



Michigan Department Of Treasury

Facing Your Fiscal Fitness Test

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Units of Local Government in Michigan by Number and Type

- Michigan Ranks 12th Among The 50 States Based Upon The Number of Local Governmental Units.

<u>Type of Local Unit</u>	<u>Number</u>
Counties	83
Townships	1,240
Cities	275
Villages	259
Total	1,857



FISCAL OVERSIGHT

- Creatures of the State
- State Interest in Local Matters
- Local Fiscal Impact Upon State Fiscal Matters



FISCAL SCORING

Statutory Indicators

- ✓ Public Act 72 of 1990, Local Government Fiscal Responsibility Act
 - 14 Indicators
- ✓ Public Act 34 of 2001, Revised Municipal Finance Act
 - 16 Indicators
- ✓ Mostly Technical Violations
 - Compliant v. Non-Compliant
 - Late Audit-Fiscally Distressed
- ✓ Defines Rather Than Predicts
 - Fiscal Distress Has Already Occurred



FISCAL SCORING

- Fiscal Distress Indicators: An Assessment of Current Michigan Law and Development of a New “Early-Warning” Scale for Michigan Localities
 - Institute for Public Policy and Social Research at Michigan State University
 - Robert Kleine, Philip Kloha, & Carol S. Weissert
 - September 30, 2002
 - www.michigan.gov/treasury
 - Local Government Services
 - Highlights-Fiscal Indicator Scores
 - Fiscal Scoring Origin



FISCAL SCORING

▼ Focus of Study

- Theoretical Perspectives on Fiscal Distress
- Desirable Characteristics for Indicators
- Evaluation of PA 72 and PA 34
- New Indicators



FISCAL SCORING

Theoretical Perspectives

- ✓ What Causes Fiscal Distress?
 - Population and Job Market Shifts
 - Governmental Growth
 - Interest Group Demands
 - Poor Management



FISCAL SCORING

Desirable Characteristics

- Theoretical Validity
 - Does It Capture the Theoretical Concepts
- Predict v. Define
 - Before Fiscal Stress Occurs
- Relevant to State's Interest
 - Political Vulnerability
- Data Publicly Available
 - Cost Associated with Collecting New Data Set
- Uniformly Collected
 - Apples to Apples
- Frequently Collected
 - Lag Time-Already in Distress



FISCAL SCORING

Desirable Characteristics

- ✔ Proportion
 - Progressing Levels of Distress
- ✔ Simplicity
 - Fewer Mistakes in Implementation and Little Training
 - Easily Understood by Officials and Voters
- ✔ Resistant to Manipulation/Gaming
- ✔ Hope & Forgiveness
 - Measures Improvement in Distressed Local Units
 - Forgives Local Units That Experience One Bad Year
- ✔ Distinguishes Well
 - Identifies those that ought to be and does not identify those that should not be



FISCAL SCORING

Existing Indicators

- ✓ Statutory Indicators
 - Did Not Meet Desirable Characteristics
 - Not Reliable as an Early Warning System



FISCAL SCORING

New Indicators

- ✓ Focus on Three Categories
 - Community Needs and Resources
 - Operating Position
 - Debt



FISCAL SCORING

New Indicators

- ✓ Community Needs and Resources
 - Population Growth
 - Correlation Between Population Loss and Fiscal Problems
 - Weakening Economy
 - Loss of Major Employer
 - Unable to Reduce Expenditures to Match Slowing Growth



FISCAL SCORING

New Indicators

- ✓ Operating Position
 - General Fund Operating Deficit
 - Deficit One Year-Minor Signal
 - Multiple Years-More Serious Sign
 - Fund Balances
 - Nontrivial Negative Balance-Inability to Adjust to Unexpected Revenue Decline or Expenditure Increase



FISCAL SCORING

New Indicators

✓ Indicator of Debt

– Relatively Large Debt Load

- Concern-Relying on Debt to Meet Short Term Obligations
- Ability to Pay Off Long-Term Debt



FISCAL SCORING

New Indicators

- ✔ Publicly Available Data Sources
 - Financial Audit Reports
 - Annual Fiscal Report (F-65)
 - Treasury Records-Taxable Values
 - U.S. Census Bureau-Population Estimates
 - U.S. Department of Labor-Inflation (Deflator)



FISCAL SCORING

New Indicators

- Nine Indicators-Ten Points
- Community Needs/Resources
 - Indicator #1 – Population Growth
 - Change Over Two Years
 - Loss – 1 Point
 - Indicator #2 – Real Taxable Value Growth
 - Inflation Adjusted Two Year Growth
 - Negative Real Growth – 1 Point
 - Indicator #3 – Large Real Taxable Value Growth
 - Same as Indicator #2
 - Greater Than a 4% Loss – 1 Point



FISCAL SCORING

New Indicators

- ✓ Community Needs/Resources (Continued)
 - Indicator #4 – General Fund Expenditures as a Percent of Taxable Value
 - Data From Within Same Year
 - Expenditures/Taxable Value (No Inflation Adjustment)
 - Average City or Village Spends 3.5% of Taxable Value for General Fund
 - Standard Deviation
 - Greater Than 5% - 1 Point
 - Average Township Spends .65% of Taxable Value for General Fund
 - Standard Deviation – 1%
 - Greater Than 1% -1 Point



FISCAL SCORING

New Indicators

▼ Operating Position

- Indicator #5 – General Fund Operating Deficit
 - Current General Fund Revenues Less Current General Fund Expenditures Divided by General Fund Revenues
 - Expenditures Greater Than 1% of Revenues – 1 Point
- Indicator #6 – Prior General Fund Operating Deficits
 - Same as Indicator #5 Except Calculated for Prior Two Years
 - One Point for Each Prior Year With an Operating Deficit Greater Than 1%
 - Two Points Possible



FISCAL SCORING

New Indicators

- ✓ Operating Position (Continued)
 - Indicator #7 – Size of General Fund Balance
 - Combined Reserved and Unreserved
 - Balance-13% of Revenues
 - General Fund Balance Less Than 13% - 1 Point
 - Indicator #8 – Fund Deficits in Current or Previous Year
 - Major Fund Balances
 - Current or Prior Year
 - Any Size Deficit – 1 Point



FISCAL SCORING

New Indicators

▼ Debt

- Indicator #9 – General Long-Term Debt as a Percent of Taxable Value
 - Raises Concerns of Ability to Generate Revenue
 - Debt/Taxable Value
 - If Greater Than 6% - 1 Point



FISCAL SCORING

Implementation

- ✔ Access Database
 - Programmatically Scores Local Units
 - First Three Years Manual Entry
 - Fourth Year-Electronic Transfer of Data
- ✔ Pilot for 2005
 - 83 Counties
- ✔ Letters to County Administrator and County Clerk
- ✔ Thirty Days to Comment or Correct Errors
- ✔ Recorded Every Comment/Suggestion
- ✔ Posted Scores to Department Website



FISCAL SCORING

Implementation

- ✔ 2006-Followed Same Procedures with Cities, Villages, & Townships
- ✔ Reviewed All Comments and Suggestions
- ✔ Shared with Three Authors
- ✔ Met with Various Municipal Organizations
- ✔ Provided More Background on Website
 - www.michigan.gov/treasury
 - Local Government Services
 - Highlights-Fiscal Indicator Scores



FISCAL SCORING

Suggestions/Concerns

- ✔ Does Not Consider Interfund Transfers
 - Discretionary
 - Risk of Manipulation
 - Differing Views on What Transfer to Include/Exclude
- ✔ Planned Expenditure of General Fund
 - Saving for Major Project or Purchase
 - Transfer Excess to Budget Stabilization Fund
- ✔ Implementation of GASB 34
 - Changed Reporting Since Study
 - Special Assessment Fund (Major Fund)-Always in Deficit Condition
- ✔ Trivial Population Decrease
 - Loss of One v. Loss of 10,000



FISCAL SCORING

Department's Position

- ✓ Indicators Kept the Same
 - Objectivity/Simplistic
 - Anyone Can Use the Same Data and Arrive at Same Score
 - Numbers in Calculations Easily Verifiable
 - Risk Losing Trend Analysis
 - Measurements at a Point in Time
 - Used as a Tool to Assess Fiscal Health
 - Not Opposed to Other Organizations Developing Other Indicators
 - Provide the Public with Information Not Publicly Displayed by Local Unit



FISCAL SCORING

Results

✓ Scale

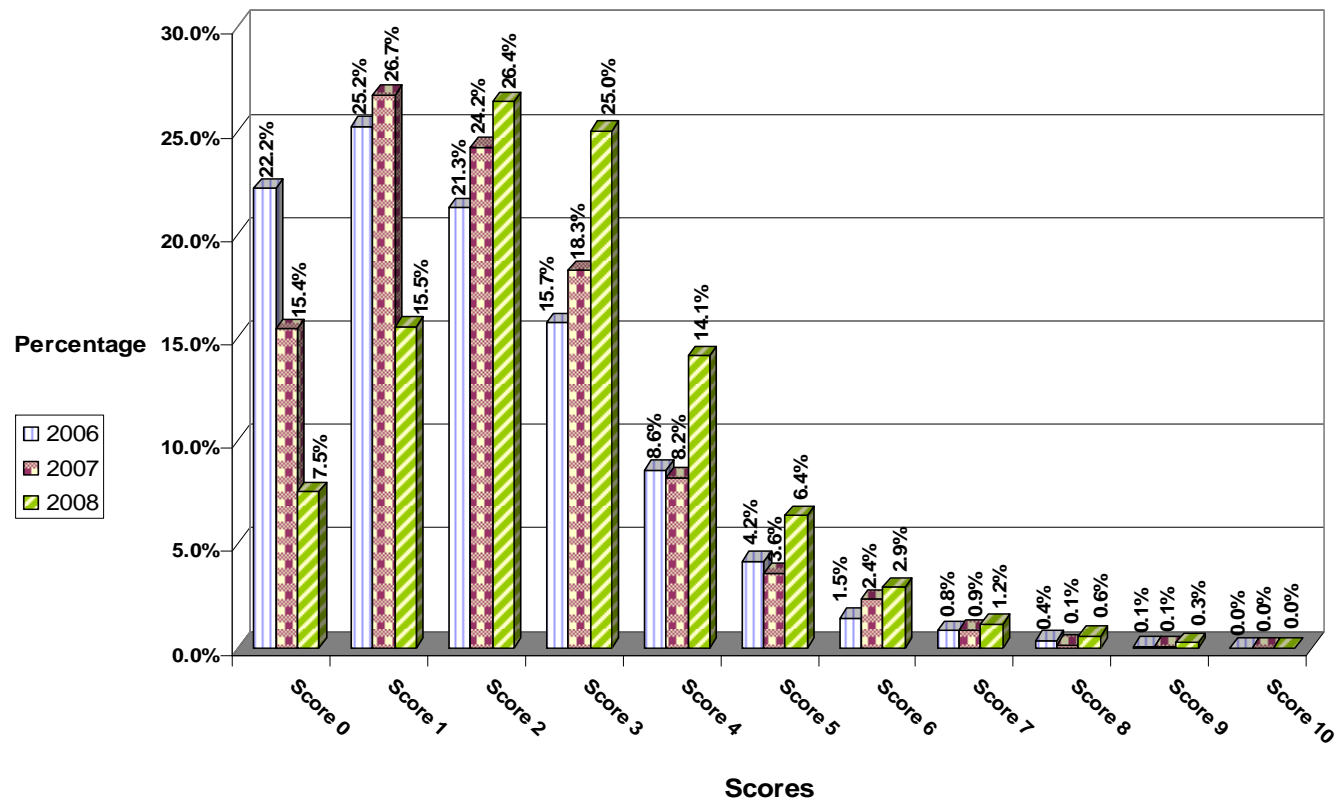
- 0-4 Points-Fiscally Neutral
- 5-7 Points-Fiscal Watch
- 8-10 Points-Fiscal Stress



FISCAL SCORING

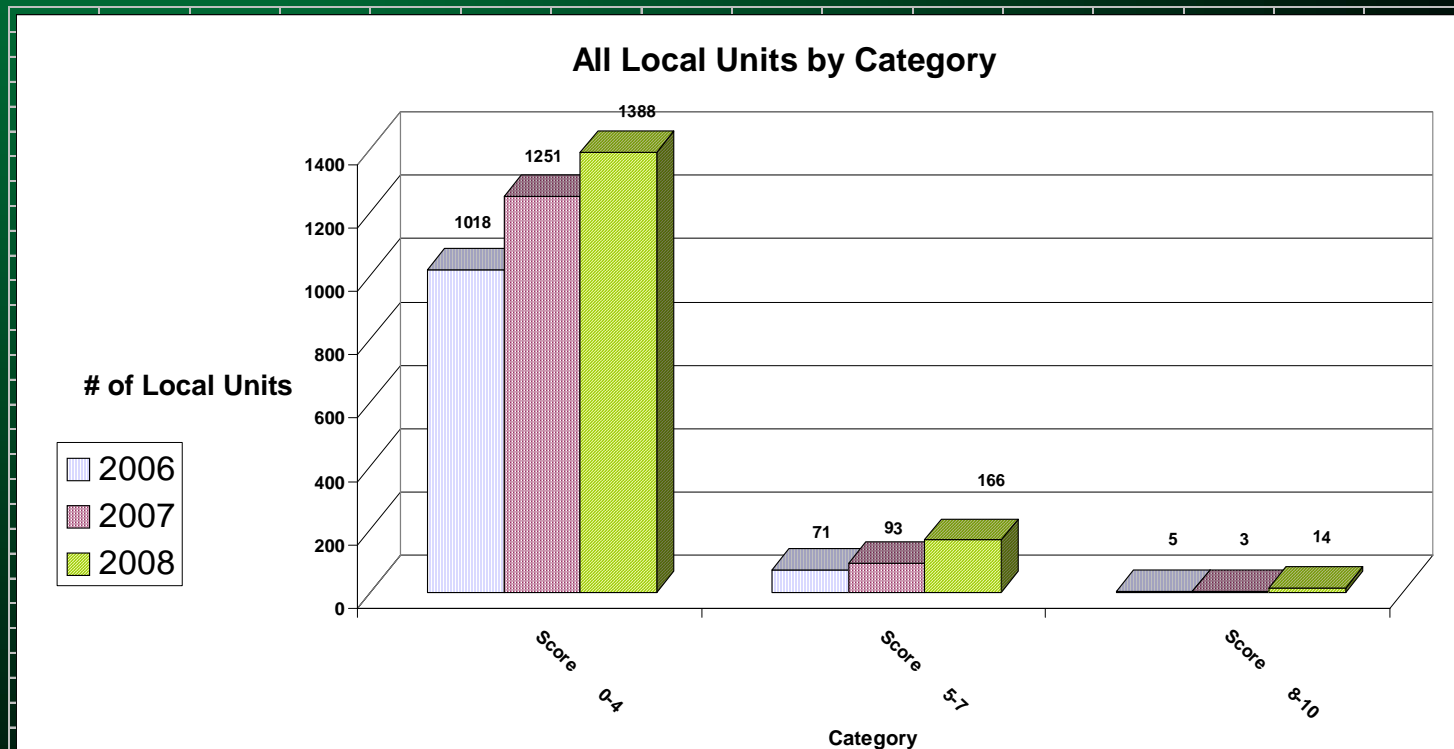
Results

All Local Units-Score %



FISCAL SCORING

Results





FISCAL OVERSIGHT

Predictor v. Reality

- ✓ Of the 14 Local Units in the Fiscal Stress Category for 2008:
 - Two Under Public Act 72 of 1990, the Fiscal Responsibility Act
 - Few Surprises in the Remaining 12



FISCAL OVERSIGHT

Department Objectives

✔ Narrow the Population

- Conduct In-Depth Review of the Most Critical Situations
- Offer Assistance to Local Units That Need It

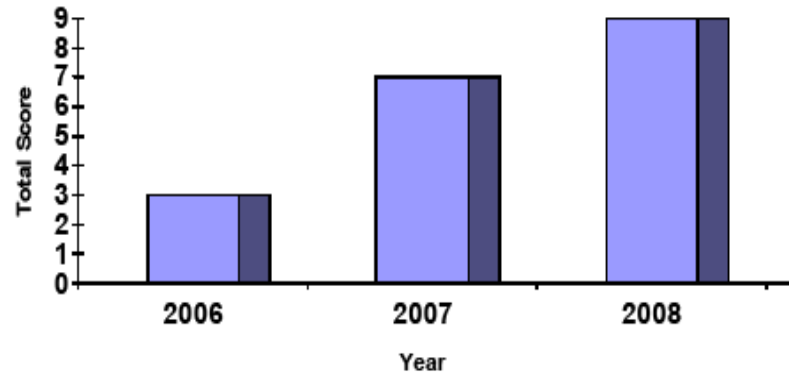
✔ Accountability

- Scores Available to the Public
- Local Officials Answer to the Citizens

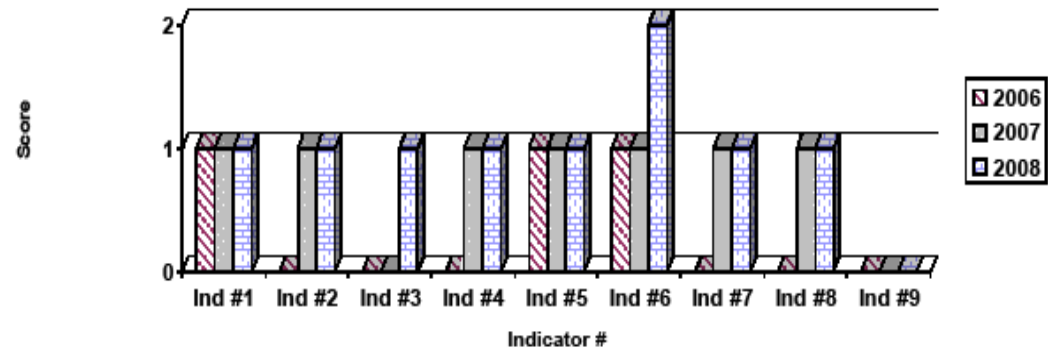


CITY OF WAKEFIELD

Total Scores

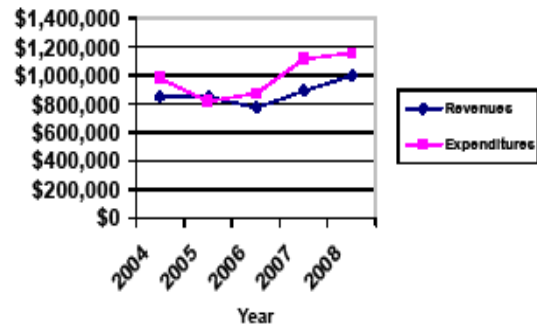


Score by Indicator

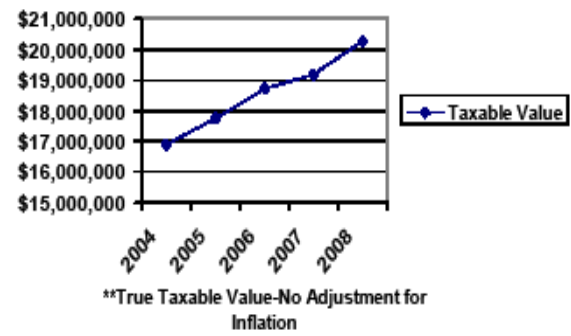


CITY OF WAKEFIELD

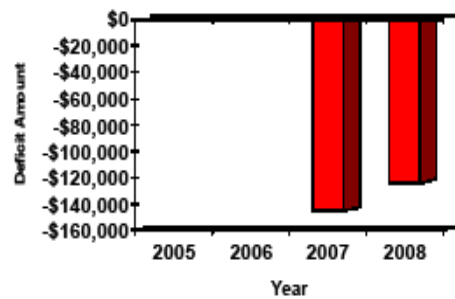
Revenues/Expenditures



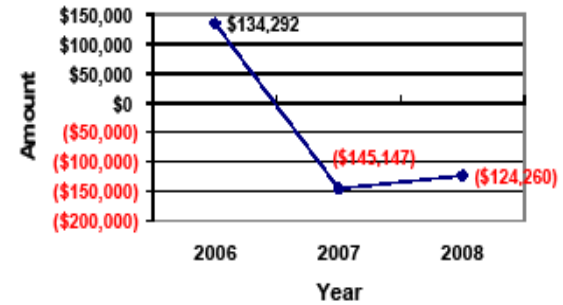
Taxable Values



Major Fund Deficits



General Fund Balance





FISCAL OVERSIGHT

Tools and Resources

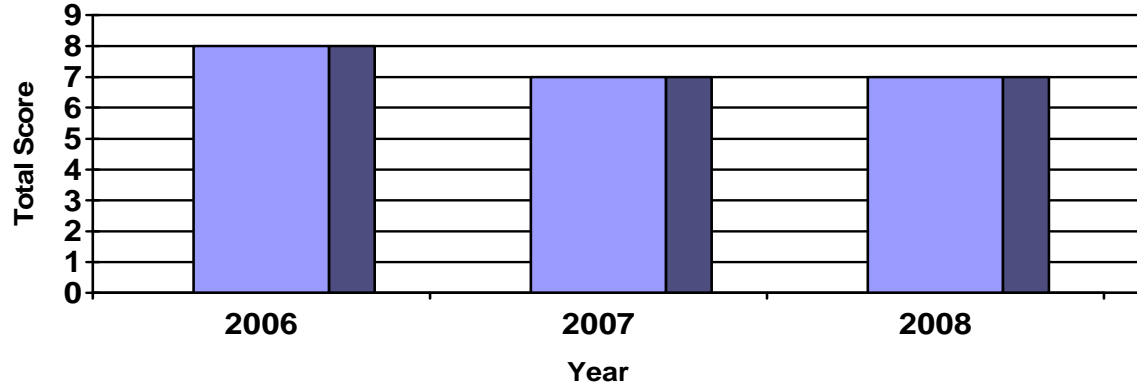
- ✔ Internal Control Reviews
 - Conducted by State Audit Staff
- ✔ Local Unit Financial Advisors
 - Third Party
- ✔ Rapid Response Team
 - Treasury Staff
- ✔ Local Government Fiscal Responsibility Act, Public Act 72 of 1990
 - Declaration of a Financial Emergency



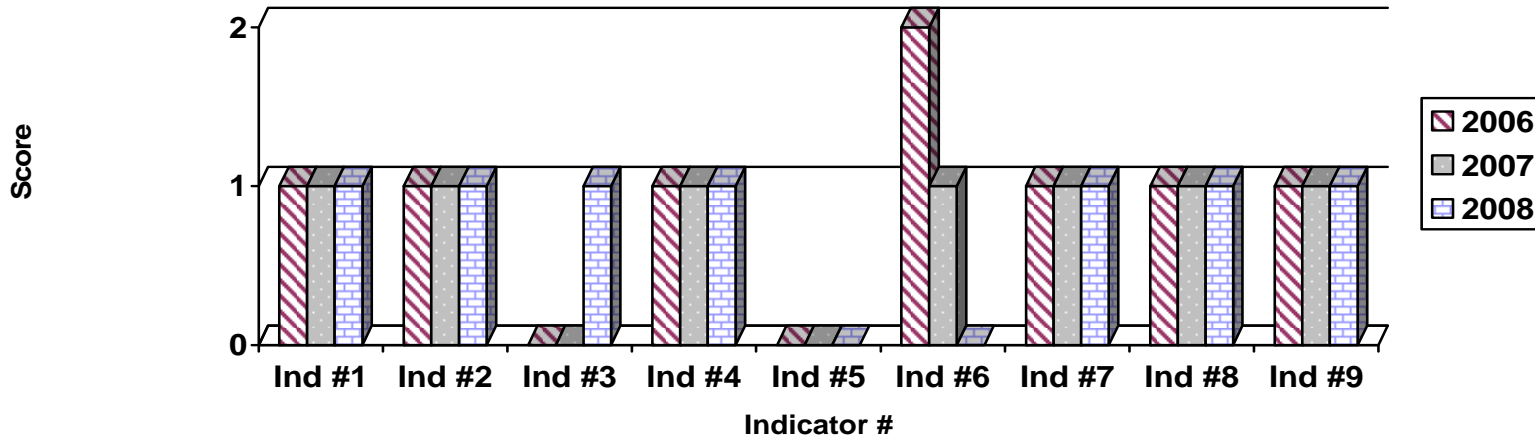
THANK YOU!

City of River Rouge

Total Scores

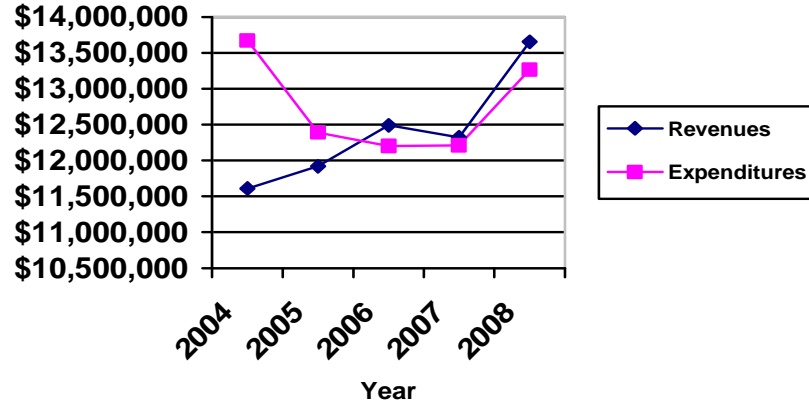


Score by Indicator

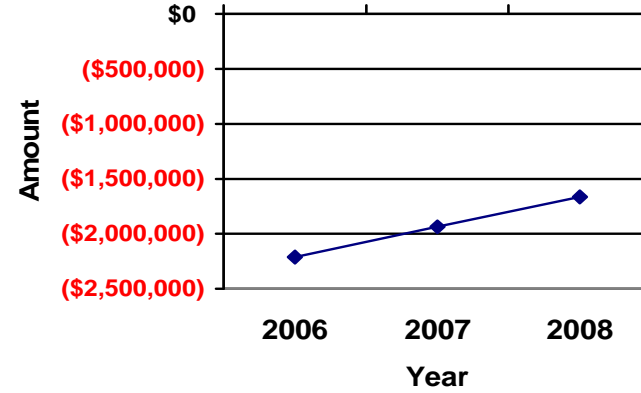


City of River Rouge

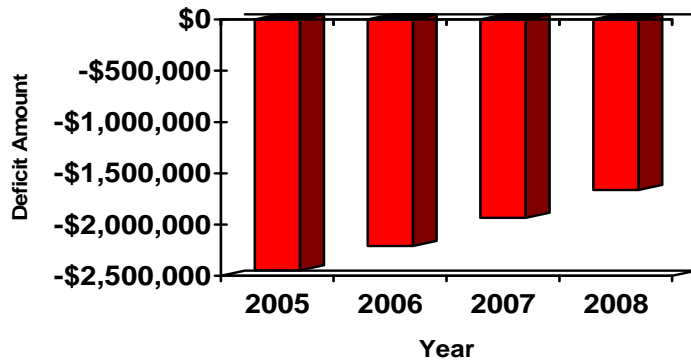
Revenues/Expenditures



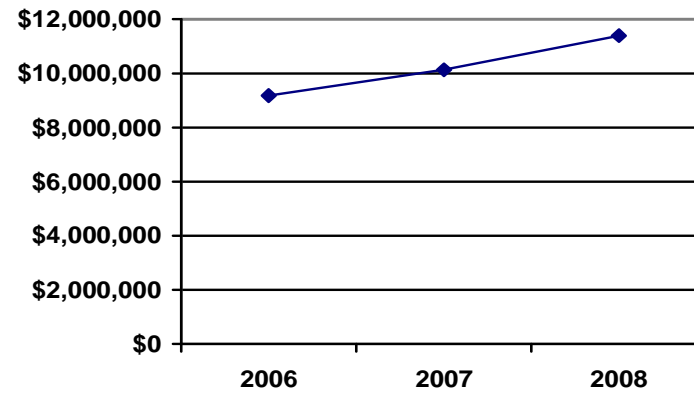
General Fund Balance



Major Fund Deficits

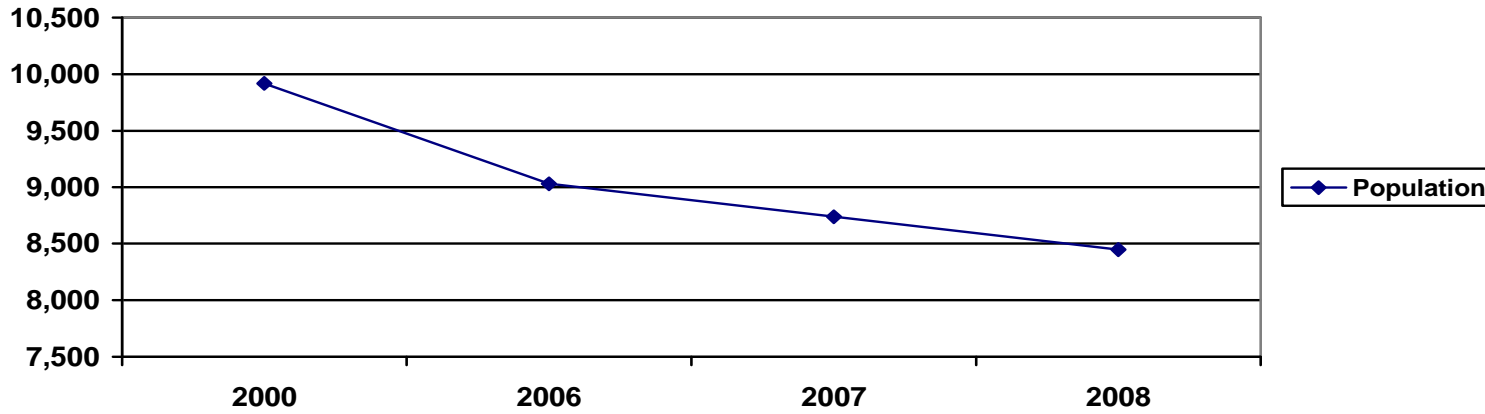


Long-Term Debt

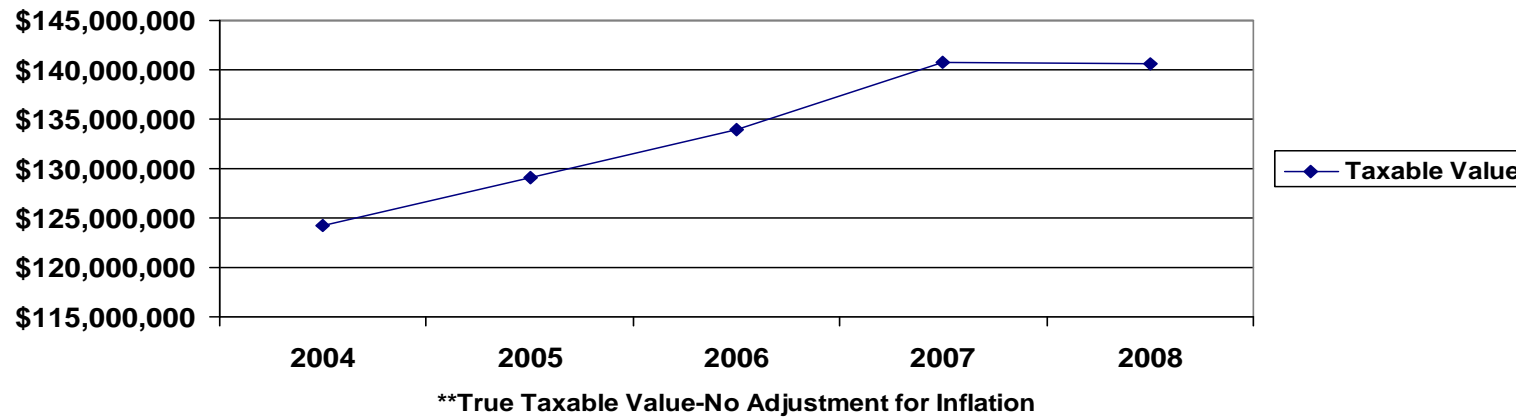


City of River Rouge

Population



Taxable Values



RIVER ROUGE **City** **2006 SCORE: 8**

MuniCode: 82-2-230

INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2006 2000	Population Population	9031 9917	1
Real Taxable Value Growth <i>1.090588699</i>	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2006 2004	Taxable Value Real Taxable Value Taxable Value	\$134,001,907.00 \$122,871,167.77 \$124,310,513.00	1
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2006 2004	Taxable Value Real Taxable Value Taxable Value Standard	\$134,001,907.00 \$122,871,167.77 \$124,310,513.00 -0.01158	0
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2006 2006	General Fund Expenditure Taxable Value Standard	\$12,201,311.00 \$134,001,907.00 0.09105	1
General Fund Operating Deficit	This variable is computed by subtracting general fund revenues from general fund expenditures for a given year. This figure is then divided by general fund revenue. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2006	General Fund Expenditure General Fund Revenue	\$12,201,311.00 \$12,490,728.00 0.02	0
Prior General Fund Operating Deficits	This indicator captures whether a unit had an operating deficit in the past two years. A score of 1 is assigned for each prior year in which an operating deficit had occurred.	2005 2004	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$12,389,817.00 \$11,918,462.00 \$13,669,549.00 \$11,609,104.00	1 1
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2006	General Fund Balance General Fund Revenue	(\$2,211,097.00) \$12,490,728.00 -0.18	1
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2006 2005	Major Fund Deficit Major Fund Deficit	\$2,211,097.00 \$2,446,719.00	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2006	General Long Term Debt Taxable Value	\$9,178,298.00 \$134,001,907.00 0.07	1

RIVER ROUGE

City

2007 Score: 7

MuniCode: 82-2-230

INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2007 2000	Population Population	8739 9917	1
Real Taxable Value Growth <i>1.126480206</i>	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2007 2005	Taxable Value Real Taxable Value Taxable Value	\$140,696,831.00 \$124,899,514.66 \$129,131,198.00	1
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2007 2005	Taxable Value Real Taxable Value Taxable Value	\$140,696,831.00 \$124,899,514.66 \$129,131,198.00	0
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2007 2007	General Fund Expenditure Taxable Value	\$12,209,479.00 \$140,696,831.00	1
General Fund Operating Deficit	This variable is computed by subtracting general fund expenditures from general fund revenues for a given year. This figure is then divided by general fund revenues. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2007	General Fund Expenditure General Fund Revenue	\$12,209,479.00 \$12,325,031.00	0
Prior General Fund Operating Deficits	This indicator is computed in the same manner as Indicator #5 except that it is applied to the two years prior to the current year. A score of 1 is assigned for each prior year in which a non-trivial operating deficit had occurred.	2006 2005	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$12,201,311.00 \$12,490,728.00 \$12,389,817.00 \$11,918,462.00	0 1
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2007	General Fund Balance General Fund Revenue	(\$1,935,254.00) \$12,325,031.00	1
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2007 2006	Major Fund Deficit <input checked="" type="checkbox"/> Major Fund Deficit <input checked="" type="checkbox"/>	\$1,935,254.00 \$2,211,097.00	1
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2007	General Long Term Debt Taxable Value	\$10,136,232.00 \$140,696,831.00	1

RIVER ROUGE

City

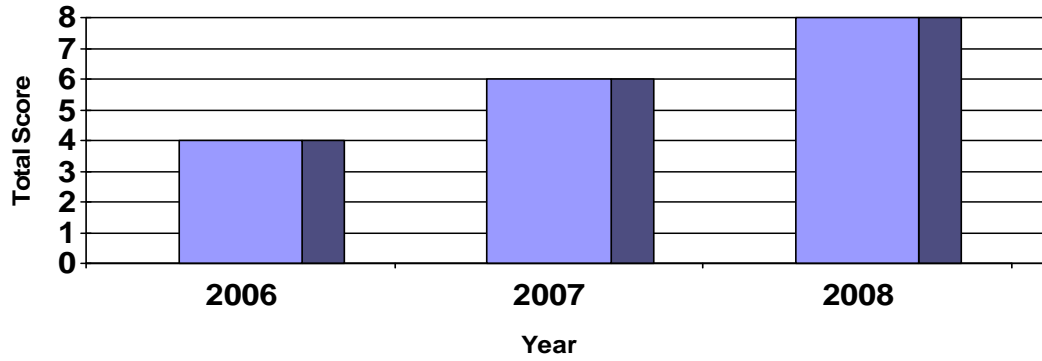
2008 Score: 7

MuniCode: 82-2-230

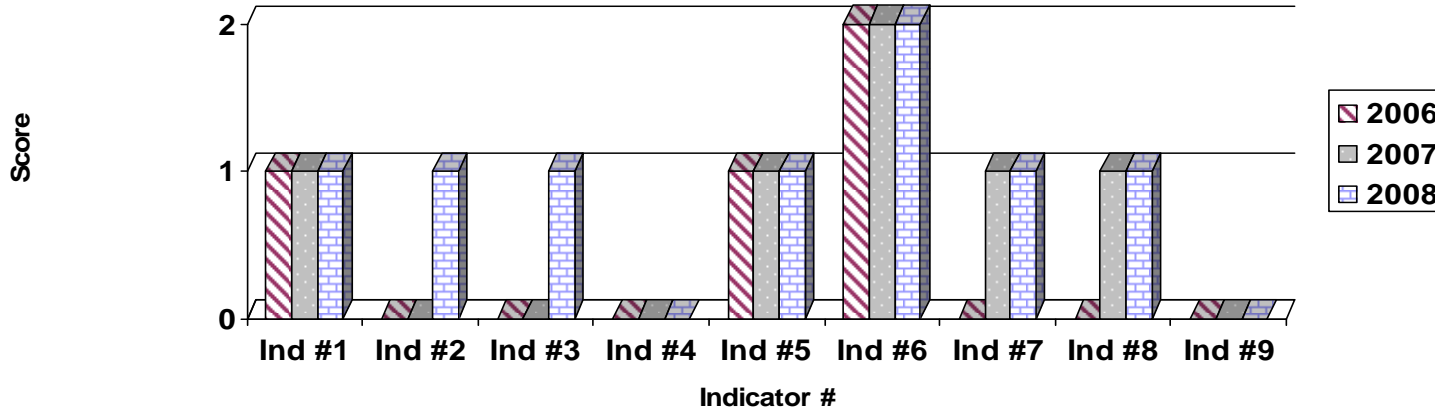
INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2008 2000	Population Population	8449 9917	1
Real Taxable Value Growth <i>1.150885115</i>	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2008 2006	Taxable Value Real Taxable Value Taxable Value	\$140,558,512.00 \$122,130,793.22 \$134,001,907.00	1
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2008 2006	Taxable Value Real Taxable Value Taxable Value	\$140,558,512.00 \$122,130,793.22 \$134,001,907.00	1
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2008 2008	General Fund Expenditure Taxable Value	\$13,266,630.00 \$140,558,512.00	1
General Fund Operating Deficit	This variable is computed by subtracting general fund expenditures from general fund revenues for a given year. This figure is then divided by general fund revenues. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2008	General Fund Expenditure General Fund Revenue	\$13,266,630.00 \$13,653,332.00	0
Prior General Fund Operating Deficits	This indicator is computed in the same manner as Indicator #5 except that it is applied to the two years prior to the current year. A score of 1 is assigned for each prior year in which a non-trivial operating deficit had occurred.	2007 2006	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$12,209,479.00 \$12,325,031.00 \$12,201,311.00 \$12,490,728.00	0 0
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2008	General Fund Balance General Fund Revenue	(\$1,664,264.00) \$13,653,332.00	1
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2008 2007	Major Fund Deficit <input checked="" type="checkbox"/> Major Fund Deficit <input checked="" type="checkbox"/>	\$1,664,264.00 \$1,935,254.00	1
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2008	General Long Term Debt Taxable Value	\$11,397,011.00 \$140,558,512.00	1

VILLAGE OF OWENDALE

Total Scores

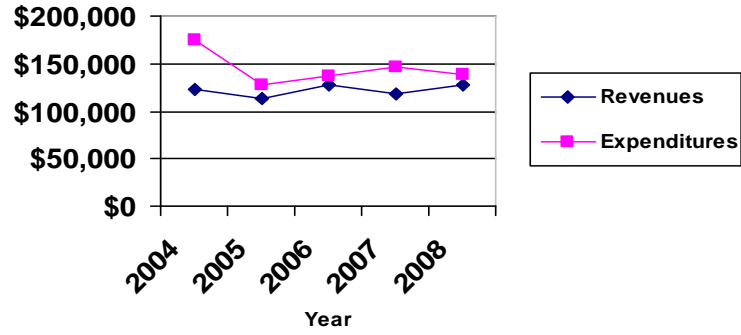


Score by Indicator

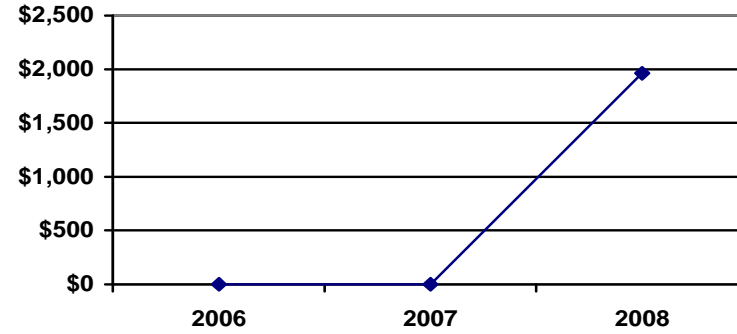


VILLAGE OF OWENDALE

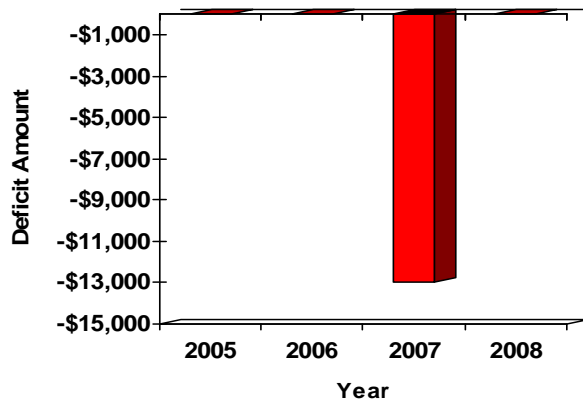
Revenues/Expenditures



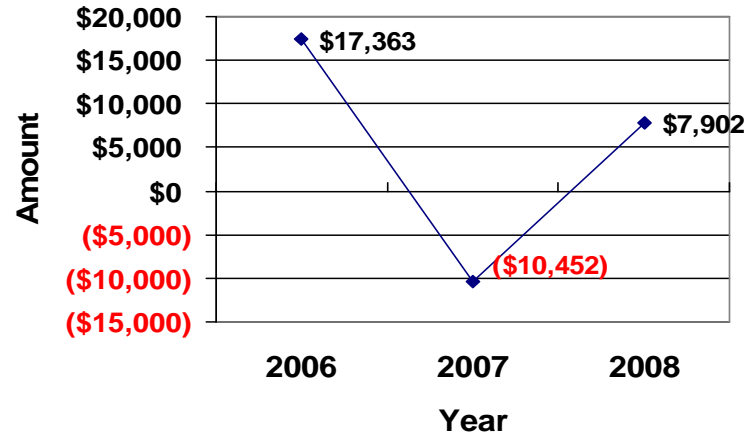
Long-Term Debt



Major Fund Deficits

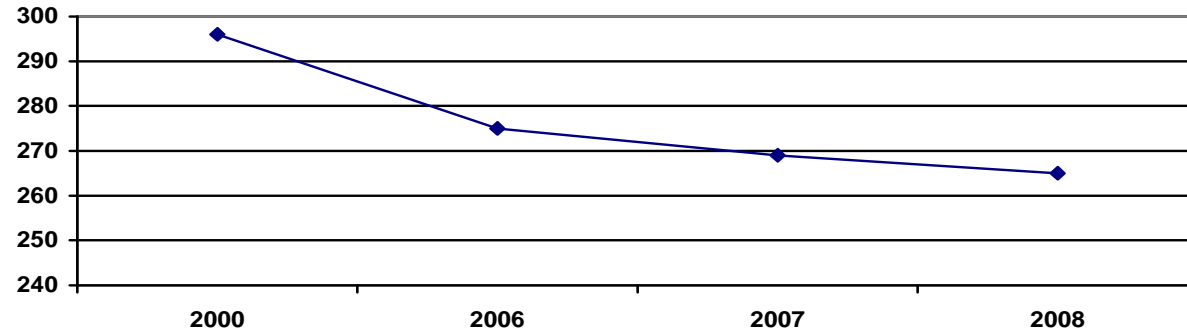


General Fund Balance

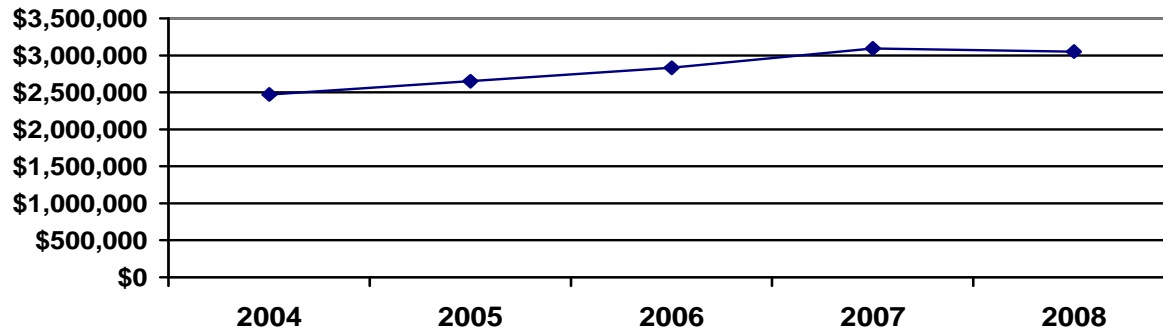


Village of Owendale

Population



Taxable Values



**True Taxable Value-No Adjustment for Inflation

OWENDALE **Village** **2006 SCORE: 4**

MuniCode: 32-3-040

INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2006 2000	Population Population	275 296	1
Real Taxable Value Growth 1.090588699	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2006 2004	Taxable Value Real Taxable Value Taxable Value	\$2,831,480.00 \$2,596,285.84 \$2,471,961.00	0
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2006 2004	Taxable Value Real Taxable Value Taxable Value Standard	\$2,831,480.00 \$2,596,285.84 \$2,471,961.00 0.05029	0
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2006 2006	General Fund Expenditure Taxable Value Standard	\$137,535.00 \$2,831,480.00 0.04857	0
General Fund Operating Deficit	This variable is computed by subtracting general fund revenues from general fund expenditures for a given year. This figure is then divided by general fund revenue. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2006	General Fund Expenditure General Fund Revenue	\$137,535.00 \$126,885.00 -0.0839	1
Prior General Fund Operating Deficits	This indicator captures whether a unit had an operating deficit in the past two years. A score of 1 is assigned for each prior year in which an operating deficit had occurred.	2005 2004	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$127,918.00 \$112,619.00 \$174,062.00 \$122,568.00	1 1
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2006	General Fund Balance General Fund Revenue	\$17,363.00 \$126,885.00 0.14	0
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2006 2005	Major Fund Deficit Major Fund Deficit	<input type="checkbox"/> <input type="checkbox"/>	0
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2006	General Long Term Debt Taxable Value	\$0.00 \$2,831,480.00 0.00	0

OWENDALE Village **2007 Score: 6**

MuniCode: 32-3-040

INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2007 2000	Population Population	269 296	1
Real Taxable Value Growth <i>1.126480206</i>	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2007 2005	Taxable Value Real Taxable Value Taxable Value	\$3,096,362.00 \$2,748,705.20 \$2,648,598.00	0
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2007 2005	Taxable Value Real Taxable Value Taxable Value	\$3,096,362.00 \$2,748,705.20 \$2,648,598.00	0
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2007 2007	General Fund Expenditure Taxable Value	\$146,061.00 \$3,096,362.00	0
General Fund Operating Deficit	This variable is computed by subtracting general fund expenditures from general fund revenues for a given year. This figure is then divided by general fund revenues. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2007	General Fund Expenditure General Fund Revenue	\$146,061.00 \$118,246.00	1
Prior General Fund Operating Deficits	This indicator is computed in the same manner as Indicator #5 except that it is applied to the two years prior to the current year. A score of 1 is assigned for each prior year in which a non-trivial operating deficit had occurred.	2006 2005	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$137,535.00 \$126,885.00 \$127,918.00 \$112,619.00	1 1
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2007	General Fund Balance General Fund Revenue	(\$10,452.00) \$118,246.00	1
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2007 2006	Major Fund Deficit <input checked="" type="checkbox"/> Major Fund Deficit <input type="checkbox"/>	\$12,951.00 \$0.00	1
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2007	General Long Term Debt Taxable Value	\$0.00 \$3,096,362.00	0

OWENDALE Village **2008 Score: 8**

MuniCode: 32-3-040

INDICATOR	DESCRIPTION	YEAR	CATEGORY	Score	
Population Growth	This first indicator measures population change. If a unit lost population, then it scores a 1, otherwise it is assigned a 0. The estimates provided are from the U.S. Census Bureau. Note that the values for Year 2000 are not estimates but taken from the Census that year.	2008 2000	Population Population	265 296	1
Real Taxable Value Growth <i>1.150885115</i>	Two-year growth periods of real taxable value for each unit are computed. Units score a 1 if they demonstrate negative real growth, and a 0 if they exhibit positive real growth. To compute real taxable value, the current year taxable value is divided by the adjusted deflator indicated to the left.	2008 2006	Taxable Value Real Taxable Value Taxable Value	\$3,052,428.00 \$2,652,243.88 \$2,831,480.00	1
Large Real Taxable Value Decrease	This indicator uses the same data and time lag as indicator 2. The only difference is that a different standard is used. For this indicator, units measuring less than -0.04 receive a 1 and others are marked 0.	2008 2006	Taxable Value Real Taxable Value Taxable Value	\$3,052,428.00 \$2,652,243.88 \$2,831,480.00	1
General Fund Expenditures as a Percent of Taxable Value	This indicator has no time lag and deals solely with data from within the same year. To compute this variable, general fund expenditures are divided by taxable value. This is the only variable for which separate standards are used. A standard of 0.05 is used for cities and villages and 0.01 for townships and counties. Units with ratios above the standard receive a 1 and those below score a 0.	2008 2008	General Fund Expenditure Taxable Value	\$138,492.00 \$3,052,428.00	0
General Fund Operating Deficit	This variable is computed by subtracting general fund expenditures from general fund revenues for a given year. This figure is then divided by general fund revenues. If the number that results is less than -0.01, this indicates a unit has a nontrivial operating deficit and this unit received a score of 1. If the unit does not have a general fund operating deficit, or if this deficit is trivial, the unit is given a 0.	2008	General Fund Expenditure General Fund Revenue	\$138,492.00 \$126,846.00	1
Prior General Fund Operating Deficits	This indicator is computed in the same manner as Indicator #5 except that it is applied to the two years prior to the current year. A score of 1 is assigned for each prior year in which a non-trivial operating deficit had occurred.	2007 2006	General Fund Expenditure General Fund Revenue General Fund Expenditure General Fund Revenue	\$146,061.00 \$118,246.00 \$137,535.00 \$126,885.00	1 1
Size of General Fund Balance	The actual variable constructed for this indicator is the general fund balance as a proportion of general fund revenue. If a unit maintains a general fund balance less than 13 percent of its general fund revenue, it scores a 1. Conversely a general fund balance above the 0.13 level scores a 0.	2008	General Fund Balance General Fund Revenue	\$7,902.00 \$126,846.00	1
Fund Deficits in Current or Previous Year	If there are any fund deficits in one or more of the unit's unreserved major fund balances the unit scores a one, otherwise is scores a zero.	2008 2007	Major Fund Deficit <input type="checkbox"/> Major Fund Deficit <input checked="" type="checkbox"/>	\$0.00 \$12,951.00	1
General Long-Term Debt as a Percent of Taxable Value	This variable is constructed by taking general long-term debt and dividing it by the taxable value of the unit. Any unit with a debt to taxable value ratio above 6 percent is scored a 1 and those beneath it a 0.	2008	General Long Term Debt Taxable Value	\$1,963.00 \$3,052,428.00	0