

**DISCUSSION ON THE MONTHLY FINANCIAL REPORTS**  
**PERIOD ENDING September 30, 2022**

**Highlights**

With September, the City's fiscal year comes to an end. The General Fund was in the red for September by about \$153,000 due to seasonal factors, but was in the black for the year by about \$1.2 million. The Utility Fund was in the black for September (by about \$37,000) and for the year (by about \$140,000). The annual totals for both funds are expected to drop as late arriving bills trickle in after the end of the fiscal year. The \$334,000 in Covid relief (ARPA) grant funds for the Utility Fund have not been received. Those funds will push the Utility Fund even further into the black. The City currently has about \$10.4 million in its various accounts, a new high.

**Report on Reserves**

As of September 30th, the City held about \$10.4 million in its various accounts, about a \$300,000 increase over last month. \$505,658 of the above total are restricted funds (customer deposit, bond payment, HOT, and dedicated court funds), leaving the City a balance of about \$9.9 million in what, primarily, are reserve funds. If the adopted FY 2022-23 goes according to plan, the amount held in reserve will decrease by \$3,491,300 over the course of the year, leaving the City with about \$6.4 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 \$4,392,765. With roughly \$4.4 million in annual operating costs, the current \$9.9 million in reserves should carry the City for about 27 months, if the budgeted drawdown in reserves is realized, the City's reserves should carry the City for about 18 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 September 30th is about \$10 million, about a \$35,000 decrease from a month ago, and an increase of about \$1.1 million from a year ago.

**General Ledger Cash Balance Report - Court Fund**

The amount in the Court Fund has increased by about \$700 from a month ago.

**Cash and Investment Report**

As noted above, there was about \$10.4 million in the City's accounts as of September 30th, this is about a \$300,000 increase over last month.

**Budget Report - General Fund**

For the month, expenditures have exceeded revenues by about \$153,000, and for the year revenues have exceeded expenditures by about \$1,186,000.

**Budget Report - Utility Fund**

For the month, revenues have exceeded expenditures by about \$37,000 and for the year revenues have exceeded revenues by about \$140,000.

**Sales and Use Tax Report**

The State has not posted its sales and use tax figures for October (tax on sales made in August) 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 September. The September payment came in at \$137,749.12, about a 9% increase over last year's payment. For the past 12 months, revenues have increased by about 5.3%.