



City Of Grand Rapids

Monthly Funds Report

FY2023 May Fiscal YTD

Through May 31, 2023 (Month 11 of 12 in the Fiscal year)

Governmental Funds: May 2023 Fiscal YTD (11 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 General, Major Streets and Local Streets funds.

	Revenues				Expenditures				Ref.
	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
General Fund	\$ 152.7	5%	\$ 167.6	91%	\$ 150.9	10%	\$ 175.8	86%	1
Major Streets Fund	33.2	9%	37.1	89%	34.1	31%	38.5	89%	2
Local Streets Fund	6.3	-29%	10.3	61%	8.1	-5%	10.3	79%	3

Reference

- 1) General fund revenues are higher than prior year primarily due to \$6.5M increase in taxes received along with an increase in interest and dividends received of approximately \$2.8M. Expenditures are higher due to an increase in personnel services cost driven by the negotiated pay raises. There was also an increase in other services and charges due to increased temporary labor costs.
- 2) Major Streets revenues are higher than prior year due primarily to \$780K increase in taxes received, \$460K increase in State grants and a \$592K increase in operating transfers in through May 2023. Major Streets expenses are higher than prior year due to a \$7.4M increase in transfers out to support Vital Street's capital projects.
- 3) Local Streets revenues decrease from prior year is primarily related to \$2.9M decrease in operating transfers in from other funds for current year projects. Local Street expenditures are lower than prior year primarily due to decrease spending on personnel and supplies along with a decrease in transfers to other funds.

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

Governmental Funds: May 2023 Fiscal YTD (11 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 Parks Operating, Refuse and Public Library funds.

	Revenues				Expenditures				Ref.
	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
Parks Fund	15.6	11%	16.3	96%	14.0	26%	17.9	78%	1
Refuse Fund	16.8	9%	17.3	97%	15.2	6%	18.1	84%	2
Public Library Fund	14.7	15%	14.2	103%	14.1	33%	18.1	78%	3

Reference

- 1) Parks revenues are higher than prior year due to an increase in taxes received as well as increase in state grants received through May 2023 from the State of Michigan Department of Natural Resources and Local Community Stabilization Share grants, as well as a 308K increase in taxes collected. There was also a \$402K increase in transfers in from other funds and other revenues. Expenditures are higher than the prior year due primarily to increase in other services and charges related to a large increase in temporary labor contractual services as well as an increase in personnel services driven by the negotiated pay raises contribute to the increase.
- 2) Refuse revenues up from prior year primarily due to increase in taxes received as well as an increase in charges for services received in the refuse cart program. Expenses are higher than prior year primarily related to a large increase in contractual services combined with an increase in personnel services due to agreed upon wage increases from negotiated pay raises.
- 3) Public Library revenues are higher than prior year through May 2023 due to a 5% increase in taxes received as well as an increase in interest and dividends received. Expenses have increased due to the rising cost from personnel services and \$1.4M increase in capital expenses compared with the prior year.

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

Enterprise Funds: May 2023 Fiscal YTD (11 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.
	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	May 2023 YTD	vs Prior Year %	Annual Budget (As Amended)	% of Budget Used	
Parking Operating Fund	\$ 18.5	8%	\$ 19.4	95%	\$ 12.2	2%	\$ 15.2	80%	1
Sewer Operating Fund	54.1	2%	71.5	76%	37.5	2%	48.5	77%	2
Water Operating Fund	45.2	7%	54.2	83%	30.6	7%	40.6	75%	3

Reference

- 1) Overall parking operating fund revenues are up over prior year due to an increase in receipts for fees charged due to lifted pandemic restrictions and downtown activity resuming. Current year expenses have increased slightly due to an increase in labor costs driven by the negotiated pay raises, increase in IT related services, increased snowplow contract rates, as well as the sponsorship of Art Prize 2023.
- 2) Sewer operating fund revenues are up from prior year due in part to annual rate changes and increased front footage fees, along with the debut of natural gas sales from the biodigester offset by the timing of receipts for integrated connection fees. Expenses are up due to personnel costs driven by negotiated pay raises. Also increases in costs in maintenance agreements, process chemicals, and higher monthly utility service costs.
- 3) Water operating fund revenues are up from prior year due in part to 1% increase in consumption and annual rate changes, along an increase in utility customer services. 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, and maintenance services (with high inflationary impact on process chemical costs). The increases are offset by the timing of posting insurance premiums and credit card fees, along with electricity savings.

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 May 31, 2023



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	\$ 197.9	\$ 17.5	\$ 1.4	\$ 7.2	\$ 8.3	\$ 8.8	\$ 15.2	\$ 45.7	\$ 46.8	
Receivables	2.8	0.3	-	0.2	0.5	0.2	-	48.0	36.6	
Inventory	0.5	1.2	-	-	-	-	-	1.1	2.7	
Other Current Assets	-	-	-	-	-	-	-	-	-	
Capital Assets	-	-	-	-	-	-	43.6	481.9	385.0	
Other Non-Current Assets	-	0.1	-	0.3	-	0.1	5.2	-	0.4	
Deferred Outflows	-	-	-	-	-	-	0.5	1.6	1.7	
Total Assets	201.2	19.1	1.4	7.7	8.8	9.1	64.5	578.3	473.2	
Liabilities										
Current Liabilities	22.8	1.9	-	0.2	1.6	0.4	0.2	0.7	0.5	
Long-Term Liabilities	83.4	0.5	0.2	0.4	0.4	0.6	26.7	292.3	152.5	
Deferred Inflows	-	0.1	-	0.3	-	0.1	4.7	6.7	7.6	
Total Liabilities	106.2	2.5	0.2	0.9	2.0	1.1	31.6	299.7	160.6	
Equity										
Fund Balance & Net Position	95.0	16.6	1.2	6.8	6.8	8.0	32.9	278.6	312.6	

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.