



## CITY OF BAY CITY

### Monthly Financial Report

### Month of October 2020

*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 2020**, the first month of the fiscal year, and **8%** of FY 2021.*

*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 \$864,971 or 5.6 % of the budget.

- Property Tax. The certified value totaled \$898 million. Through October, the City received \$22,016 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 5.79% (\$29,026) as compared to October 2019. 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 - \$211,253 (8.2% 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 \$1,014,958 or 6.4% 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 decrease by \$276,797. **The City's reserve level currently is above the minimum policy of 25%.** See bottom of page 3 for more clarification. The unaudited beginning cash position (October 1, 2020) was 4.5 million which represents approximately 30% operating expenditures including transfers. Transfers include funding for departments/funds such as Information Technology, Facilities/Equipment Maintenance, and the Bay City Airport. The City plans to maintain reserves between 90 days (policy) and 120 days (goal) or 25% and 34% of operating expenditures. Reserves above 25% may be used to fund non-reoccurring expenditures (i.e. capital project).

**GENERAL FUND FINANCIAL SUMMARY**

General Fund (Fund 11)					
Percent of Fiscal Year Complete	<b>8%</b>				
	<b>Total Budget</b>	<b>Current Period</b>	<b>YTD Actual</b>	<b>(Over) Under Budget to Date</b>	<b>Percent to Total Budget</b>
<b>Revenues</b>					
Property Taxes	4,391,617	22,017	22,016	4,369,601	0.5%
Sales Tax	4,725,000	397,501	397,501	4,327,499	8.4%
Other Local Taxes (Franchise)	1,326,000	132,883	132,883	1,193,117	10.0%
Charges for Services (Sanitation)	2,565,000	211,253	211,253	2,353,747	8.2%
Fines & Penalties	201,000	12,203	12,203	188,797	6.1%
Licenses & Permits	192,500	9,593	9,593	182,907	5.0%
Miscellaneous	1,489,586	23,564	23,564	1,466,022	1.6%
Transfers In (Hotel/Motel & Utility)	671,500	55,958	55,958	615,542	8.3%
<b>Total Revenues</b>	<b>\$ 15,562,203</b>	<b>\$ 864,972</b>	<b>\$ 864,971</b>	<b>\$ 14,697,232</b>	<b>5.6%</b>
<b>Expenditures</b>					
City Secretary	111,745	8,051	8,051	103,694	7.2%
City General Services	3,279,806	129,471	129,471	3,150,335	3.9%
Administrative Council	307,405	30,903	30,903	276,502	10.1%
Main Street	65,000	6,074	6,074	58,926	9.3%
Human Resources	264,874	21,489	21,489	243,385	8.1%
Municipal Court	344,249	26,947	26,947	317,302	7.8%
Finance	341,670	36,952	36,952	304,718	10.8%
Code Enforcement	312,750	14,004	14,004	298,746	4.5%
Police	4,520,281	443,239	443,239	4,077,042	9.8%
Animal Impoundment	170,712	16,319	16,319	154,393	9.6%
Volunteer Fire Dept.	198,863	8,403	8,403	190,460	4.2%
Street and Bridge	3,513,461	116,546	116,546	3,396,915	3.3%
Recycling Center	170,180	18,668	18,668	151,512	11.0%
Parks	1,160,083	60,026	60,026	1,100,057	5.2%
Riverside Park	201,909	11,774	11,774	190,135	5.8%
Recreation	101,823	1,599	1,599	100,224	1.6%
Pool Operations	286,352	15,889	15,889	270,463	5.5%
Library	487,837	48,605	48,605	439,232	10.0%
<b>Total Expenditures</b>	<b>\$ 15,839,000</b>	<b>\$ 1,014,958</b>	<b>\$ 1,014,958</b>	<b>\$ 14,824,042</b>	<b>6.4%</b>
<b>Net Revenue (Expenditures)</b>	<b>\$ (276,797)</b>	<b>\$ (149,987)</b>	<b>\$ (149,987)</b>		
<b>Beginning Fund Balance 10-1-20</b>	<b>\$ 4,553,362</b>	<i>Unaudited</i>	<b>\$ 4,553,362</b>		
<b>Ending Fund Balance</b>	<b>\$ 4,276,565</b>		<b>\$ 4,403,375</b>		
% of Operating Reserves	30%		28%		
Fund Balance Target 90 days (25%)	\$ 3,959,750				
<b>Over/(Under) min Policy Level (25%)</b>	<b>\$ 316,815</b>				

## **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 are 4% of budget.
- All departments are within budget expectations.

### **PUBLIC UTILITY FUND FINANCIAL SUMMARY**

Utility Fund (Fund 61)					
Percent of Fiscal Year Complete	<b>8%</b>				
	<b>Total Budget</b>	<b>Current Period</b>	<b>YTD Actual</b>	<b>(Over)Under Budget to Date</b>	<b>Percent to Total Budget</b>
<b>Revenues</b>					
Charges for Services	8,177,000	643,097	643,097	7,533,903	8%
Fines & Penalties	140,000	17,426	17,426	122,574	12%
Miscellaneous	58,000	228	228	57,772	0%
<b>Total Revenues</b>	<b>\$ 8,375,000</b>	<b>\$ 660,752</b>	<b>\$ 660,752</b>	<b>\$ 7,714,248</b>	<b>8%</b>
<b>Expenditures</b>					
Utility Billing	321,069	16,503	16,503	304,566	5%
Utility Maintenance	2,131,236	(70,574)	(70,574)	2,201,810	-3%
Water & WWTP Division	1,959,599	106,742	106,742	1,852,857	5%
Utility Operations	3,963,096	291,385	291,385	3,671,711	7%
<b>Total Expenditures</b>	<b>\$ 8,375,000</b>	<b>\$ 344,055</b>	<b>\$ 344,055</b>	<b>\$ 8,030,945</b>	<b>4%</b>
<b>Net Revenue (Expenditures)</b>	<b>\$ -</b>	<b>\$ 316,696</b>	<b>\$ 316,696</b>		
<b>Beginning Reserve Balance 10-1-20</b>	<b>\$ 2,795,686</b>	<i>Unaudited</i>	<b>\$ 2,795,686</b>		
<b>Ending Reserve Balance</b>	<b>\$ 2,795,686</b>		<b>\$ 3,112,382</b>		
% of Operating Reserves	33%		37%		
<b>Target 90 days (25%)</b>	<b>\$ 2,093,750</b>				
<b>Over/(Under) Target</b>	<b>\$ 701,936</b>				
<i>Designated for Capital Projects</i>					
<i>Some encumbered from Prior Year</i>					

## Airport Fund Overview

### **Revenue Highlights**

- As a percentage of budget, total Airport Revenue is 7% slightly under budget expectations due to the timing of a grant payment.
- Other Revenue (Fuel sales) slightly under budget
- General Fund (Transfers In) subsidizes the Airport by approximately \$225,000-\$250,000 each year.
- The Bay City Community Development Corporation is contributing \$100,000 for the Taxiway project that is accounted for in a separate capital project fund.

### **Expenditure Highlights**

- As a percentage of budget, total expenditures are 8% which right on the budget target.

### **AIRPORT FUND FINANCIAL SUMMARY**

Municipal Airport Fund (Fund 64)					
Percent of Fiscal Year Complete	<b>8%</b>				
	<b>Total Budget</b>	<b>Current Period</b>	<b>YTD Actual</b>	<b>(Over)Under Budget to Date</b>	<b>Percent to Total Budget</b>
<b>Revenues</b>					
Charges for Services	-	-	-	-	N/A
Miscellaneous (Rentals, Grants)	157,500	9,959	9,959	147,541	6%
Transfers (General Fund)	225,000	18,750	18,750	206,250	8%
Other Revenue (Fuel Sales)	180,500	12,589	12,589	167,911	7%
<b>Total Revenues</b>	<b>\$ 563,000</b>	<b>\$ 41,299</b>	<b>\$ 41,299</b>	<b>\$ 521,701</b>	<b>7%</b>
<b>Expenditures</b>					
Personnel	215,400	19,200	19,200	196,200	9%
Supplies & Materials (Fuel etc)	175,400	21,678	21,678	153,722	12%
Other Charges & Services	80,300	2,267	2,267	78,033	3%
Repairs & Maintenance	126,900	5,966	5,966	120,934	5%
Capital Expenditures	-	-	-	-	
Transfers	-	-	-	-	
<b>Total Expenditures</b>	<b>\$ 598,000</b>	<b>\$ 49,111</b>	<b>\$ 49,111</b>	<b>\$ 548,889</b>	<b>8%</b>
<b>Net Revenue (Expenditures)</b>	<b>(35,000)</b>	<b>\$ (7,813)</b>	<b>\$ (7,813)</b>		
<b>Beginning Reserve Balance 10-1-20</b>	144,218	<i>Unaudited</i>	\$ 144,218		
<b>Ending Reserve Balance</b>	109,218		\$ 136,405		
<i>No minimum Fund Balance Policy</i>					
General Fund subsidizes approx					
<i>\$225,000-250,000 each year.</i>					

## **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. Most receipts for October, November, and December will be remitted to the City in January.
- Civic Center rentals are slightly below the budget target.
- Miscellaneous income relates to other civic center income as well as reimbursement from the Chamber for electricity per contract.

### **Expenditure Highlights**

- As a percentage of budget, total expenditures are within budget parameters. Hotel General is above budget target due to the timing of payment made to the Museum.

### **HOTEL/MOTEL FUND FINANCIAL SUMMARY**

Civic & Cultural Arts Fund (Fund 25)					
Percent of Fiscal Year Complete	8%				
	Total Budget	Current Period	YTD Actual	(Over)Under Budget to Date	Percent to Total Budget
<b>Revenues</b>					
Hotel Occupancy Tax	650,000	(23,446)	(23,446)	673,446	-4%
Interest Income	1,000	8	8	992	1%
Rental Fees- Civic Center	55,000	4,110	4,110	50,890	7%
Other Income- Special Events	1,500	-	-	1,500	0%
Miscellaneous	2,500	245	245	2,255	10%
<b>Total Revenues</b>	<b>\$ 710,000</b>	<b>\$ (19,083)</b>	<b>\$ (19,083)</b>	<b>\$ 729,083</b>	<b>-3%</b>
<b>Expenditures</b>					
Hotel General	126,500	64,833	64,833	61,667	51%
Tourism Department	287,020	13,250	13,250	273,770	5%
Civic Center	378,480	7,708	7,708	370,772	2%
Bay City Theatre	260,000	-	-	260,000	0%
<b>Total Expenditures</b>	<b>\$ 1,052,000</b>	<b>\$ 85,791</b>	<b>\$ 85,791</b>	<b>\$ 966,209</b>	<b>8%</b>
<b>Net Revenue (Expenditures)</b>	<b>\$ (342,000)</b>	<b>\$ (104,874)</b>	<b>\$ (104,874)</b>		
<b>Beginning Fund Balance 10-1-20</b>	<b>\$ 619,007</b>	<i>Unaudited</i>	<b>\$ 619,007</b>		
<b>Ending Fund Balance</b>	<b>\$ 277,007</b>		<b>\$ 514,133</b>		
<i>Proposed to maintain \$50,000</i>					