The City of Bay City Finance Department is dedicated to excellence in local government, comprehensive fiscal management, compliance and reporting. The Monthly Report is used to provide our internal and external customers financial reporting with easy to read narratives regarding the City’s financial position.

This report represents a general overview of financial operations through October 2019, the first month of the fiscal year, and 8% of FY 2020.

The Financial Summaries provide comparative data for revenues and expenditures by fund. Data shows current monthly and year to date information as it relates to budget. Beginning fund balances are estimates until the final audit is complete.

- The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from this fund.

- The **Public Utility Fund** accounts for the operations costs to provide water and sewer services to the citizens of Bay City.

- The **Airport Fund** is used to account for the operations of the Airport, and to account for the rent generated from its T-hangers and fuel sold.

- The **Hotel/Motel Occupancy Tax Fund** was established to directly enhance and promote tourism and the convention and hotel industry or other expenses as approved by State Law.

This report does not include all funds related to the City of Bay City’s Operations—please refer to the City’s Comprehensive Annual Financial Report & the City’s Annual Budget available on the City’s website ([www.cityofbaycity.org](http://www.cityofbaycity.org)).

Go to the Finance Department’s Web Page for all financial transparency information. This includes audits, budgets, quarterly reports, and check registers.
General Fund Overview

Revenue Highlights

Revenues total $894,850 or 6% of the budget.

- **Property Tax.** The certified value totaled $869 million. Through October, the City received $52,409 of the 4.4-million-dollar property tax maintenance and operation budget. Peak periods for property tax collections are January and February.

- **Sales tax.** October Sales Tax Allocation to the City is up 4.70% ($22,487) as compared to October 2018. These are collections related to August that are remitted to the City in October.

- Franchise fees are slightly over budget. Licenses & Permits are below budget target; however this is due to timing of building permits pulled.

- Charges for services represents sanitation fees - $205,494 (8.1% of budget).

- Miscellaneous appears below budget, however most is attributable to timing of grant payments and/or interlocal agreements. (County, Bay City Gas Company, BCCDC).

General Fund Expenditure Highlights

Expenditures total $624,695 or 4.3% of budget.

- Most departments are under the 8% budget target. Budgets that are over the budget target are primarily due to timing of payments.

The General Fund’s fund balance is budgeted to increase by $400,000. The city reserve level currently is below the minimum policy of 25%. See bottom of page 3 for more clarification. The unaudited beginning cash position (October 1, 2019) was 3.2 million which represents approximately 22% operating reserve including transfers. Transfers include funding for departments/funds such as Information Technology, Facilities/Equipment Maintenance, and the Bay City Airport. The City plans to build reserve over the next year to meet or exceed the minimum 25% reserve requirement. Sales tax and departmental savings should aide in the building of the reserve by fiscal year end.
## GENERAL FUND FINANCIAL SUMMARY

**General Fund (Fund 11)**

| Percent of Fiscal Year Complete | 8% |

<table>
<thead>
<tr>
<th>Total</th>
<th>Current</th>
<th>YTD Actual*</th>
<th>(Over) Under Budget to Date</th>
<th>Percent to Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>4,434,737</td>
<td>52,409</td>
<td>52,409</td>
<td>4,382,328</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>4,350,000</td>
<td>375,731</td>
<td>375,731</td>
<td>3,974,269</td>
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<tr>
<td>Other Local Taxes (Franchise)</td>
<td>1,321,000</td>
<td>128,244</td>
<td>128,244</td>
<td>1,192,756</td>
</tr>
<tr>
<td>Charges for Services (Sanitation)</td>
<td>2,527,000</td>
<td>205,494</td>
<td>205,494</td>
<td>2,321,506</td>
</tr>
<tr>
<td>Fines &amp; Penalties</td>
<td>203,000</td>
<td>23,051</td>
<td>23,051</td>
<td>179,949</td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>196,000</td>
<td>12,843</td>
<td>12,843</td>
<td>183,157</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,143,763</td>
<td>44,286</td>
<td>44,286</td>
<td>1,099,477</td>
</tr>
<tr>
<td>Transfers</td>
<td>643,500</td>
<td>52,792</td>
<td>52,792</td>
<td>590,708</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$14,819,000</td>
<td>$894,850</td>
<td>$894,850</td>
<td>$13,924,150</td>
</tr>
</tbody>
</table>

| **Expenditures** |           |             |                             |                         |
| City Secretary  | 150,039   | 4,286       | 4,286                       | 145,753                 | 2.9%                    |
| City General Services | 2,685,000 | 235,613    | 235,613                     | 2,449,387               | 8.8%                    |
| Administrative Council | 316,254  | 16,924      | 16,924                      | 299,330                 | 5.4%                    |
| Main Street     | 58,000    | 3,591       | 3,591                       | 54,409                  | 6.2%                    |
| Human Resources | 247,732   | 10,915      | 10,915                      | 236,817                 | 4.4%                    |
| Municipal Court | 323,290   | 13,510      | 13,510                      | 309,780                 | 4.2%                    |
| Finance         | 329,100   | 14,574      | 14,574                      | 314,526                 | 4.4%                    |
| Police          | 4,511,113 | 202,341     | 202,341                     | 4,308,772               | 4.5%                    |
| Animal Impoundment | 164,662  | 7,434       | 7,434                       | 157,228                 | 4.5%                    |
| Volunteer Fire Dept. | 198,242  | 8,432       | 8,432                       | 189,810                 | 4.3%                    |
| Street and Bridge | 3,438,577 | 46,741     | 46,741                      | 3,391,836               | 1.4%                    |
| Recycling Center | 158,266   | 917         | 917                         | 157,349                 | 0.6%                    |
| Parks           | 825,508   | 24,690      | 24,690                      | 800,818                 | 3.0%                    |
| Riverside Park  | 181,627   | 6,246       | 6,246                       | 175,381                 | 3.4%                    |
| Recreation      | 99,823    | 4,045       | 4,045                       | 95,778                  | 4.1%                    |
| Pool Operations | 274,549   | 2,233       | 2,233                       | 272,316                 | 0.8%                    |
| Library         | 457,218   | 22,205      | 22,205                      | 435,013                 | 4.9%                    |
| **Total Expenditures** | $14,419,000 | $624,695 | $624,695 | $13,794,305 | 4.3% |

*YTD does not includes encumbrances

| Net Revenue (Expenditures) | $400,000 | $270,155 | $270,155 |

| Beginning Fund Balance 10-1-19 | $3,210,484 | Unaudited | $3,210,484 |
| Ending Fund Balance           | $3,610,484 | $3,480,639 |
| % of Operating Reserves       | 25%        | 24%        |
| Fund Balance Target 90 days (25%) | $3,604,750 |
| Over/(Under) min Policy Level (25%) | $5,734 |
Public Utility Fund Overview

Revenue Highlights

- As a percentage of budget, total Water & Sewer Revenue is 8% being within budget expectations.

Expenditure Highlights

- Total expenditures for the Utility Fund sit nicely at 2% of budget.
- All departments are within budget expectations.

PUBLIC UTILITY FUND FINANCIAL SUMMARY

<table>
<thead>
<tr>
<th>Utility Fund (Fund 61)</th>
<th>8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Fiscal Year Complete</td>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Total Budget</th>
<th>Current Period</th>
<th>YTD Actual*</th>
<th>(Over)Under Budget to Date</th>
<th>Percent to Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charges for Services</td>
<td>7,698,000</td>
<td>581,975</td>
<td>581,975</td>
<td>7,116,025</td>
<td>8%</td>
</tr>
<tr>
<td>Fines &amp; Penalties</td>
<td>145,000</td>
<td>15,178</td>
<td>15,178</td>
<td>129,822</td>
<td>10%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>35,000</td>
<td>27,935</td>
<td>27,935</td>
<td>7,065</td>
<td>80%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$ 7,878,000</strong></td>
<td><strong>$ 625,088</strong></td>
<td><strong>$ 625,088</strong></td>
<td><strong>$ 7,252,912</strong></td>
<td><strong>8%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility General</td>
<td>4,351,157</td>
<td>283,785</td>
<td>283,785</td>
<td>4,067,372</td>
<td>7%</td>
</tr>
<tr>
<td>Utility Maintenance</td>
<td>1,561,044</td>
<td>(74,604)</td>
<td>(74,604)</td>
<td>1,635,648</td>
<td>0%</td>
</tr>
<tr>
<td>Water &amp; WWTP Division</td>
<td>2,683,299</td>
<td>(8,653)</td>
<td>(8,653)</td>
<td>2,691,952</td>
<td>0%</td>
</tr>
<tr>
<td>Warehouse Operations</td>
<td>154,500</td>
<td>1,790</td>
<td>1,790</td>
<td>152,710</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$ 8,750,000</strong></td>
<td><strong>$ 202,319</strong></td>
<td><strong>$ 202,319</strong></td>
<td><strong>$ 8,547,681</strong></td>
<td><strong>2%</strong></td>
</tr>
</tbody>
</table>

*YTD does not include encumbrances

Net Revenue (Expenditures) $ (872,000) $ 422,769 $ 422,769

Beginning Reserve Balance 10-1-19 $ 3,518,137 Audited $ 3,518,137
Ending Reserve Balance $ 2,646,137 $ 3,940,906

% of Operating Reserves 30% 45%

Target 90 days (25%) $ 2,187,500.00

Over/(Under) Target $ 458,637.00

Designated for capital projects

Encumbered from PY $315,575
Airport Fund Overview

Revenue Highlights

- As a percentage of budget, total Airport Revenue is 9% being over budget expectations due to the timing of a grant payment.
- Other Revenue (Fuel sales) slightly over budget
- General Fund (Transfers In) subsidizes the Airport by approximately $250,000 each year, however this year is higher due to grant match and new employee.

Expenditure Highlights

- As a percentage of budget, total expenditures are 6% which is under the budget target. This is due to the timing of the routine infrastructure maintenance program & capital projects.

AIRPORT FUND FINANCIAL SUMMARY

Municipal Airport Fund (Fund 64)

| Percent of Fiscal Year Complete | 8% |

<table>
<thead>
<tr>
<th></th>
<th>Total Budget</th>
<th>Current Period</th>
<th>YTD Actual*</th>
<th>(Over)Under Budget to Date</th>
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<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous (Rentals, Grants)</td>
<td>153,300</td>
<td>8,756</td>
<td>8,756</td>
<td>144,544</td>
<td>6%</td>
</tr>
<tr>
<td>Transfers (General Fund)</td>
<td>330,000</td>
<td>27,500</td>
<td>27,500</td>
<td>302,500</td>
<td>8%</td>
</tr>
<tr>
<td>Other Revenue (Fuel Sales)</td>
<td>180,500</td>
<td>20,471</td>
<td>20,471</td>
<td>160,029</td>
<td>11%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$663,800</td>
<td>$56,727</td>
<td>$56,727</td>
<td>$607,073</td>
<td>9%</td>
</tr>
</tbody>
</table>

| Expenditures         |              |                |             |                            |                         |
|----------------------|--------------|----------------|-------------|----------------------------|                         |
| Personnel            | 209,449      | 6,590           | 6,590       | 202,859                    | 3%                      |
| Supplies & Materials (Fuel etc) | 174,600 | 15,202           | 15,202 | 159,398 | 9%                      |
| Other Charges & Services | 79,550 | 16,217           | 16,217 | 63,333 | 20%                     |
| Repairs & Maintenance | 126,900 | 5,963           | 5,963       | 120,937                    | 5%                      |
| Capital Expenditures | 44,200       | -               | -           | 44,200                     | 0%                      |
| Transfers            | 86,301       | -               | -           | 86,301                     | 0%                      |
| Total Expenditures   | $721,000     | $43,972         | $43,972     | $677,028                   | 6%                      |

*YTD includes encumbrances

Net Revenue (Expenditures) (57,200) $12,754 $12,754

Beginning Reserve Balance 10-1-19 318,567 Unaudited $318,567
Ending Reserve Balance 261,367 $331,321

No minimum Fund Balance Policy

General Fund subsidizes $330,000
Reserve encumbered for fuel trucks
Civic & Cultural Arts Fund (Hotel/Motel Fund) Overview

Revenue Highlights

- As a percentage of budget, total Hotel/Motel Fund is below budget target of 8%. Most hotels remit tax on a monthly or quarterly basis.
- Miscellaneous Income: Civic Center rentals & special event income are above budget target.

Expenditure Highlights

- As a percentage of budget, total expenditures are within budget parameters.

HOTEL/MOTEL FUND FINANCIAL SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>Total Budget</th>
<th>Current Period</th>
<th>YTD Actual*</th>
<th>(Over)(Under Budget to Date)</th>
<th>Percent to Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel Occupancy Tax</td>
<td>750,000</td>
<td>(16,470)</td>
<td>(16,470)</td>
<td>766,470</td>
<td>0%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>101,000</td>
<td>16,161</td>
<td>16,161</td>
<td>84,839</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$851,000</td>
<td>$ (309)</td>
<td>$ (309)</td>
<td>$851,309</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel General</td>
<td>108,000</td>
<td>4,000</td>
<td>4,000</td>
<td>104,000</td>
<td>4%</td>
</tr>
<tr>
<td>Tourism Department</td>
<td>292,000</td>
<td>21,050</td>
<td>21,050</td>
<td>270,950</td>
<td>7%</td>
</tr>
<tr>
<td>Civic Center</td>
<td>350,000</td>
<td>9,958</td>
<td>9,958</td>
<td>340,043</td>
<td>3%</td>
</tr>
<tr>
<td>Bay City Theatre</td>
<td>150,000</td>
<td>-</td>
<td>-</td>
<td>150,000</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$900,000</td>
<td>$35,007</td>
<td>$35,007</td>
<td>$864,993</td>
<td>4%</td>
</tr>
</tbody>
</table>

*YTD includes encumbrances

Net Revenue (Expenditures) $ (49,000) $ (35,317) $ (35,317)

Beginning Fund Balance 10-1-19 $ 499,899 Unaudited $ 499,899
Ending Fund Balance $ 450,899 $ 464,582

Proposed to maintain $50,000