

DISCUSSION ON THE MONTHLY FINANCIAL REPORTS PERIOD ENDING APRIL 30, 2022

Highlights

The General Fund is in the red for April, but is in the black for the year. The Utility Fund is in the black for April, but is in the red for the year.

Report on Reserves

As of April 30th, the City held about \$9.7 million in its various accounts which is roughly the same as last month's balance. \$459,901 of the above total are restricted funds (customer deposit, bond payment, HOT, and dedicated court funds), leaving the City a balance of about \$9.2 million in what, primarily, are reserve funds. If the adopted FY 2021-22 goes according to plan, the amount held in reserve will decrease by \$1,770,000 over the course of the year, leaving the City with about \$6.8 million in, primarily, reserve funds. (Usually the drawdown is less than what is budgeted due to lower than expected operating expenditures and capital projects that carry over into the next budget cycle.) The City's total operating budget for FY 2021-22, less capital expenditures, contingency funds, and dedicated court funds, is \$3,680,065. With roughly \$3.7 million in annual operating costs, the current \$9.2 million in reserves would carry the City for about 30 months and the projected \$6.8 million in reserves at the end of this fiscal year would carry the City for about 20 months.

General Ledger Cash Balance Report

As has been mentioned previously, often there are differences between the bank account balances and the general ledger cash balance reports. The general ledger report carries in its balance checks that were written in the past which have never been deposited. Also, the instant a transaction is entered into the general ledger, it shows up in the general ledger report, but it can take days for both deposits and withdrawals to clear the bank and be reflected in our bank account balances.

The general ledger cash balance for the various funds through April 30th is about \$9.7 million, about a \$60,000 increase from a month ago, and an increase of about \$800,000 from a year ago.

General Ledger Cash Balance Report - Court Fund

The amount in the Court Fund has increased by about \$570 from a month ago.

Cash and Investment Report

As noted above, there was about \$9.7 million in the City's accounts as of April 30th, this is roughly the same as last month.

Budget Report - General Fund

For the month, expenditures have exceeded revenues by about \$9,000 and for the year revenues have exceeded expenditures by about \$1,133,000.

Budget Report - Utility Fund

For the month, revenues have exceeded expenditures by about \$27,000 and for the year expenditures have exceeded revenues by about \$69,000.

Sales and Use Tax Report

The State has not posted its sales and use tax figures for May (tax on sales made in March) in time to be included in this packet report. The table provided in last month's packet has been updated to show the funds received during April. The April payment came in at \$114,031.95, about an 11% increase over last year's payment. For the past 12 months, revenues have increased by about 15% over the previous 12 month period.