



CITY OF BAY CITY

Monthly Financial Report

Month of October 2021

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 2021**, the first month of the fiscal year, and **8%** of FY 2022.*

*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).

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 \$719,262 or 4.4 % of the budget.

- Property Tax. The certified value totaled \$969 million. Through October, the City received \$0 of the 4.6-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 .87% (\$4,613) as compared to October 2020. These are collections related to August that are remitted to the City in October.
- Franchise fees are slightly over budget. Licenses & Permits exceed the budget target.
- Charges for services represents sanitation fees - \$217,615 (8.3% of budget).
- Miscellaneous appears below budget, however most is attributable to audit entries, timing of grant payments and/or interlocal agreements. (County, Bay City Gas Company, BCCDC).

General Fund Expenditure Highlights

Expenditures total \$894,633 or 5.5% 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 remain flat. **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 4.9 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	8%				
	Total Budget	Current Period	YTD Actual*	(Over) Under Budget to Date	Percent to Total Budget
Revenues					
Property Taxes	4,634,000	-	-	4,634,000	0.0%
Sales Tax	4,950,000	400,961	400,961	4,549,039	8.1%
Other Local Taxes (Franchise)	1,328,000	116,441	116,441	1,211,559	8.8%
Charges for Services (Sanitation)	2,630,000	217,615	217,615	2,412,385	8.3%
Fines & Penalties	192,300	11,456	11,456	180,844	6.0%
Licenses & Permits	193,500	20,166	20,166	173,335	10.4%
Miscellaneous	718,200	(99,710)	(99,710)	817,910	-13.9%
Transfers In (Hotel/Motel & Utility)	1,637,000	52,333	52,333	1,584,667	3.2%
Total Revenues	\$ 16,283,000	\$ 719,262	\$ 719,262	\$ 15,563,738	4.4%
Expenditures					
Administrative Council	311,426	21,320	21,320	290,106	6.8%
City General Services	3,112,390	340,183	340,183	2,772,208	10.9%
City Secretary	136,108	6,395	6,395	129,713	4.7%
Main Street	65,000	-	-	65,000	0.0%
Human Resources	269,341	21,547	21,547	247,794	8.0%
Municipal Court	354,222	20,629	20,629	333,593	5.8%
Finance	377,844	30,462	30,462	347,382	8.1%
Code Enforcement	415,449	48,777	48,777	366,672	11.7%
Police	4,645,675	352,085	352,085	4,293,590	7.6%
Animal Impoundment	174,590	9,157	9,157	165,433	5.2%
Volunteer Fire Dept.	212,967	8,784	8,784	204,183	4.1%
Recycling Center	203,658	17,149	17,149	186,509	8.4%
Street and Bridge	3,563,906	(85,473)	(85,473)	3,649,379	-2.4%
Parks	1,358,029	44,081	44,081	1,313,948	3.2%
Riverside Park	190,057	8,965	8,965	181,092	4.7%
Recreation	101,164	4,394	4,394	96,770	4.3%
Pool Operations	282,309	9,601	9,601	272,708	3.4%
Library	508,865	36,576	36,576	472,289	7.2%
Total Expenditures	\$ 16,283,000	\$ 894,633	\$ 894,633	\$ 15,388,367	5.5%
*YTD does not includes encumbrances					
Net Revenue (Expenditures)	\$ -	\$ (175,371)	\$ (175,371)		
Beginning Fund Balance 10-1-21	\$ 4,892,164	<i>Unaudited</i>	\$ 4,892,164		
Ending Fund Balance	\$ 4,892,164		\$ 4,716,793		
% of Operating Reserves	30%		29%		
Fund Balance Target 90 days (25%)	\$ 4,014,986				
Over/(Under) min Policy Level (25%)	\$ 877,177				

Public Utility Fund Overview

Revenue Highlights

- As a percentage of budget, total Water & Sewer Revenue is 9% slightly over budget expectations.

Expenditure Highlights

- Total expenditures for the Utility Fund are 5% of budget.
- All departments are within budget expectations except for Utility Operations due to timing of travel and training.

PUBLIC UTILITY FUND FINANCIAL SUMMARY

Utility Fund (Fund 61)					
Percent of Fiscal Year Complete	8%				
	Total Budget	Current Period	YTD Actual*	(Over)Under Budget to Date	Percent to Total Budget
Revenues					
Charges for Services	8,368,000	706,959	706,959	7,661,041	8%
Fines & Penalties	120,000	12,964	12,964	107,036	11%
Miscellaneous	12,000	34,119	34,119	(22,119)	284%
Total Revenues	\$ 8,500,000	\$ 754,043	\$ 754,043	\$ 7,745,957	9%
Expenditures					
Utility Billing	406,057	13,006	13,006	393,051	3%
Utility Operations	3,874,429	342,242	342,242	3,532,187	9%
Utility Maintenance	1,763,012	47,061	47,061	1,715,951	3%
Water & WWTP Division	2,956,502	59,341	59,341	2,897,161	2%
Total Expenditures	\$ 9,000,000	\$ 461,650	\$ 461,650	\$ 8,538,350	5%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	\$ (500,000)	\$ 292,392	\$ 292,392		
Beginning Reserve Balance 10-1-21	\$ 4,002,323	<i>Unaudited</i>	\$ 4,002,323		
Ending Reserve Balance	\$ 3,502,323		\$ 4,294,716		
% of Operating Reserves	39%		48%		
Target 90 days (25%)	\$ 2,219,178				
Over/(Under) Target	\$ 1,283,145				
<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 11% slightly under budget expectations due to the timing of a grant payment.
- Other Revenue (Fuel sales) over budget expectations
- General Fund (Transfers In) subsidizes the Airport by approximately \$225,000-\$250,000 each year.

Expenditure Highlights

- As a percentage of budget, total expenditures are 9% which is just slightly over the budget target.

AIRPORT FUND FINANCIAL SUMMARY

Municipal Airport Fund (Fund 64)					
Percent of Fiscal Year Complete	25%				
	Total Budget	Current Period	YTD Actual*	(Over)Under Budget to Date	Percent to Total Budget
Revenues					
Charges for Services	-	-	-	-	N/A
Miscellaneous (Rentals, Grants)	169,500	14,026	14,026	155,474	8%
Transfers - General Fund	245,000	20,417	20,417	224,583	8%
Other Revenue (Fuel Sales)	195,500	30,670	30,670	164,830	16%
Total Revenues	\$ 610,000	\$ 65,113	\$ 65,113	\$ 544,887	11%
Expenditures					
Personnel	231,450	13,949	13,949	217,501	6%
Supplies & Materials (Fuel etc)	164,750	19,015	19,015	145,735	12%
Other Charges & Services	101,300	13,885	13,885	87,415	14%
Repairs & Maintenance	127,500	11,930	11,930	115,570	9%
Capital Expenditures	20,000	-	-	20,000	0%
Transfers	-	-	-	-	0%
Total Expenditures	\$ 645,000	\$ 58,779	\$ 58,779	\$ 586,221	9%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	(35,000)	\$ 6,334	\$ 6,334		
Beginning Reserve Balance 10-1-21	94,886	<i>Unaudited</i>	\$ 94,886		
Ending Reserve Balance	59,886		\$ 101,220		
<i>No minimum Fund Balance Policy</i>					
General Fund subsidizes approx \$225,000-250,000 each year.					

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. The negative position is due to audit entries and will clear out after first quarter payments are received.
- Civic Center rentals are over 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. Tourism is above budget target due to the timing of payments related to the Day of the Dead Festival in November.

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
Revenues					
Hotel Occupancy Tax	600,000	(37,196)	(37,196)	637,196	-6%
Interest Income	500	25	25	475	5%
Rental Fees- Civic Center	80,000	7,995	7,995	72,005	10%
Other Income- Special Events	1,000	830	830	170	83%
Other Income- Civic Center	5,000	420	420	4,580	8%
Total Revenues	\$ 686,500	\$ (27,926)	\$ (27,926)	\$ 714,426	-4%
Expenditures					
Hotel General	374,500	4,833	4,833	369,667	1%
Tourism Department	264,020	40,933	40,933	223,087	16%
Civic Center	297,480	17,007	17,007	280,473	6%
Bay City Theatre	62,000	1,530	1,530	60,470	2%
Total Expenditures	\$ 998,000	\$ 64,304	\$ 64,304	\$ 933,696	6%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	\$ (311,500)	\$ (92,230)	\$ (92,230)		
Beginning Fund Balance 10-1-21	\$ 688,822	<i>Unaudited</i>	\$ 688,822		
Ending Fund Balance	\$ 377,322		\$ 596,592		
<i>Proposed to maintain \$50,000</i>					