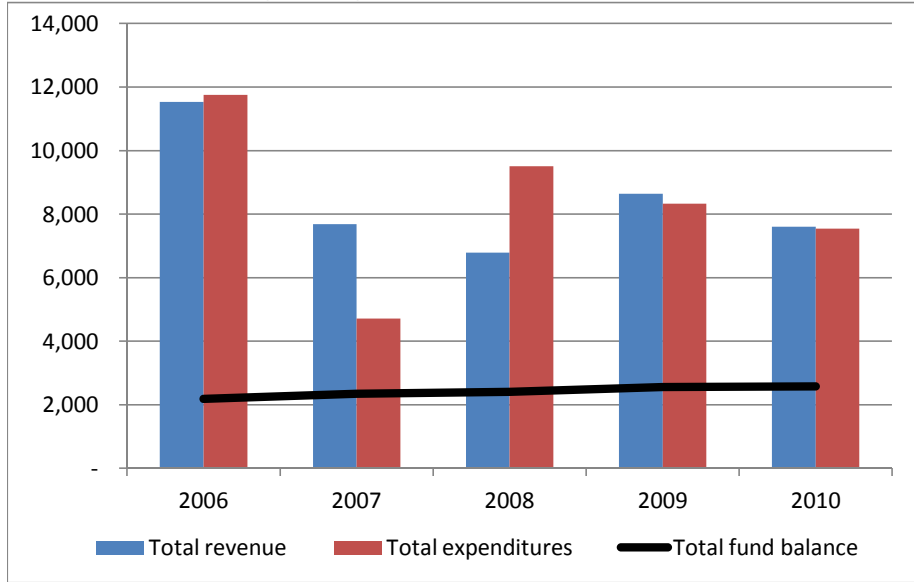
Acres of parks	121	121
	25.01	24.47

Percent of community being provided with curbside recycling

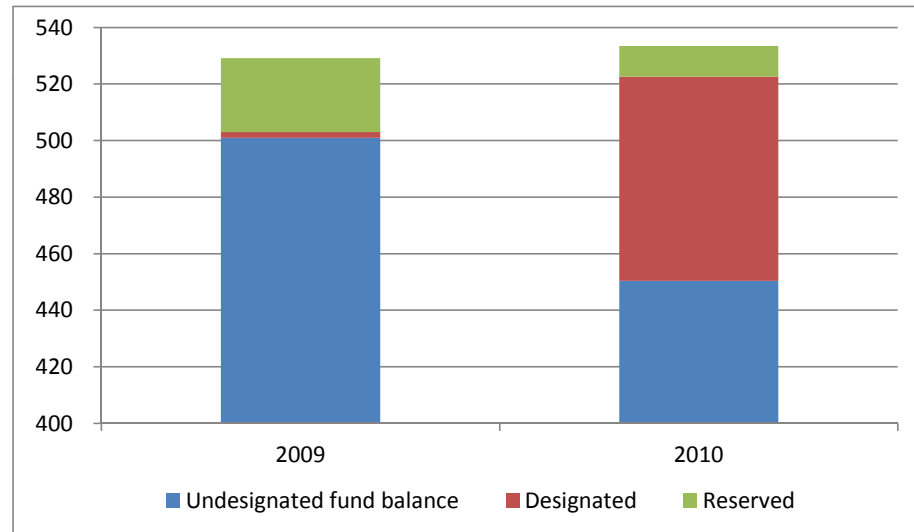
Population where curbside recycling is offered	4,838	4,944
	100%	100%

CITIZENS' GUIDE TO LOCAL UNIT FINANCES - City of Frankenmuth

1. How have we managed our governmental fund resources (fund balance)?



3. Fund balance per capita - compared to the prior year

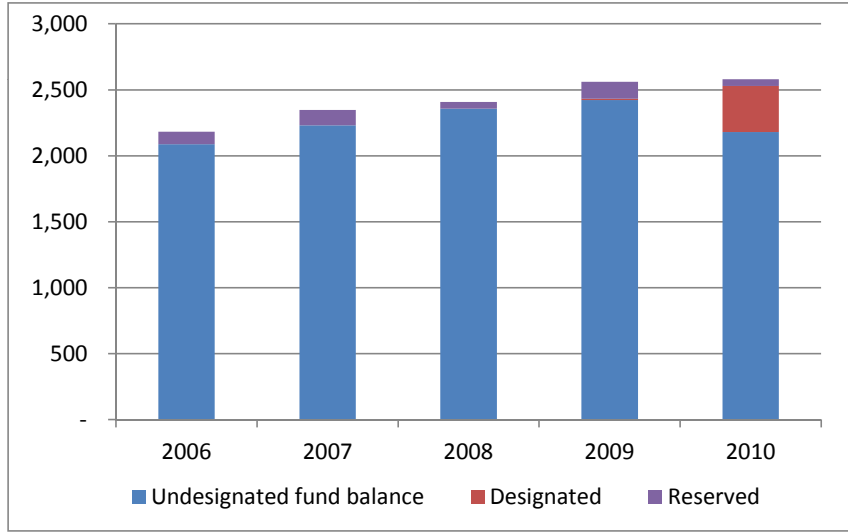


FINANCIAL POSITION

2. Compared to the prior year

	2009	2010	% change
Revenue	8,640	7,606	-12%
Expenditures	8,333	7,544	-9%
Surplus (shortfall)	307	62	-80%
Fund balance, by component:			
Reserved	126	52	-59%
Designated	10	349	3394%
Undesignated	2,423	2,179	-10%
total fund balance	2,560	2,581	1%

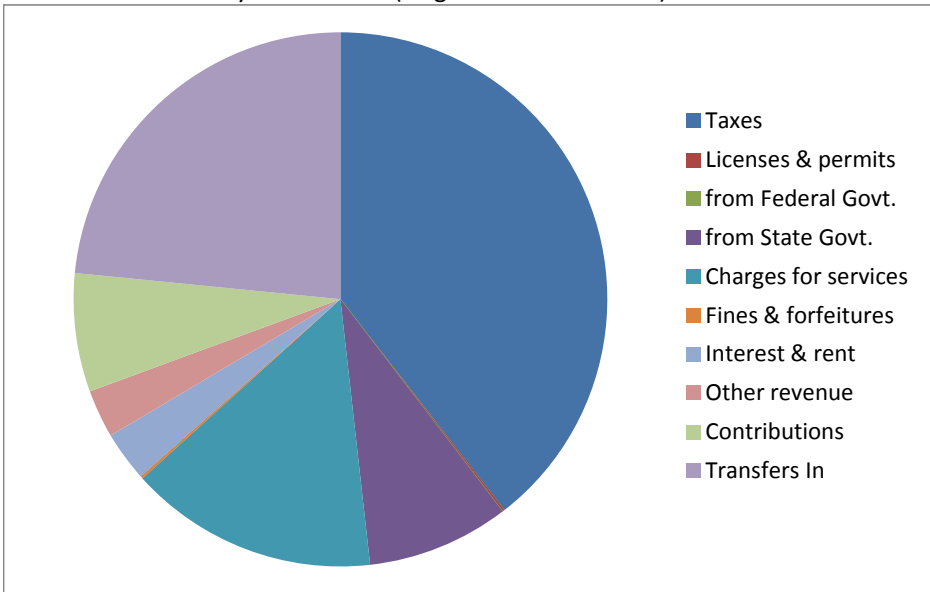
4. Historical trends of individual components



Commentary:

CITIZENS' GUIDE TO LOCAL UNIT FINANCES - City of Frankenmuth

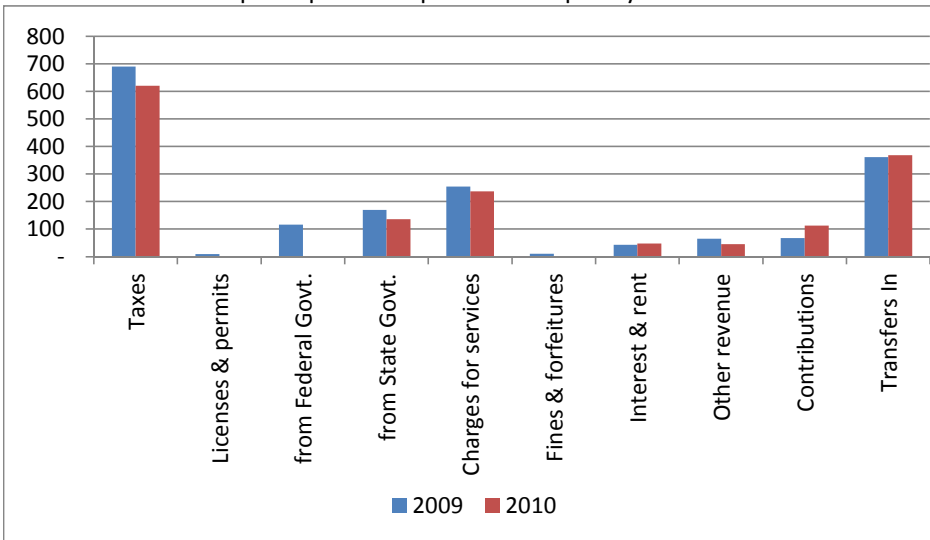
1. Where our money comes from (all governmental funds)



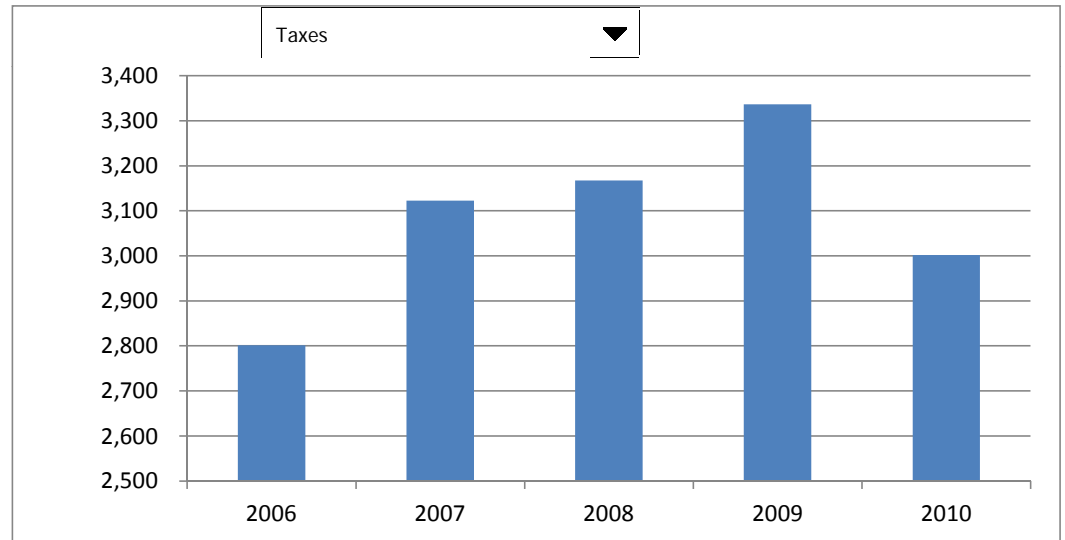
2. Compared to the prior year

	2009	2010	% change
Taxes	\$ 3,336	\$ 3,002	-10%
Licenses & permits	44	11	-76%
from Federal Govt.	564	-	-100%
from State Govt.	820	655	-20%
Charges for services	1,232	1,147	-7%
Fines & forfeitures	51	13	-75%
Interest & rent	206	230	12%
Other revenue	316	222	-30%
Contributions	328	546	67%
Transfers In	1,745	1,781	2%
Total	\$ 8,640	\$ 7,606	-12%

3. Revenue sources per capita - compared to the prior year



4. Historical trends of individual sources

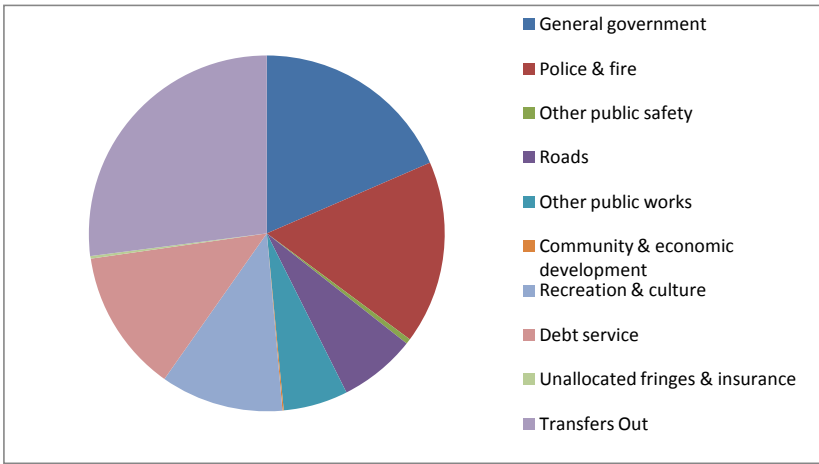


For more information on the City of Frankenmuth's finances, contact John Deterding, 989-652-9901

CITIZENS' GUIDE TO LOCAL UNIT FINANCES - City of Frankenmuth

EXPENDITURES

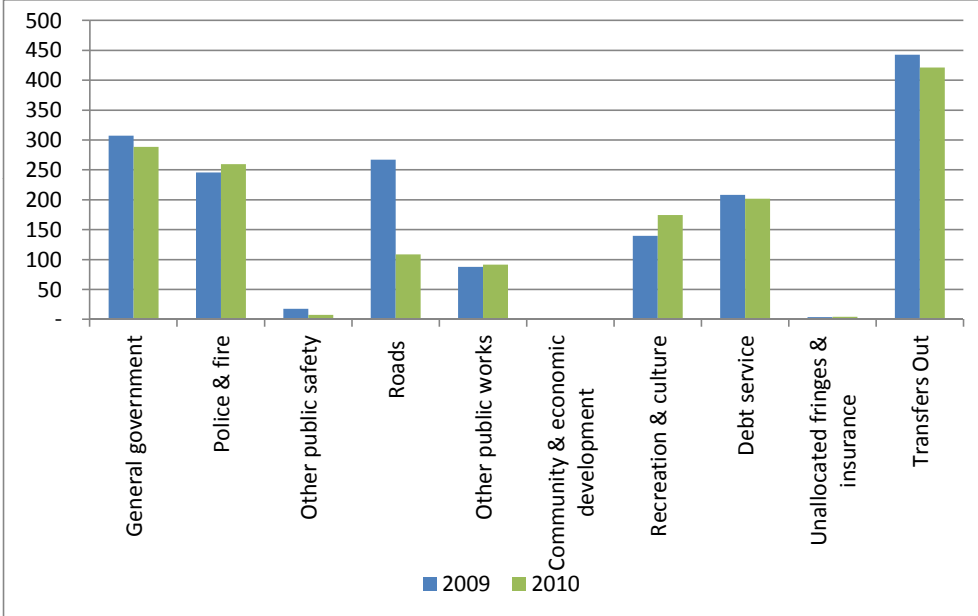
1. Where we spend our money (all governmental funds)



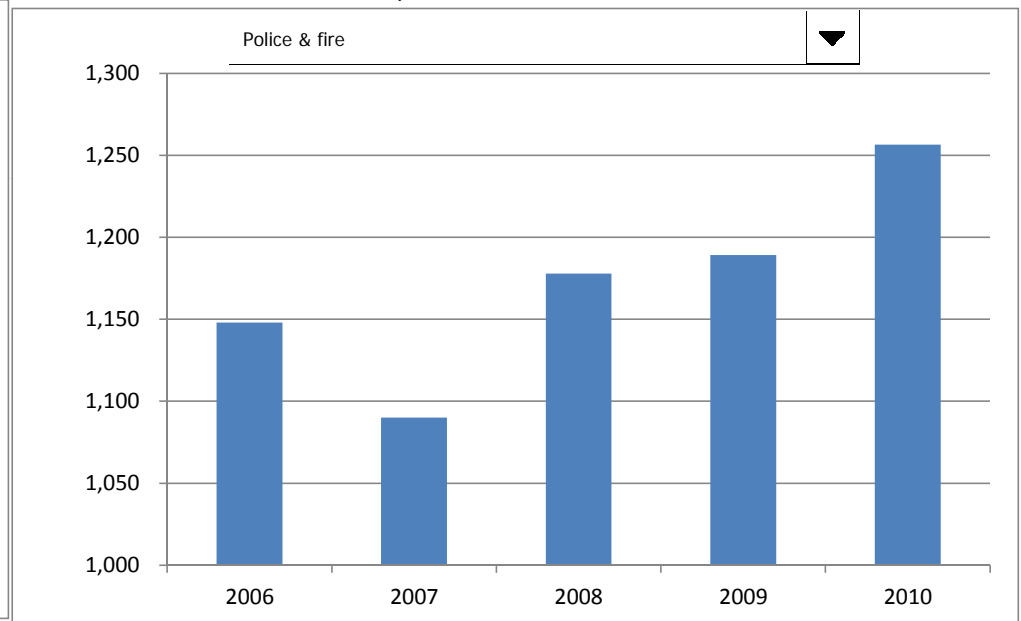
2. Compared to the prior year

	2009	2010	% change
General government	\$ 1,487	\$ 1,395	-6%
Police & fire	1,189	1,257	6%
Other public safety	86	35	-60%
Roads	1,293	527	-59%
Other public works	424	443	4%
Community & economic develop	11	9	-18%
Recreation & culture	676	844	25%
Unallocated fringes & insurance	19	19	0%
Debt service	1,008	977	-3%
Transfers out	2,141	2,039	-5%
Total expenditures	\$ 8,334	\$ 7,544	-9%

3. Spending per capita - compared to the prior year



4. Historical trends of individual departments:



For more information on the City of Frankenmuth's finances, contact John Deterding, 989-652-9901

CITIZENS' GUIDE TO LOCAL UNIT FINANCES - City of Frankenmuth

Per capita information

2006 2007 2008 2009 2010 2009 2010

Stmt. Of Rev & Exp - All governmental funds

(Numbers shown in 000's)

Revenue

Taxes	2,801	3,123	3,167	3,336	3,002	690	620
Licenses & permits	4	9	-	44	11	9	2
from Federal Govt.	24	36	-	564	-	116	-
from State Govt.	772	771	770	820	655	169	135
Charges for services	1,042	1,126	1,215	1,232	1,147	255	237
Fines & forfeitures	42	53	48	51	13	11	3
Interest & rent	231	279	267	206	230	43	48
Other revenue	471	291	312	316	222	65	46
Contributions	966	-	966	328	546	68	113
Transfers In	1,916	1,995	46	1,745	1,781	361	368
Bond proceeds	3,260	-	-	-	-	-	-
Total revenue	11,530	7,684	6,792	8,640	7,606	1,786	1,572

Expenditures

General government	1,505	1,407	1,436	1,487	1,395	307	288
Police & fire	1,148	1,090	1,178	1,189	1,257	246	260
Other public safety	102	83	94	86	35	18	7
Roads	428	764	891	1,293	527	267	109
Other public works	493	433	395	424	443	88	92
Community & economic developm	15	22	14	11	9	2	2
Recreation & culture	1,374	901	905	676	844	140	174
Debt service	4,288	-	1,029	1,008	977	208	202
Unallocated fringes & insurance	10	16	21	19	19	4	4
Transfers Out	2,327	-	2,238	2,141	2,039	443	421
Capital outlay	59	-	1,301	-	-	-	-
Total expenditures	11,749	4,716	9,503	8,333	7,544	1,722	1,559
Surplus (shortfall)	(219)	2,968	(2,711)	307	62	63	13

Financial position - All governmental funds

Undesignated fund balance	2,089	2,231	2,358	2,423	2,179	501	450
Designated	-	-	-	10	349	2	72
Reserved	94	115	50	126	52	26	11
Total fund balance	2,183	2,346	2,408	2,560	2,581	529	533

Unreserved fund balance	2,089	2,231	2,358	2,433	2,528	503	523
-------------------------	-------	-------	-------	-------	-------	-----	-----

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
<u>Liabilities not counted on a modified-accrual basis:</u>	(Numbers shown in 000's)					<u>Per capita information</u>	
Pensions							
Date of actuarial valuation:	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2008</u>	<u>12/31/2009</u>		
Assets	7,925	8,349	8,840	9,047	9,212		
Actuarial Liability	9,581	10,318	10,818	11,328	11,833		
Unfunded (Overfunded)	1,656	1,969	1,978	2,280	2,621	471	542
Percent funded	83%	81%	82%	80%	78%		
OPEB (Other post employment benefits)							
Date of actuarial valuation:	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2008</u>	<u>12/31/2009</u>		
Assets	21	29	24	18	23		
Actuarial Liability	21	29	24	18	25		
Unfunded	-	-	-	-	2	-	0
Percent funded	100%	100%	100%	100%	92%		
Sum of all pension & OPEB plans							
Assets	7,946	8,378	8,864	9,066	9,235		
Actuarial Liability	9,602	10,347	10,842	11,346	11,858		
Unfunded	1,656	1,969	1,978	2,280	2,623	471	542
Percent funded	83%	81%	82%	80%	78%		
Debt:							
Bonds & contracts payable	19,147	17,596	16,844	15,252	13,170		
Structured debt	19,147	17,596	16,844	15,252	13,170	3,153	2,722
Employee compensated absences	69	74	82	89	93	18	19
Total long term debt (excl. pension)	19,215	17,670	16,926	15,341	13,263	3,171	2,741
<u>Population information</u>	5	5	5	5	5		

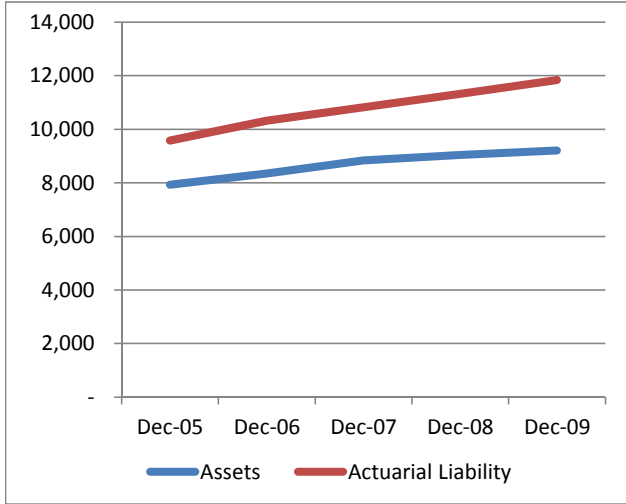
Contact information:

For more information on the City of Frankenmuth's finances, contact John Deterding, 989-652-9901

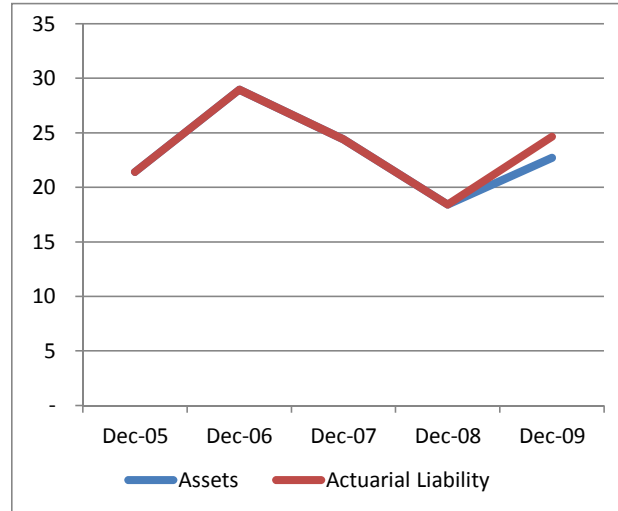
CITIZENS' GUIDE TO LOCAL UNIT FINANCES - City of Frankenmuth

OTHER LONG TERM OBLIGATIONS

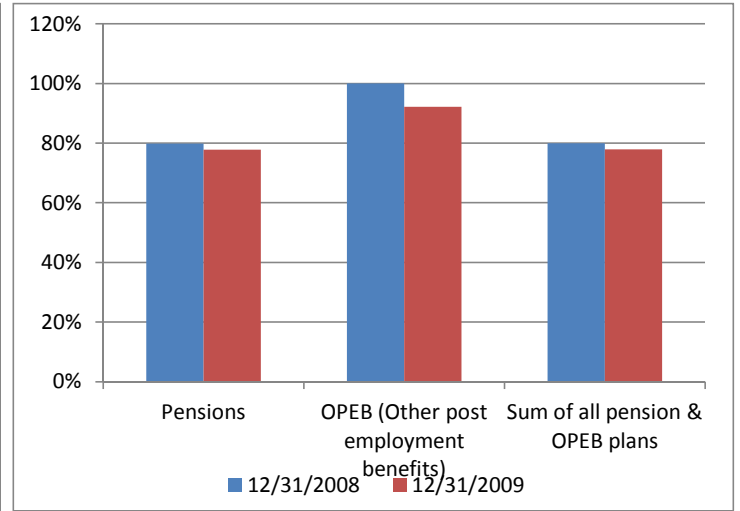
1. Pension funding status



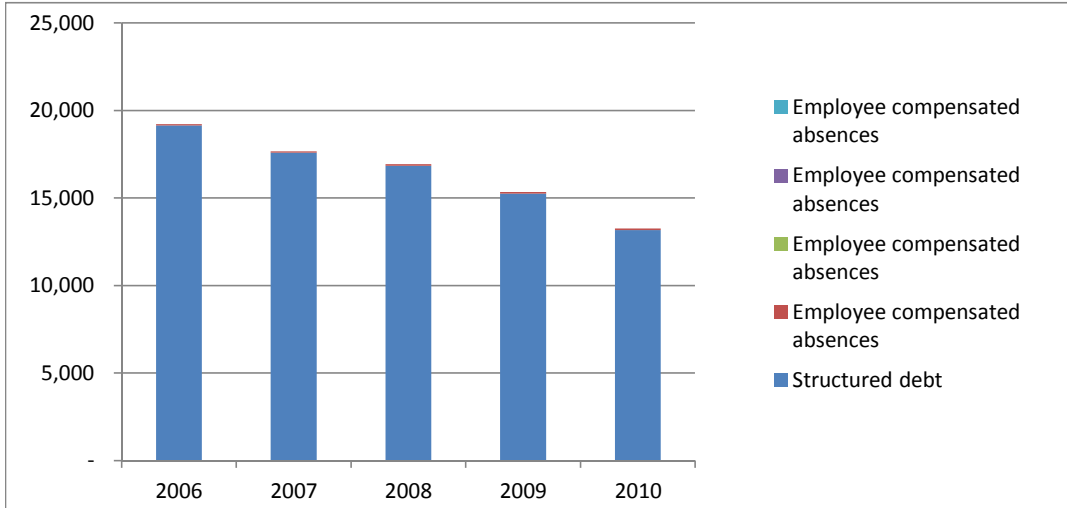
2. Retiree Health care funding status



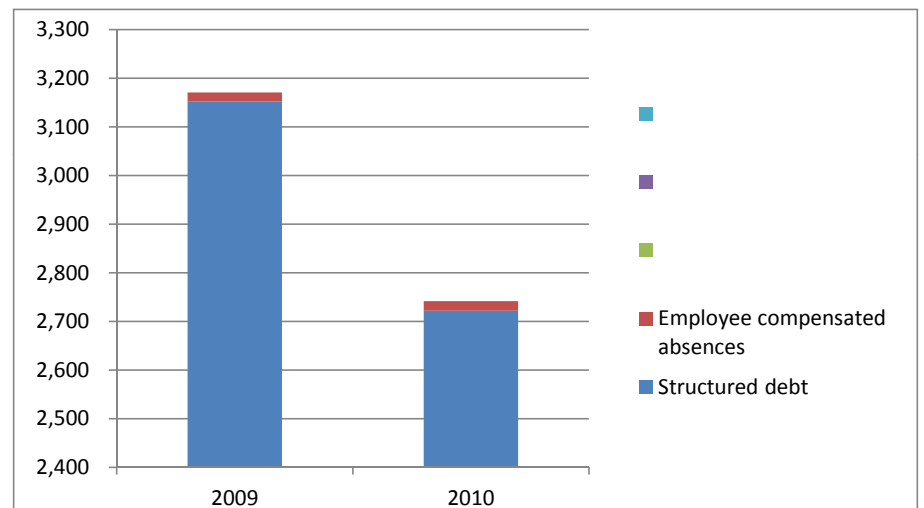
3. Percent funded - compared to the prior year



4. Long Term Debt obligations:



5. Debt & other long term obligations per capita - compared to the prior year



Commentary:

For more information on the City of Frankenmuth's finances, contact John Deterding, 989-652-9901