



City Of Grand Rapids

Monthly Funds Report

FY2023 November Fiscal YTD

Through November 30, 2022 (Month 5 of 12 in the Fiscal year)

Governmental Funds: Nov 2023 Fiscal YTD (5 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.
	November YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	November YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
General Fund	\$ 64.5	18%	\$ 164.2	39%	\$ 64.9	5%	\$ 170.5	38%	1
Major Streets Fund	12.2	14%	37.1	33%	12.0	-11%	38.1	32%	2
Local Streets Fund	2.8	-50%	10.3	27%	5.0	-20%	10.1	49%	2
Parks Fund	10.5	10%	15.6	68%	6.7	33%	17.2	39%	3
Refuse Fund	12.3	8%	17.3	71%	7.0	15%	18.1	39%	4
Public Library Fund	14.1	14%	14.2	99%	6.4	31%	17.8	36%	5

Reference

- 1) General fund revenues are higher than prior year primarily due to \$4.1M increase in taxes received along with an increase in State grants received of \$4.5M. Expenditures are slightly higher due to increase in personnel services cost along with increase in other services and charges related to contractual services, software maintenance agreements and equipment leases.
- 2) Major Streets revenues are slightly higher than prior year due primarily to \$484K increase in taxes received and \$533K increase in operating transfers in through November 2022. Major Streets expenses are lower than prior year even with an increase in cost of personnel services and supplies due to decrease in contractual services as well as less spending from the fund on street preventative maintenance, rehabilitation and reconstruction. Local Streets revenues decrease is related to \$2.8M decrease in operating transfers in from other funds. Local Street expenditures are lower than prior year due to lower spending on supplies and decrease in transfers to other funds.
- 3) Parks revenues are higher than prior year due to an increase in taxes received as well as increase in State grants through November 2022. Expenditures are higher than the prior year due primarily to increase in other services and charges related to an increase in temporary labor contractual services due to the ongoing labor shortage.
- 4) Refuse revenues up from prior year primarily due to increase in taxes received as well as an increase in charges for services collection. Expenses are higher than prior year due to increase in costs for other services primarily related to an large increase in contractual services and a small increase in personnel services.
- 5) Public Library revenues are higher than prior fiscal year due to increase in taxes received as well as transfers into Library operating fund from Library projects / grants fund. Expenses have increased due to the rising cost from personnel services and \$1M transfer out for capital outlays.

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

Enterprise Funds: November 2023 Fiscal YTD (5 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.
	November 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	November 2022 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
Parking Operating Fund	\$ 7.4	-1%	\$ 19.4	38%	\$ 5.2	3%	\$ 15.5	34%	1
Sewer Operating Fund	19.9	9%	71.5	28%	13.5	-7%	48.2	28%	2
Water Operating Fund	20.1	13%	54.2	37%	11.9	9%	41.6	29%	3

Reference

- 1) Parking fees for daily, monthly and events are up from prior year due to lifted pandemic restrictions and downtown activity resuming in concerts, shows, expos, restaurants and other city activities, including on-street rental of hooded meters reservations from construction related downtown projects . However, overall FY23 revenue is down over FY22 due to a large offset of FY21 deferred revenue included in FY22 revenue. Expenses are up from prior year due to an increase in labor costs and contractual services from IT related services.
- 2) Revenues are up from prior year due to annual rate changes in January 2022 and increased front footage fees, along with the debut of natural gas sales from the biodigester. These increases are offset by the timing of receipts for integrated connection fees and reduced sewage surcharges. Expenses are slightly lower than the prior year due the timing of posting insurance premiums, along with a reduction in supplies, contractual services, software, and electricity. This is offset by a jump in personnel costs (both full-time and temporary) driven by the negotiated pay raises, along with increases in software maintenance agreements, natural gas, process chemicals, equipment, and higher monthly utility customer service costs.
- 3) Revenues are up from prior year due in part to the annual rate changes in January 2022, along with increased front footage fees and utility customer services, but partially offset by reduced service fees. Expenses are up over prior year due to an increase in personnel costs driven by the negotiated pay raises, along with increased contractual services, supplies, maintenance services, and a high inflationary impact on process chemical costs. This is slightly offset by the timing of posting insurance premiums and reduced electricity costs.

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 November 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	\$ 201.4	\$ 18.2	\$ 1.2	\$ 9.3	\$ 11.8	\$ 15.4	\$ 11.0	\$ 45.7	\$ 44.8	
Receivables	3.3	0.5	-	0.2	0.6	0.4	-	47.5	36.2	
Inventory	0.5	1.2	-	-	-	-	-	1.2	2.5	
Other Current Assets	-	-	-	-	-	-	-	-	-	
Capital Assets	-	-	-	-	-	-	43.6	482.0	384.8	
Other Non-Current Assets	-	0.1	-	0.3	-	0.1	5.2	-	0.4	
Deferred Outflows	-	-	-	-	-	-	0.5	1.6	1.7	
Total Assets	205.2	20.0	1.2	9.8	12.4	15.9	60.3	578.0	470.4	
Liabilities										
Current Liabilities	26.1	1.6	-	0.1	1.6	-	11.9	0.7	0.4	
Long-Term Liabilities	86.4	0.5	0.2	0.4	0.4	0.6	15.0	305.7	156.6	
Deferred Inflows	-	0.1	-	0.3	-	0.1	4.7	6.7	7.6	
Total Liabilities	112.5	2.2	0.2	0.8	2.0	0.7	31.6	313.1	164.6	
Equity										
Fund Balance & Net Position	92.7	17.8	1.0	9.0	10.4	15.2	28.7	264.9	305.8	

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.