



CITY OF BAY CITY

Monthly Financial Report

Month of November 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 **November 2021**, the second month of the fiscal year, and **17%** 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 \$1,792,861 or 11.0% of the budget.

- **Property Tax.** The certified value totaled \$969 million. Through November, the City received \$207,094 of the 4.6-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 10.13% (\$57,664) as compared to November 2020. These are collections related to September that are remitted to the City in November. Collections are up \$62,277 YTD as compared to prior year.
- Franchise fees & Licenses and Permits are slightly over budget.
- Charges for services represents sanitation fees - \$436,562 (16.6% of budget).
- Miscellaneous & Transfers In appear below budget, however most is attributable to audit entries and the timing of grant payments, interest income, and/or interlocal agreements. (County, Bay City Gas Company, BCCDC).

General Fund Expenditure Highlights

Expenditures total \$2,120,903 or 13.0% 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 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	17%				
	Total Budget	Current Period	YTD Actual*	(Over) Under Budget to Date	Percent to Total Budget
Revenues					
Property Taxes	4,634,000	100,825	100,825	4,533,175	2.2%
Sales Tax	4,950,000	470,011	870,972	4,079,028	17.6%
Other Local Taxes (Franchise)	1,328,000	114,297	230,738	1,097,262	17.4%
Charges for Services (Sanitation)	2,630,000	218,947	436,562	2,193,438	16.6%
Fines & Penalties	192,300	15,234	26,690	165,610	13.9%
Licenses & Permits	193,500	13,531	33,697	159,803	17.4%
Miscellaneous	718,200	93,421	(6,289)	724,489	-0.9%
Transfers In (Hotel/Motel & Utility)	1,637,000	47,333	99,667	1,537,333	6.1%
Total Revenues	\$ 16,283,000	\$ 1,073,600	\$ 1,792,861	\$ 14,490,139	11.0%
Expenditures					
Administrative Council	311,426	24,548	45,868	265,558	14.7%
City General Services	3,112,390	182,006	522,189	2,590,201	16.8%
City Secretary	136,108	6,827	13,222	122,886	9.7%
Main Street	65,000	4,000	4,000	61,000	6.2%
Human Resources	269,341	20,971	42,518	226,823	15.8%
Municipal Court	354,222	22,882	43,512	310,710	12.3%
Finance	377,844	48,186	78,648	299,196	20.8%
Code Enforcement	415,449	20,906	69,683	345,766	16.8%
Police	4,645,675	340,332	692,417	3,953,258	14.9%
Animal Impoundment	174,590	10,830	19,987	154,603	11.4%
Volunteer Fire Dept.	212,967	8,806	17,590	195,377	8.3%
Recycling Center	203,658	13,467	30,616	173,042	15.0%
Street and Bridge	3,563,906	388,802	303,329	3,260,577	8.5%
Parks	1,358,029	57,652	101,733	1,256,296	7.5%
Riverside Park	190,057	11,920	20,885	169,172	11.0%
Recreation	101,164	15,898	20,292	80,872	20.1%
Pool Operations	282,309	18,485	28,085	254,224	9.9%
Library	508,865	29,753	66,330	442,535	13.0%
Total Expenditures	\$ 16,283,000	\$ 1,226,271	\$ 2,120,903	\$ 14,162,097	13.0%
*YTD does not includes encumbrances					
Net Revenue (Expenditures)	\$ -	\$ (152,671)	\$ (328,042)		
Beginning Fund Balance 10-1-21	\$ 4,892,164	<i>Unaudited</i>	\$ 4,892,164		
Ending Fund Balance	\$ 4,892,164		\$ 4,564,122		
% of Operating Reserves	30%		28%		
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 20% being slightly over the budget target. This is due to insurance claims received not anticipated.

Expenditure Highlights

- Total expenditures for the Utility Fund are 12% of budget.
- All departments are within budget expectations.

PUBLIC UTILITY FUND FINANCIAL SUMMARY

Utility Fund (Fund 61)					
Percent of Fiscal Year Complete	17%				
	Total Budget	Current Period	YTD Actual*	(Over)Under Budget to Date	Percent to Total Budget
Revenues					
Charges for Services	8,368,000	937,268	1,644,227	6,723,773	20%
Fines & Penalties	120,000	18,494	31,458	88,542	26%
Miscellaneous	12,000	15,591	49,710	(37,710)	414%
Total Revenues	\$ 8,500,000	\$ 971,353	\$ 1,725,396	\$ 6,774,604	20%
Expenditures					
Utility Billing	406,057	25,529	38,535	367,522	9%
Utility Operations	3,874,429	304,811	647,053	3,227,376	17%
Utility Maintenance	1,763,012	150,289	197,350	1,565,662	11%
Water & WWTP Division	2,956,502	123,220	182,561	2,773,941	6%
Total Expenditures	\$ 9,000,000	\$ 603,850	\$ 1,065,500	\$ 7,934,500	12%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	\$ (500,000)	\$ 367,503	\$ 659,896		
Beginning Reserve Balance 10-1-21	\$ 4,002,323	<i>Unaudited</i>	\$ 4,002,323		
Ending Reserve Balance	\$ 3,502,323		\$ 4,662,219		
% of Operating Reserves	39%		52%		
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 20 % being slightly above 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.

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	17%				
	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	10,866	24,892	144,608	15%
Transfers - General Fund	245,000	20,417	40,833	204,167	17%
Other Revenue (Fuel Sales)	195,500	27,034	57,704	137,796	30%
Total Revenues	\$ 610,000	\$ 58,317	\$ 123,430	\$ 486,570	20%
Expenditures					
Personnel	231,450	16,879	30,828	200,622	13%
Supplies & Materials (Fuel etc)	164,750	304	19,320	145,430	12%
Other Charges & Services	101,300	5,302	19,187	82,113	19%
Repairs & Maintenance	127,500	1,839	13,768	113,732	11%
Capital Expenditures	20,000	-	-	20,000	0%
Transfers	-	-	-	-	0%
Total Expenditures	\$ 645,000	\$ 24,324	\$ 83,103	\$ 561,897	13%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	(35,000)	\$ 33,993	\$ 40,327		
Beginning Reserve Balance 10-1-21	94,886	<i>Unaudited</i>	\$ 94,886		
Ending Reserve Balance	59,886		\$ 135,213		
<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 17%. 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, however this is just the timing for rentals and is anticipated to exceed budget by year-end.
- Other Income represents proceeds made at the Day of the Dead Festival in November.

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	17%				
	Total Budget	Current Period	YTD Actual*	(Over)(Under Budget to Date	Percent to Total Budget
Revenues					
Hotel Occupancy Tax	600,000	56,842	19,646	580,354	3%
Interest Income	500	14	40	460	8%
Rental Fees- Civic Center	80,000	4,430	12,425	67,575	16%
Other Income- Special Events	1,000	17,700	18,530	(17,530)	1853%
Other Income- Civic Center	5,000	243	663	4,338	13%
Total Revenues	\$ 686,500	\$ 79,229	\$ 51,303	\$ 635,197	7%
Expenditures					
Hotel General	374,500	5,170	10,003	364,497	3%
Tourism Department	264,020	78,126	119,059	144,961	45%
Civic Center	297,480	8,893	25,900	271,580	9%
Bay City Theatre	62,000	-	1,530	60,470	2%
Total Expenditures	\$ 998,000	\$ 92,189	\$ 156,493	\$ 841,507	16%
*YTD does not include encumbrances					
Net Revenue (Expenditures)	\$ (311,500)	\$ (12,960)	\$ (105,190)		
Beginning Fund Balance 10-1-21	\$ 688,822	<i>Unaudited</i>	\$ 688,822		
Ending Fund Balance	\$ 377,322		\$ 583,632		
<i>Proposed to maintain \$50,000</i>					