



City of Fresno
Monthly Financial Report FY2006/2007
Through the Five Months Ended November 30, 2007
Unaudited - Intended For Internal Management Purposes Only

ALL FIGURES ENCUMBERANCES

GENERAL FUND AT-A-GLANCE

| Category | Amended Budget | YTD Actual | % | % Prior Year |
|-----------------------------------|----------------|--------------------|-----|--------------|
| Revenues | \$ 253,144 | \$ 65,946 | 26% | 28% |
| Expenditures | (253,145) | (105,607) | 42% | 41% |
| Revenues Over Expenditures | \$ (1) | \$ (39,661) | | |

GENERAL FUND REVENUES

| Revenues | Amended Budget | YTD Actual | % | % Prior Year |
|----------------------------|-------------------|------------------|------------|--------------|
| Sales & Use Tax | \$ 83,671 | \$ 24,467 | 29% | 32% |
| Prop. 172 Sales Tax | 2,890 | 1,060 | 37% | 32% |
| Property Tax | 65,859 | 2,388 | 4% | 8% |
| Motor Vehicle In-Lieu Fees | 36,565 | 1,021 | 3% | 4% |
| Business Tax | 16,462 | 8,470 | 51% | 58% |
| Franchise Tax | 6,359 | 1,363 | 21% | 21% |
| Other Local Taxes | 13,012 | 5,081 | 39% | 48% |
| Card Room Receipts | 1,399 | 595 | 43% | 44% |
| Charges For Services | 20,187 | 5,637 | 28% | 35% |
| Enterprise In-Lieu Fees | 322 | 0 | 0% | 0% |
| Intergovernmental Revenues | 2,011 | 489 | 24% | 55% |
| Intragovernmental Revenues | (15,015) | (4,304) | 29% | 31% |
| All Other Revenue Sources | 19,422 | 19,679 | 101% | 86% |
| Total | \$ 253,144 | \$ 65,946 | 26% | 28% |

GENERAL FUND REVENUES

General Fund revenues for the five months ended November 30, 2007 were \$65.9 million, which includes carryover of \$18.2 million. Sales Tax revenue was at 29% of budget and slightly less than \$1.0 million greater than the amount received through this period last year. Motor Vehicle In Lieu was about \$0.3 million less than the amount received this period last year. These early trends continue to indicate slower-than-expected revenue streams. Such trends will be monitored for any unforeseen changes or downturns. State-level sources indicate that the State may be facing as much as a \$14 billion budget deficit which will adversely impact local governments. As stated previously, Property Tax revenue is recognized as received

Revenues (other than Sales Tax, Property Tax and Vehicle In-Lieu) have been achieving moderate results thus far. The following revenue sources have decreased from the amounts received this period last year: Business Tax (\$0.8 million decr.), Other Local Tax (\$0.4 million decr.), and Charges for Services (\$1.2 million decr.). These might be timing differences as these revenues are not received evenly each month. These slower-than-expected revenue streams will continue to be monitored to determine if budget adjustments become necessary.

As of November 30, 2007, the Emergency Reserve maintains in excess of \$15.7 million in cash. The use of this cash is restricted until a declaration is made by the mayor and approved by council.

GENERAL FUND EXPENDITURES BY DEPARTMENT

| Department | Amended Budget | YTD Actual | % | % Prior Year |
|----------------------------------------|-------------------|-------------------|------------|--------------|
| Police Department | \$ 136,596 | \$ 57,408 | 42% | 40% |
| Fire Department | 46,391 | 21,338 | 46% | 41% |
| Parks, Recreation & Community Services | 23,029 | 10,020 | 44% | 42% |
| Administrative/General | 19,560 | 5,701 | 29% | 37% |
| Public Works | 17,193 | 7,437 | 43% | 45% |
| City Council Offices | 3,686 | 1,274 | 35% | 32% |
| City Manager's Office | 1,253 | 566 | 45% | 50% |
| City Clerk's Office | 808 | 327 | 40% | 42% |
| Office of the Mayor | 611 | 258 | 42% | 43% |
| Economic Development Department | 1,604 | 537 | 33% | 20% |
| General City Purpose Department | 2,414 | 741 | 31% | 20% |
| Total | \$ 253,145 | \$ 105,607 | 42% | 41% |

GENERAL FUND EXPENDITURES BY TYPE

| Expenditure Type | Amended Budget | YTD Actual | % | % Prior Year |
|--------------------------------------------|-------------------|-------------------|------------|--------------|
| Salaries and Benefits (excluding overtime) | \$ 165,935 | \$ 69,289 | 42% | 41% |
| Overtime | 4,616 | 2,864 | 62% | 44% |
| Pension Obligation Bonds | 12,606 | 4,667 | 37% | 38% |
| Operations and Maintenance | 22,584 | 11,986 | 53% | 44% |
| Interdepartmental Charges | 37,934 | 15,135 | 40% | 39% |
| Transfers, Loans and Contingencies | 5,150 | - | 0% | 0% |
| Capital | 4,320 | 1,666 | 39% | 35% |
| Total | \$ 253,145 | \$ 105,607 | 42% | 41% |

GENERAL FUND EXPENDITURES

General Fund expenditures for the five months ended November 30, 2007 were \$105.6 million. Last year at this time, expenditures were \$92.3 million. This is a 17% increase from the 4-month period last year (July- Oct). Due to revenue results thus far, expenditures will continue to be monitored during subsequent months.

By department, the Police and Fire departments have expended \$57.4 million and \$21.3 million, increases of \$6.9 million and \$3.6 million respectively over this period in the prior year. The increases for these two departments can be attributed primarily to personnel/salary costs (described below). All other departments have expended (materially) comparable amounts to that of the prior year.

By expenditure type, overall salaries, including overtime have increased \$9.9 million from the prior year due to salary increases and additional personnel. The majority of the salary increases is from Police \$5.9 million, and Fire \$3.0 million. Overtime will be monitored as it is at 62% of budget with less than half of the year completed. Operations and Maintenance expenditures will be monitored as well. These expenditures increased from \$10.4 million last year to nearly \$12.0 million this year, much of this increase, though, likely results from timing related to work on various projects. Interdepartmental Charges, which reflect charges by General Fund departments to other departments, has increased \$1.7 million compare to the prior year.

ENTERPRISE OPERATING FUNDS

| Department | Budget | YTD Actual | % |
|--------------------------------------------|-------------|-------------|------|
| Community Sanitation | | | |
| Revenues | \$ 10,751 | \$ 4,466 | 42% |
| Expenditures | \$ (10,751) | \$ (3,591) | 33% |
| Total | - | 875 | |
| Convention Center | | | |
| Revenues | \$ 5,982 | \$ (1,125) | -19% |
| Expenditures | \$ (6,902) | \$ (1,110) | 16% |
| Total | (920) | (2,235) | |
| Planning and Development Department | | | |
| Revenues | \$ 15,353 | \$ 11,972 | 78% |
| Expenditures | \$ (17,603) | \$ (6,230) | 35% |
| Total | (2,250) | 5,742 | |
| FAX/Transit | | | |
| Revenues | \$ 46,702 | \$ (2,132) | -5% |
| Expenditures | \$ (44,815) | \$ (17,184) | 38% |
| Total | 1,887 | (19,316) | |
| Airports | | | |
| Revenues | \$ 12,717 | \$ 3,118 | 25% |
| Expenditures | \$ (12,717) | \$ (4,537) | 36% |
| Total | 0 | (1,419) | |
| Housing/Neighborhood Revitalization | | | |
| Revenues | \$ 12,742 | \$ (5,310) | -42% |
| Expenditures | \$ (15,010) | \$ (12,595) | 84% |
| Total | (2,268) | (17,905) | |
| Sewer System | | | |
| Revenues | \$ 71,467 | \$ (27,228) | -38% |
| Expenditures | \$ (64,618) | \$ (24,571) | 38% |
| Total | 6,849 | (51,799) | |
| Solid Waste System | | | |
| Revenues | \$ 53,941 | \$ 19,963 | 37% |
| Expenditures | \$ (49,275) | \$ (18,243) | 37% |
| Total | 4,666 | 1,720 | |
| Water System | | | |
| Revenues | \$ 62,385 | \$ 28,644 | 46% |
| Expenditures | \$ (58,081) | \$ (22,308) | 38% |
| Total | \$ 4,304 | \$ 6,336 | |

ENTERPRISE OPERATING FUNDS

The financial results for the above enterprise operating funds are within acceptable levels for the five months ended November 30, 2007. These results do not reflect trends or patterns in operations. Revenues and expenditures are recognized on a cash basis for interim reporting. Accordingly, timing differences are inherent for these funds. For instance, major sources of revenues, including grants, are recorded as revenues when received. This causes revenue "spikes" in some months and flat revenues in others. The above figures reflect the carryover from fiscal year 2007. Carryover amounts have been budgeted already and will be used for current / future operations for both ongoing expenditures and major capital projects. FAX/Transit, will need to coordinate grant draw downs in the coming months. Sewer, as explained in an earlier report, had over \$100 million in encumbrances, resulting in negative carryover and negative revenue. This is a timing issue only for Sewer.

DEBT SUMMARY

| Debt Source | Principal Outstanding |
|----------------------------------|-----------------------|
| Tax Supported | |
| Pension Obligation Bonds | \$ 186,990 |
| Various Capital Projects | 43,315 |
| Stadium Project | 42,770 |
| City Hall Refinancing | 30,150 |
| Exhibit Hall Expansion Project | 27,786 |
| No Neighborhood Left Behind | 39,650 |
| Convention Center Improvements | 17,435 |
| Conference Center Refinancing | 5,335 |
| Street Light Acquisition Project | 5,035 |
| Street Improvement Project | 4,055 |
| Judgment Obligation Bonds | 4,355 |
| Water | 42,265 |
| Sewer | 204,050 |
| Airport | 60,970 |
| Solid Waste | 11,530 |
| Total \$ | 725,691 |

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 question about this report, please call 621-7001