



City Of Grand Rapids

Monthly Funds Report

FY2024 May Fiscal YTD

Through May 31, 2024 (Month 11 of 12 in the Fiscal year)

Governmental Funds: May 2024 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 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | May 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | |
| General Fund | \$ 159.7 | 5% | \$ 179.3 | 89% | \$ 168.8 | 12% | \$ 191.4 | 88% | 1 |
| Major Streets Fund | 34.0 | 2% | 39.9 | 85% | 29.1 | -15% | 42.5 | 68% | 2 |
| Local Streets Fund | 9.1 | 45% | 10.5 | 87% | 9.3 | 14% | 10.7 | 86% | 3 |

Reference

- 1) General fund revenues are up in FY 24 due to an increase in Federal and State grants received and a \$2.5M increase in taxes collected compared with the prior year. There is also a \$1M increase in other revenues consisting primarily of reimbursements related to the recent election cycle. Expenditures are up primarily due to increase in personnel costs, increase in transfers out of the General Fund to support other funds and increase of cost of supplies and other services.
- 2) Major Streets revenues are up due to an increase in State Grant funding as well as an increase in other revenues (such as sale of road salt to Kent County). Major Streets expenditures are lower than prior year due to the timing of posting a \$10M transfer to fund Vital Streets projects.
- 3) Increase in Local Streets revenues from the prior year is primarily related to timing of support from the Major Streets fund for the Asset Management Plan. This \$2.7M budgeted support is funded up front in FY 24 as opposed to in monthly installments in FY 23. Expenditures are up primarily due to an increase in personnel costs, other services and charges, and capital outlay expenses.

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

Governmental Funds: May 2024 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 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | May 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | |
| Parks Fund | \$ 17.3 | 11% | \$ 17.3 | 100% | \$ 15.7 | 12% | \$ 18.4 | 85% | 1 |
| Refuse Fund | 18.9 | 13% | 19.3 | 98% | 16.2 | 7% | 18.3 | 88% | 2 |
| Public Library Fund | 14.5 | -1% | 13.7 | 106% | 12.9 | -9% | 15.6 | 83% | 3 |

Reference

- 1) Parks fund revenues are higher than prior year due to increase in millage taxes received, \$450K increase in state and federal grants and transfers received in support from other funds. Expenditures are higher than the prior year due primarily to a increase in transfers to fund the newly created Parks Capital Projects fund, and a \$487K increase in personnel costs. The increase is partially offset by a decrease in other services and supplies.
- 2) Refuse fund revenues are up from prior year primarily due to \$1.8M increase in taxes received. Refuse expenditures are higher due to increased personnel costs and an increase in charges for services.
- 3) Public Library revenues are lower than prior year due to a \$1.5M decrease in support from Library Grant/Projects fund which is offset by a \$945K increase in taxes received. Expenditures have decreased primarily due to a \$1.5M decrease in support to Library Operating fund from Library Grant/Projects fund, which is offset by increases in spending for personnel costs, capital outlays, and other services and charges.

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

Enterprise Funds: May 2024 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 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | May 2024 YTD | vs Prior Year % | Annual Budget (As Amended) | % of Budget Used | |
| Parking Operating Fund | \$ 21.4 | 14% | \$ 22.0 | 97% | \$ 13.1 | 7% | \$ 22.8 | 58% | 1 |
| Sewer Operating Fund | 56.4 | 2% | 73.5 | 77% | 37.5 | 0% | 50.1 | 75% | 2 |
| Water Operating Fund | 46.3 | 1% | 58.4 | 79% | 32.1 | 5% | 43.2 | 74% | 3 |

Reference

- 1) Parking Operating fund revenues are up \$2.7M in FY 24 due to implementation of approved rate changes to daily parking fees in January 2023 and event parking fees in July 2023, as well as increased activity downtown. Expenses are up from prior year due to an increase in personnel costs for salaries and benefits . Additional increases in credit card fees tied to higher transaction volume, increased utility costs, increase in Debt Service costs and maintenance costs also contribute to the rise in expenses.
- 2) Sewer fund revenues are up from prior year due to a increase in natural gas sales, both from higher production and the collection of credits generated from each gallon of renewable fuel produced, a program which began in July 2023. Revenue increases are partially offset with a drop in industrial surcharges, billed sewer consumption decreasing, and billing delays. Expenses are consistent with the prior year expenses.
- 3) Water fund revenues are up slightly from prior year due to increased integrated connection fees, increase billed consumption and a higher monthly payment for the customer service provision line. Expenses are up over prior year due to a land and building purchase for the Caledonia Pump Station, increased cost of supplies, fees, and contractual services. Another reason for the increase in expenses is significant work on the Filtration Plant building in comparison with the prior year. The increase in expense is partially offset by reductions in utility usage (electric/natural gas) and payroll costs related to vacancies in the department.

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, 2024



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 | \$ 186.9 | \$ 28.1 | \$ 3.9 | \$ 6.7 | \$ 10.2 | \$ 9.0 | \$ 14.5 | \$ 53.5 | \$ 41.0 | |
| Receivables | 2.6 | 0.3 | - | - | 0.4 | - | - | 47.6 | 36.9 | |
| Inventory | 0.8 | 1.0 | - | - | - | - | - | 1.1 | 3.2 | |
| Other Current Assets | - | - | - | - | - | - | - | - | - | |
| Capital Assets | - | - | - | - | - | - | 42.9 | 475.2 | 401.4 | |
| Other Non-Current Assets | - | 0.1 | - | 0.2 | - | 0.1 | 4.4 | - | 1.6 | |
| Deferred Outflows | - | - | - | - | - | - | 1.2 | 3.2 | 3.4 | |
| Total Assets | 190.3 | 29.5 | 3.9 | 6.9 | 10.6 | 9.1 | 63.0 | 580.6 | 487.5 | |
| Liabilities | | | | | | | | | | |
| Current Liabilities | 19.6 | 1.7 | - | - | 1.8 | - | 0.2 | 0.6 | 0.4 | |
| Long-Term Liabilities | 72.4 | 0.6 | 0.2 | 0.4 | 0.4 | 0.7 | 26.0 | 283.8 | 156.1 | |
| Deferred Inflows | - | 0.1 | - | 0.3 | - | 0.1 | 2.8 | 1.6 | 3.4 | |
| Total Liabilities | 92.0 | 2.4 | 0.2 | 0.7 | 2.2 | 0.8 | 29.0 | 286.0 | 159.9 | |
| Equity | | | | | | | | | | |
| Fund Balance & Net Position | 98.3 | 27.1 | 3.7 | 6.2 | 8.4 | 8.3 | 34.0 | 294.6 | 327.6 | |

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. The general ledger books for all departments of the City are in balance.

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.