



## CITY OF BAY CITY

### Monthly Financial Report

### Month of November 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 **November 2020**, the second month of the fiscal year, and **17%** 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 \$1,968,448 or 12.6% of the budget.

- **Property Tax.** The certified value totaled \$898 million. Through November, the City received \$207,094 of the 4.4-million-dollar property tax maintenance and operation budget. Peak periods for property tax collections are January and February.
- **Sales tax.** November Sales Tax Allocation to the City is up 8.93% (\$46,661) as compared to November 2019. These are collections related to September that are remitted to the City in November. Collections are up \$75,687 YTD as compared to prior year.
- 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 - \$426,880 (16.6% of budget).
- Miscellaneous & Transfers In appear below budget, however most is attributable to timing of grant payments, interest income, and/or interlocal agreements. (County, Bay City Gas Company, BCCDC).

### **General Fund Expenditure Highlights**

Expenditures total \$2,104,958 or 13.3% of budget.

- Most departments are under the 17% 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>17%</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	185,078	207,094	4,184,523	4.7%
Sales Tax	4,725,000	426,763	824,264	3,900,736	17.4%
Other Local Taxes (Franchise)	1,326,000	123,472	256,356	1,069,645	19.3%
Charges for Services (Sanitation)	2,565,000	215,628	426,880	2,138,120	16.6%
Fines & Penalties	201,000	10,579	22,782	178,218	11.3%
Licenses & Permits	192,500	6,940	16,533	175,967	8.6%
Miscellaneous	1,489,586	79,059	102,622	1,386,964	6.9%
Transfers In (Hotel/Motel & Utility)	671,500	55,958	111,917	559,583	16.7%
<b>Total Revenues</b>	<b>\$ 15,562,203</b>	<b>\$ 1,103,477</b>	<b>\$ 1,968,448</b>	<b>\$ 13,593,755</b>	<b>12.6%</b>
<b>Expenditures</b>					
City Secretary	111,745	6,430	14,481	97,264	13.0%
City General Services	3,279,806	346,768	476,239	2,803,567	14.5%
Administrative Council	307,405	24,497	55,400	252,005	18.0%
Main Street	65,000	-	6,074	58,926	9.3%
Human Resources	264,874	22,103	43,592	221,282	16.5%
Municipal Court	344,249	21,326	48,273	295,976	14.0%
Finance	341,670	27,294	64,246	277,424	18.8%
Code Enforcement	312,750	13,555	27,559	285,191	8.8%
Police	4,520,281	325,305	768,544	3,751,737	17.0%
Animal Impoundment	170,712	12,655	28,973	141,739	17.0%
Volunteer Fire Dept.	198,863	4,277	12,680	186,183	6.4%
Street and Bridge	3,513,461	145,093	261,639	3,251,822	7.4%
Recycling Center	170,180	13,211	31,879	138,301	18.7%
Parks	1,160,083	52,706	112,732	1,047,351	9.7%
Riverside Park	201,909	11,085	22,859	179,050	11.3%
Recreation	101,823	21,369	22,968	78,855	22.6%
Pool Operations	286,352	16,985	32,873	253,479	11.5%
Library	487,837	25,342	73,948	413,889	15.2%
<b>Total Expenditures</b>	<b>\$ 15,839,000</b>	<b>\$ 1,090,000</b>	<b>\$ 2,104,958</b>	<b>\$ 13,734,042</b>	<b>13.3%</b>
*YTD does not includes encumbrances					
<b>Net Revenue (Expenditures)</b>	<b>\$ (276,797)</b>	<b>\$ 13,477</b>	<b>\$ (136,510)</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>\$ 4,416,852</b>		
% of Operating Reserves	27%		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 17% being right on budget target.

### **Expenditure Highlights**

- Total expenditures for the Utility Fund are 10% of budget.
- All departments are within budget expectations.

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

Utility Fund (Fund 61)					
Percent of Fiscal Year Complete	<b>17%</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	721,558	1,364,655	6,812,345	17%
Fines & Penalties	140,000	10,896	28,323	111,677	20%
Miscellaneous	58,000	1,171	1,400	56,600	2%
<b>Total Revenues</b>	<b>\$ 8,375,000</b>	<b>\$ 733,626</b>	<b>\$ 1,394,378</b>	<b>\$ 6,980,622</b>	<b>17%</b>
<b>Expenditures</b>					
Utility Billing	321,069	25,452	41,955	279,114	13%
Utility Maintenance	2,131,236	77,375	6,801	2,124,435	0%
Water & WWTP Division	1,959,599	89,472	196,214	1,763,385	10%
Utility Operations	3,963,096	307,200	598,584	3,364,512	15%
<b>Total Expenditures</b>	<b>\$ 8,375,000</b>	<b>\$ 499,499</b>	<b>\$ 843,554</b>	<b>\$ 7,531,446</b>	<b>10%</b>
*YTD does not include encumbrances					
<b>Net Revenue (Expenditures)</b>	<b>\$ -</b>	<b>\$ 234,127</b>	<b>\$ 550,823</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>\$ 3,346,509</b>		
% of Operating Reserves	33%		40%		
<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>					
City is budgeting \$406,848 in depreciation until year 1 TWDB debt payment is known.					

## Airport Fund Overview

### **Revenue Highlights**

- As a percentage of budget, total Airport Revenue is 15% being slightly under budget expectations.
- Miscellaneous Revenue appears under budget, but this is due to the timing of the Routine Annual Maintenance Program (RAMP) with TXDOT (\$50,000 per year) and T-Hanger rentals.
- 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 13% which is under the budget target. This is primarily due to the timing of the routine infrastructure maintenance program.

### **AIRPORT FUND FINANCIAL SUMMARY**

Municipal Airport Fund (Fund 64)					
Percent of Fiscal Year Complete	<b>17%</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	10,428	20,388	137,112	13%
Transfers (GF & BCCDC)	225,000	18,750	37,500	187,500	17%
Other Revenue (Fuel Sales)	180,500	11,741	24,330	156,170	13%
<b>Total Revenues</b>	<b>\$ 563,000</b>	<b>\$ 40,919</b>	<b>\$ 82,218</b>	<b>\$ 480,782</b>	<b>15%</b>
<b>Expenditures</b>					
Personnel	215,400	11,280	30,481	184,919	14%
Supplies & Materials (Fuel etc)	175,400	1,364	23,042	152,358	13%
Other Charges & Services	80,300	15,710	17,977	62,323	22%
Repairs & Maintenance	126,900	1,152	7,118	119,782	6%
Capital Expenditures	-	-	-	-	
Transfers	-	-	-	-	
<b>Total Expenditures</b>	<b>\$ 598,000</b>	<b>\$ 29,506</b>	<b>\$ 78,617</b>	<b>\$ 519,383</b>	<b>13%</b>
*YTD does not include encumbrances					
<b>Net Revenue (Expenditures)</b>	<b>(35,000)</b>	<b>\$ 11,413</b>	<b>\$ 3,600</b>		
<b>Beginning Reserve Balance 10-1-20</b>	<b>144,218</b>	<i>Unaudited</i>	<b>\$ 144,218</b>		
<b>Ending Reserve Balance</b>	<b>109,218</b>		<b>\$ 147,818</b>		
<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 25%. Most hotels remit tax on a monthly or quarterly basis. Most receipts pertaining to October, November, and December will be remitted to the City in January.
- Civic Center rentals are slightly below the budget target.

### **Expenditure Highlights**

- As a percentage of budget, total expenditures are within budget parameters. Hotel General is above the 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	<b>17%</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>					
Hotel Occupancy Tax	650,000	37,870	14,424	635,576	2%
Interest Income	1,000	5	13	987	1%
Rental Fees- Civic Center	55,000	2,863	6,973	48,028	13%
Other Income- Special Events	1,500	10	10	1,490	1%
Other Income- Civic Center	2,500	260	505	1,995	20%
<b>Total Revenues</b>	<b>\$ 710,000</b>	<b>\$ 41,007</b>	<b>\$ 21,924</b>	<b>\$ 688,076</b>	<b>3%</b>
<b>Expenditures</b>					
Hotel General	126,500	5,265	70,098	56,402	55%
Tourism Department	287,020	6,226	19,476	267,544	7%
Civic Center	378,480	20,780	28,488	349,992	8%
Bay City Theatre	260,000	1,386	1,386	258,614	1%
<b>Total Expenditures</b>	<b>\$ 1,052,000</b>	<b>\$ 33,658</b>	<b>\$ 119,449</b>	<b>\$ 932,551</b>	<b>11%</b>
*YTD does not include encumbrances					
<b>Net Revenue (Expenditures)</b>	<b>\$ (342,000)</b>	<b>\$ 7,349</b>	<b>\$ (97,525)</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>\$ 521,482</b>		
<i>Proposed to maintain \$50,000</i>					