



City of Fresno
Monthly Financial Report FY2010/2011
For the Eight Months Ended February 28, 2011
Unaudited - Intended For Internal Management Purposes Only

GENERAL FUND AT-A-GLANCE

Category	Amended Budget	YTD Actual	%	% Prior Year
Revenues	\$209,212	\$119,453	57%	54%
Expenditures	(208,680)	(138,769)	66%	70%
Revenues Over Expenditures	\$532	(\$19,316)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	%	% Prior Year
Sales & Use Tax	42,660	30,391	71%	67%
Prop. 172 Sales Tax	2,131	1,350	63%	53%
Property Tax	119,615	59,392	50%	47%
Motor Vehicle In-Lieu Fees	1,689	722	43%	28%
Business Tax	16,162	11,187	69%	59%
Franchise Tax	8,951	1,889	21%	38%
Other Local Taxes	9,941	5,725	58%	51%
Card Room Receipts	1,400	746	53%	57%
Charges For Services	15,383	9,262	60%	44%
Enterprise In-Lieu Fees	322	322	100%	100%
Intergovernmental Revenues	2,362	811	34%	60%
Intragovernmental Revenues	(17,738)	(4,575)	26%	17%
All Other Revenue Sources	6,334	2,231	35%	69%
Total	209,212	119,453	57%	54%

GENERAL FUND REVENUES

General Fund revenues were \$119.5 million for the eight months ended February 28, 2011. Last year for the same period, General Fund revenues were \$123.3 million. Of the \$3.8 million decrease between years, \$3.6 million is attributable to the decreased carryover. This is encouraging since all other operating revenues, taken as a whole, are comparable to the prior year's results.

Sales Tax revenues were \$30.4 million through February 28, 2011. Sales tax revenues were slightly less at \$29.9 million for the same period last year. Sales tax revenues are at 71% of budget with just 67% of the year completed. Property Taxes are recognized when received; the first of two semi-annual installments have been received. Through February, 2011 Property Tax receipts are \$60.7 million this year compared to \$58.6 million last year. Business Tax, Franchise Tax, and Other Local Tax continue to achieve stabilizing trends. Business Tax, at \$11.2 million is actually \$2.1 million higher than last year's amount of \$9.1 million. Franchise Tax is \$0.5 million lower than last year at this time. Other local Taxes, currently at \$5.7 million approximates last year's amount.

Revenue sources other than taxes: Charges for Services, Card Room Receipts and Intra-governmental Revenues are materially within anticipated levels thus far. Charges for Service revenues are higher than last year (\$9.3 million vs \$7.9 million). Intra-governmental Revenues, a contra account, represents net transfers to/from other City funds on an as needed or pre-determined basis; balances will fluctuate throughout the year. All Other Revenues are down \$6.4 million reflecting the decreased carryover between years along with other reductions.

As of February 28, 2011, the City maintained \$3.1 million in the General Fund Emergency Reserve Fund. The use of this cash is restricted until a declaration is made by the Mayor and approved by Council. During February, 2011, \$7.5 million was withdrawn from this fund and reallocated to other City funds with long standing deficits. The use of this cash is consistent with the Mayor's "Fund Balance Recovery" strategy presented to and approved by Council during the mid-year 2011 Budget evaluation.

GENERAL FUND EXPENDITURES BY DEPARTMENT

Expenditure Type	Amended Budget	YTD	%	% Prior Year
Police Department	123,536	84,783	69%	72%
Fire Department	44,428	31,031	70%	75%
Parks, Recreation & Community Services	15,334	9,840	64%	73%
Administrative/General	14,632	6,145	42%	42%
Public Works	3,158	2,171	69%	71%
City Council Offices	2,992	1,698	57%	65%
City Clerk's Office	546	377	69%	74%
Office of the Mayor/City Manager	1,962	1,320	67%	76%
Downtown and Community Revitalization*	855	590	69%	49%
General City Purpose Department	1,237	814	66%	63%
Total	208,680	138,769	66%	70%

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	%	% Prior Year
Salaries and Benefits (excluding overtime)	151,880	106,038	70%	74%
Overtime	3,466	2,142	62%	76%
Pension Obligation Bonds	12,615	4,352	34%	36%
Operations and Maintenance	15,156	9,533	63%	68%
Interdepartmental Charges	23,687	15,475	65%	65%
Capital	1,876	1,229	66%	59%
Total	208,680	138,769	66%	70%

GENERAL FUND EXPENDITURES

General Fund expenditures were \$138.8 million for the eight months ended February 28, 2011. Last year at this time, expenditures were \$151.6 million, or about 9.1% higher. Budgeted decreases in expenditures this year have been primarily absorbed by Public Works and PARCS (Parks, Recreation & Community Services).

By department, Police and Fire expenditures were \$84.8 million and \$31.4 million respectively through February 28, 2011. Compared to last year at this time, Police expenditures decreased \$1.9 million and the Fire Department's expenditures decreased \$0.1 million. Public Works expenditures were \$2.2 million, or about 27% of the \$8.0 million expended last year. Parks & Community Recreation expended \$9.8 million. Last year at this time, the Department expended \$13.0 million. These decreases are the result of major budget cuts to the two departments. Expenditures for all departments remain within anticipated levels.

By expenditure type, overall salaries & benefits decreased \$7.1 million, or 6.1% from this period last year (\$108.1 million this year v. \$115.3 million last year). Operations & Maintenance decreased \$2.6 million due primarily to budget cuts in Public Works and PARCS. Interdepartmental Charges decreased by \$3.0 million but this line item has timing elements and should approximate anticipated levels.

*Formerly known as Economic Development.

ENTERPRISE OPERATING FUNDS

The following summarizes year-to-date revenues and expenditures of major City enterprises.

Enterprise Fund	Budget	YTD Actual	%
Community Sanitation			
Revenues	11,303	8,503	75%
Expenditures	(10,770)	(6,510)	60%
Total	533	1,993	
Development and Resource Management			
Revenues	9,346	4,540	49%
Expenditures	(9,987)	(5,677)	57%
Total	(641)	(1,137)	
Transportation/FAX			
Revenues	26,865	17,122	64%
Expenditures	(24,929)	(17,951)	72%
Total	1,936	(829)	
Airport			
Revenues	13,462	7,921	59%
Expenditures	(13,444)	(8,172)	61%
Total	18	(251)	
DCR/Housing and Community Development**			
Revenues	9,051	(3,013)	-33%
Expenditures	(8,045)	(828)	10%
Total	1,006	(3,841)	
Sewer System			
Revenues	99,906	66,039	66%
Expenditures	(88,828)	(34,647)	39%
Total	11,078	31,392	
Solid Waste System			
Revenues	51,370	35,850	70%
Expenditures	(49,575)	(31,870)	64%
Total	1,795	3,980	
Water System			
Revenues	93,729	85,311	91%
Expenditures	(83,234)	(37,250)	45%
Total	10,495	48,061	

ENTERPRISE OPERATING FUNDS

Results above do not reflect trends or patterns in operations since revenues and expenditures are recognized on a cash basis for interim reporting. This can result in material timing differences. Major sources of revenues, including grants, are recorded as revenues when the cash is actually received. Interim fluctuations for revenues and expenditures tend to level out towards the end of the fiscal year. Carryover amounts from fiscal year 2010 were as follows and are reflected in the revenue lines above. The Development Department and Housing/Neighborhood Revitalization Departments each had negative carryover (amounts shown below). Accordingly, the revenues for these departments through February 28, 2011 may still be negative as a result.

Some operating funds above reflect deficits for the year (expenditures exceed revenues). Below are some of the contributing factors:

*Development had budgeted its revenues in anticipation of various fee increases. Those increases yet to go into effect. \$3.4 million in budgeted revenue was reclassified to contingency in January. Grant monies will be received later in the year to cover grant expenditures already incurred.

*Fax/Transit has expenditures which relate to grants and will be reimbursed later as this fiscal year. The deficit is due from timing elements.

*FYI/Airports incurred a negative carryover of \$(0.5 million). Income from operations, however, is actually \$0.2 million to the good.

*Housing/Neighborhood Revitalization has about \$9 million in Fed-Home Grant revenues budgeted and still pending receipt as well as \$7 million in expenditures related to the same grant. This fund also had a \$3.8 million negative carryover contributing to majority of the negative revenue posted for the year.

Carryover from fiscal year 2010 to fiscal year 2011 were as follows:

Community Sanitation- \$1.9m; Development- \$(3.1m); FAX/Transit- \$1.5m; FYI Airport- \$(0.4m); Housing/Neighborhood Revitalization- \$(3.8m); Sewer- \$31.4m; Solid Waste- \$1.5m; Water- \$34.7m. () – denotes negative carryover or reduction to revenue.

**Housing and Community Development, as of July 1, 2010, has become a division of Downtown & Community Revitalization.

Debt Source	Principal Outstanding
Tax Supported	
Pension Obligation Bonds	\$ 173,665
Various Capital Projects	38,155
Stadium Project	40,055
City Hall Refinancing/Bee Building/Granite Park	49,900
Exhibit Hall Expansion Project	24,431
No Neighborhood Left Behind	35,615
Convention Center Improvements	27,285
Street Light Acquisition Project	3,365
Judgment Obligation Bonds	3,230
Park Impact Fees	34,080
Public Safety Impact Fee Projects	42,720
Water	168,515
Sewer	234,090
Airport	58,430
Solid Waste	7,720
Park and Recreation	2,395
Total	\$ 943,651

SUMMARY

This report is based on detailed information produced by the City's Finance Department/Accounting Division. If you would like additional information, or have any questions about this report, please call 621-7001.