

**DISCUSSION ON THE MONTHLY FINANCIAL REPORTS**  
**PERIOD ENDING August 31, 2022**

**Highlights**

Both the General Fund and the Utility Fund are in the black for August and for the year. We are expecting to receive \$334,000 in Covid relief (ARPA) grant funds for the Utility Fund. Those funds will push the Utility Fund even further into the black. The City currently has about \$10 million in its various accounts, a new high.

**Report on Reserves**

As of August, the City held about \$10 million in its various accounts, about a \$185,000 increase over last month. \$486,866 of the above total are restricted funds (customer deposit, bond payment, HOT, and dedicated court funds), leaving the City a balance of about \$9.6 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 \$9.6 million in reserves would carry the City for about 31 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 August 31st is about \$10 million, about a \$140,000 increase from a month ago, and an increase of about \$1.5 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 million in the City's accounts as of July 31st, this is about a \$185,000 increase over last month.

**Budget Report - General Fund**

For the month, revenues have exceeded expenditures by about \$40,000, and for the year revenues have exceeded expenditures by about \$1,332,000.

**Budget Report - Utility Fund**

For the month, revenues have exceeded expenditures by about \$114,000 and for the year revenues have exceeded revenues by about \$99,000.

**Sales and Use Tax Report**

The State has not posted its sales and use tax figures for September (tax on sales made in June) 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 August. The August payment came in at \$161,247.24, about a 5% decrease over last year's payment. For the past 12 months, revenues have increased by about 5.2%.