



City Of Grand Rapids

Monthly Funds Report

FY2022 April Fiscal YTD

Through April 30, 2022 (Month 10 of 12 in the Fiscal year)

Governmental Funds: April 2022 Fiscal YTD (10 of 12 mos.)



Governmental funds account for City activities that are primarily supported by Income & Property taxes. Actual, prior year and budgeted revenues and expenditures are summarized below for the 6 funds that represent the majority of the Governmental funds activity.

	Revenues				Expenditures				Ref.
	April 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	April 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
General Fund	\$ 129.9	4%	\$ 173.2	75%	\$ 126.4	4%	\$ 157.4	80%	1
Major Streets	26.8	-4%	36.1	74%	24.8	-42%	35.9	69%	2
Local Streets	8.1	1%	9.7	84%	8.0	-7%	9.3	85%	2
Parks	13.4	30%	15.0	89%	10.0	17%	16.8	60%	3
Refuse	14.7	3%	16.5	90%	13.0	5%	17.0	76%	4
Public Library	12.7	0%	12.7	100%	9.6	-1%	13.3	73%	5

Reference

- 1) Revenues are higher than prior year primarily due to a \$8 M increase in property tax collected and \$2.1 M increase in contributions from local units which is offset primarily by \$7 M reduction of grants from prior year related to CARES Act and other pandemic related grants. Expenditures are up from prior year primarily due to an \$11 M increase in personnel costs which is offset with a decrease in capital outlay and operating transfers out.
- 2) FY22 Major Streets revenues are lower than prior year due primarily to one time \$2.5M transfer in from General Operating Fund in FY21 to assist with bond payment due. Major Streets expenditures are down primarily due to \$13M final payment of a capital improvement bond made in the prior year. Local Streets revenues are slightly higher due to a slight increase in state grants while expenditures are down primarily to a decrease in capital outlay expenditures.
- 3) Revenues are up for Parks primarily due to \$1.6 M increase in property taxes collected and increase in operational transfers in from General and Park Millage funds. Expenditures for Parks are up due to increase in operation costs related to resumption of services compared with prior year closures due to pandemic as well as an increase in operating transfers out from Parks Millage fund.
- 4) Refuse revenues are up primarily due to increase in property taxes collected from prior year. Refuse expenditures are slightly higher due to an increase in personnel costs and charges for other services.

NOTE: Data presented in millions, except percentage and does not include encumbrances.

Enterprise Funds: April 2022 Fiscal YTD (10 of 12 mos.)



Enterprise funds report activity for which a fee is charged to users for goods or services. Actual, prior year and budgeted revenues and expenses are summarized below for the 3 funds which represent the majority of the City's Enterprise funds activity.

	Revenues				Expenses				Ref.
	April 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	April 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
Parking Operating	\$ 15.8	60%	\$ 16.5	96%	\$ 12.7	-2%	\$ 16.3	78%	1
Sewer Operating	46.2	13%	68.2	68%	38.2	8%	52.2	73%	2
Water Operating	44.7	18%	53.3	84%	35.8	15%	49.3	72%	3

Reference

- 1) Revenues are up significantly from prior year due to lifted pandemic restrictions and downtown activity resuming. The Daily and Event revenue sources are the main favorable drivers from the increase in concerts, shows, expos, Art Prize, restaurants and other city activities. Expenses are down from prior year primarily due to an approximate \$1.1M reduction in transfers to the capital project fund to cover various parking projects and an approximate \$200,000 decrease in interest paid to financial institutions. However, these decreases are offset by an increase in credit card fees, Police OT for special events, temp-services and other personnel expenses.
- 2) Revenues are up from prior year due in part to a 5% increase in billed volume as well as annual rate changes in January 2022. Billed volume is up in FY22 as the prior year experienced a significant reduction in infiltration and inflow as a result of dry weather conditions and sewer lining projects. In addition, the System is slowly rebounding from volume impacts related to partial or total closures of commercial businesses and schools during the pandemic. Expenses are up over the prior year due to an increase in personnel costs as vacant positions are filled, electricity costs, and capital outlays, as well as a high inflationary impact on process chemicals and other supplies.
- 3) Total revenues are up from prior year primarily due to an operating transfer in FY22 of excess revenue over expenses in the cash capital fund. Billed volume is down 2% largely attributed to wet weather impacts during peak irrigation demand periods last summer. Expenses are up over prior year due to an increase in personnel costs, electricity and natural gas costs due to the operation of the biodigester, and transfers out for debt service and capital outlays.

NOTE: Data presented in millions, except percentages and does not include encumbrances.

Parking, Sewer, and Water enterprise funds presents operating funds only, and excludes related capital improvement funds.

Selected Balance Sheet Information: As of April 30, 2022



Assets, Liabilities & Equity (Fund Balance & Net Position) are summarized below only for the 6 Governmental & 3 Enterprise funds presented in the previous pages of this report.

	Governmental Funds						Enterprise Funds			
	General	Major Streets	Local Streets	Parks	Refuse	Public Library	Parking Operating	Sewer Operating	Water Operating	
Assets										
Cash & Investments	\$ 142.2	\$ 15.6	\$ 2.4	\$ 8.1	\$ 8.0	\$ 10.2	\$ 12.0	\$ 40.0	\$ 46.3	
Receivables	2.7	0.8	-	0.1	0.5	0.2	-	48.2	35.5	
Inventory	0.4	1.0	-	-	-	-	-	1.1	1.8	
Capital Assets	-	-	-	-	-	-	46.2	484.2	378.0	
Deferred Outflows	-	-	-	-	-	-	1.5	4.3	4.6	
Total Assets	145.3	17.4	2.4	8.2	8.5	10.4	59.7	577.8	466.2	
Liabilities										
Current Liabilities	24.5	1.7	-	-	1.6	-	0.3	0.8	0.6	
Long-Term Liabilities	54.2	0.5	0.2	0.4	0.4	0.6	28.0	315.7	167.6	
Deferred Inflows	-	-	-	-	-	-	0.7	1.9	2.0	
Total Liabilities	78.7	2.2	0.2	0.4	2.0	0.6	29.0	318.4	170.2	
Equity										
Fund Balance & Net Position	66.6	15.2	2.2	7.8	6.5	9.7	30.7	259.4	296.1	

NOTE: Data presented in millions, except percentages. Total Assets may differ from Total Liabilities & Equity due to rounding. Major and Local Streets include the appropriate pieces of Vital Streets activity, Parks includes the operating and millage activities, Library includes the operating and projects activities. Parking, Sewer and Water are only reporting the operating fund and not the fund group. Pension and OPEB liabilities are recorded only at year end after receiving actuarial information. Depreciation is only run at year end and therefore not reflected throughout the year.

Fund Descriptions & Terminology



A selection of helpful resources and additional context around the terminology used in this report.

Governmental Funds

- **General:** Accounts for all financial resources except those required to be accounted for elsewhere; includes budget stabilization.
- **Major Streets:** Funds used to support the cost of maintaining the City's major highway and street transportation system; primary revenues from State shared gas & weight tax..
- **Local Streets** Funds used to support the cost of maintaining the City's local highway and street transportation system; primary revenues from State shared gas & weight tax.
- **Parks & Recreation:** Operations for City-owned parks and recreation programs; includes 2013 parks millage
- **Refuse:** Operations for the collection & removal of trash and debris; financing is provided by tax millage and pay-as-you-throw cart program.
- **Library:** Accounts for dedicated millages and receipts for the operation and maintenance of the Library system.

Enterprise Funds

- **Parking:** Operation & maintenance of major parking facilities/lots, parking meters, and the downtown area shuttle (DASH).
- **Sewer:** Operation & maintenance of the municipal sewage system.
- **Water:** Operation & maintenance of the municipal water system.

Terminology

- **Fund:** An accounting entity segregated for the purpose of carrying out specific activities or objectives in accordance with special regulations, restrictions or limitations. Fund accounting allows the City to account and report for operations such as the Parks and the Public Library system separately.
- **Annual Budget (amended):** An annual financial plan detailing estimated revenues and expenses for the fiscal year.
- **Revenues:** Increases in financial resources. Examples include Income and Property Taxes, charges for services (like Water, Sewage & Parking) and grants. This also includes support received from another fund from an operating transfer in.
- **Contributions from Local Units:** Donations received from non-Federal and non-State sources.
- **Expenditures / Expenses:** Decreases in financial resources. Examples include personnel services, supplies, utilities, etc. for City functions such as Public Safety, Public Works, Sewage Disposal, Water Supply, and General government. This also includes support paid to another fund from an operating transfer out.
- **Capital Outlay:** A type of expenditure / expense for the acquisition of capital assets, such as equipment, or expenditures / expense to make improvements to capital assets that materially increase their value or useful life.
- **Assets:** Resources with present service capacity that the government controls.
 - Cash & Investments
 - Receivables (amounts owed to the City)
 - Inventory
 - Capital Assets: Land, buildings, water & sewer mains, equipment, vehicles
 - Deferred Outflows (prepaid expenses)
- **Liabilities:** Present obligations to sacrifice resources that the government has little or no discretion to avoid.
 - Current Liabilities (amounts owed to others for City operations)
 - Long-Term Liabilities (Bonds Payable, Pension obligations, etc.)
 - Deferred Inflows (deferred revenues)
- **Equity:** Consists of **Fund Balances** (for Government funds) and **Net Position** (for Enterprise funds) and primarily reflects the amount by which the City's total assets exceed its total liabilities.