



City of Fresno
Monthly Financial Report FY2016/2017
For the One Month Ended July 31, 2016

Unaudited – Intended for Internal Management Purposes Only

GENERAL FUND AT-A-GLANCE

(in thousands) Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	295,859	13,442	5%	5,767
Expenditures	(294,215)	(31,620)	11%	(28,051)
Revenues Over Expenditures	1,644	(18,178)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	93,846	10,181	11%	0
Prop. 172 Sales Tax	2,785	496	18%	208
Property Tax	116,402	0	0%	0
Business Tax	18,148	981	5%	797
Franchise Tax	13,158	202	2%	349
Other Local Taxes	12,894	387	3%	1,325
Card Room Receipts	1,070	83	8%	82
Charges for Services	16,535	1,142	7%	1,351
Development Fees	15,456	1,294	8%	1,328
Intergovernmental Revenues	6,099	121	2%	324
Intragovernmental Revenues	10,933	14	0%	45
Transfers In/Out	(17,994)	(1,698)	9%	(116)
All Other Revenue Sources	6,527	239	4%	74
Total	295,859	13,442	5%	\$5,767

GENERAL FUND REVENUES

General Fund revenues for Fiscal Year 2017 are projected to be \$295.9 million. This estimated amount is an increase, in total, over the amount of revenues actually realized in Fiscal Year 2016, which were \$283.2 million. July 2016 actual General Fund revenues were \$13.4 million, or 133.1%, higher than actual revenues for July 2015. Total revenues at the end of July 2016 are at 4.5% of the annual Fiscal Year 2017 estimate.

July 2016 Sales Tax revenues include \$10.2 million of prior year Sales Tax Swap receipts caused by a State-imposed change in the distribution schedule delaying receipt by the City until July 2016.

Revenues other than taxes, which include Charges for Services, Development Fees, Intergovernmental and Intragovernmental Revenues, Transfers Out, and All Other Revenue Sources, will fluctuate from month to month depending upon various activity elements. Other Local Taxes received during July 2016 are down \$0.9 million from July 2015 because Room Tax receipts were not received until August 2016. Transfers In/Out during July 2016 were up \$1.6 million compared to July 2015 due to budgeted transfers to the Convention Center and for the Bee Building & Granite Park debt service obligation.

GENERAL FUND REVENUES – continued

As of July 31, 2016, the City maintained \$20.3 million in the General Fund Emergency Reserve. \$4.0 million of those funds are associated with the repayment of loans made by the City to the former RDA which were received in July 2016. The use of this Reserve is restricted until such time as a declaration of a fiscal emergency is made by the Mayor and approved by Council or for temporary year-end cash balancing purposes in accordance with provisions in the Reserve Management Act.

GENERAL FUND EXPENDITURES BY DEPARTMENT

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Police Department	156,935	14,944	10%	14,298
Fire Department	58,099	6,974	12%	6,017
Parks, Recreation & Community Services	13,929	1,100	8%	1,131
Finance/Budget/Purchasing/Central Printing	8,331	1,088	13%	939
Public Works	8,776	1,022	12%	790
City Council Offices	3,572	384	11%	422
City Clerk's Office	788	162	21%	153
Office of the Mayor/City Manager	2,414	289	12%	277
Development and Resource Management (DARM)	26,766	3,827	14%	2,843
Personnel	3,213	528	16%	426
City Attorney's Office	4,903	630	13%	505
General City Purposes	8,695	672	8%	250
Pending Concessions	(2,206)	0	0%	0
Total	294,215	31,620	11%	28,051

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	170,963	18,776	11%	17,028
Salaries and Benefits Others	39,003	4,746	12%	4,055
Overtime Public Protection	3,991	578	14%	745
Overtime Others	58	24	42%	5
Pension Obligation Bonds	12,751	0	0%	0
Operations and Maintenance	30,741	3,212	10%	3,097
Interdepartmental Charges	29,332	2,622	9%	2,689
Contingencies	10	0	0%	0
Capital	7,366	1,662	23%	432
Total	294,215	31,620	11%	28,051

GENERAL FUND EXPENDITURES

Total General Fund expenditures are budgeted to be \$294.2 million for Fiscal Year 2017. This is an increase of \$20.5 million (7.5%) over actual General Fund expenditures in Fiscal Year 2016, which totaled \$273.7 million.

Comparing July 2016 with July 2015, the Police and Fire Departments experienced \$0.6 million (4.5%) and \$1.0 million (15.9%) increases respectively, due primarily to increased costs associated with the addition of new staff added as part of the Fiscal Year 2017 budget as well as additional costs for personal supplies, computer software, equipment purchases and leases. DARM experienced a \$1.0 million (34.6%) increase during July 2016 compared to July 2015 due to purchase and licensing of new software.

Expenditures for Council Offices, the Clerk's Office, the Mayor/City Manager's Offices, Finance, City Attorney, and Personnel Departments were materially consistent with the amounts expended in the prior year, and are at acceptable levels in accordance with current year budget estimates. General City Purposes expenditures during July 2016 were up \$0.4 million (168.8%) compared to last fiscal year due to increased professional and technical services, support for outside agencies, and special projects costs.

GENERAL FUND EXPENDITURES – continued

By category, July 2016 Salaries and Benefits for Public Protection and Others increased \$17.0 million (10.3%) and \$0.7 million (17.0%) over July 2015. This was consistent with the expected increases this fiscal year. Public Protection Overtime during July 2016 is down \$0.2 million (-22.4%) compared to July 2015. Capital expenditures July 2016 are up \$1.2 million (284.7%) compared to July 2015 due to the purchase of new software for DARM.

Expenditures are monitored and appropriations adjusted throughout the year in accordance with economic conditions and the inflow of General Fund revenues.

ENTERPRISE OPERATING FUNDS

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

Enterprise Fund	Budget	YTD Actual	% of Budget	Prior Year
Community Sanitation				
Revenues	13,809	757	5%	792
Expenditures	(10,953)	(624)	6%	(593)
Total	2,856	133		199
Transportation/FAX				
Revenues	31,284	500	2%	7,468
Expenditures	(32,114)	(2,493)	8%	(2,250)
Total	(830)	(1,993)		5,218
Airport Operating				
Revenues	39,201	(20)	0%	1,010
Expenditures	(15,756)	(1,978)	13%	(2,012)
Total	23,445	(1,998)		(1,002)
Sewer System				
Revenues	148,438	6,751	5%	6,487
Expenditures	(64,792)	(4,182)	6%	(4,993)
Total	83,646	2,569		1,494
Solid Waste System				
Revenues	31,264	2,478	8%	2,567
Expenditures	(29,950)	(1,891)	6%	(2,039)
Total	1,314	587		528
Water System				
Revenues	131,777	9,244	7%	6,150
Expenditures	(94,265)	(4,190)	4%	(3,130)
Total	37,512	5,054		3,020

ENTERPRISE OPERATING FUNDS

Actual revenues and expenditures for Enterprise Operations are recorded on the cash basis of accounting for monthly financial reporting purposes, which means revenues are recognized when the cash is receipted and expenses are recognized when the cash is paid. This can result in material timing differences, particularly when grants are involved. Most grants require the City to incur the expenditure before obtaining reimbursement from the granting agency. Transportation/FAX has significant grant-related revenue sources and will accordingly see the greatest impact as a result of these timing differences.

The budgeted figures for Fiscal Year 2017 were established to support the ongoing operations and anticipated capital improvements for each enterprise. The budgeted revenue figures include estimated carryover from the prior year. Actual carryover amounts from Fiscal Year 2016 to Fiscal Year 2017 will be posted in August and reflected on next month's report.

Transportation/FAX revenues during July 2016 are down \$7.0 million largely due to State funding received during July 2015 for which similar revenue was not received in July 2016. Airport Operating revenues during July 2016 are down \$1.0 million from July 2015 due to a transfer of \$1.1 million to Airport Capital fund. Water System Revenues for July 2016 increased \$3.1 million (50.3%) compared to July 2015 because of payment received from Kern-Tulare Water District for water sold during FY2016.

ENTERPRISE OPERATING FUNDS – continued

Sewer expenditures during July 2016 are down \$0.8 million (-16.2%) compared to July 2015, primarily due to reduced costs for specialized technical services. Water expenditures are up \$1.0 million (33.9%) primarily due to the pay down of the outstanding loan from the U.S. Bureau of Reclamation as well as fees for June 2016 water purchases.

CITY DEBT

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$28,955		\$28,955
No Neighborhood Left Behind/Selland Arena	20,415		20,415
Parks Impact Fee Projects	29,655	\$2,090	31,745
City Hall Chiller/Convention Center Improvements	3,405	17,690	21,095
Public Safety Impact Fee Projects	36,710		36,710
City Hall Refinancing/Bee Building/Granite Park	34,405		34,405
Exhibit Hall Expansion Project		18,668	18,668
Stadium Project		33,090	33,090
Judgment Bonds:			
Pension Obligation Bonds	138,975		138,975
Judgment Obligation Bonds	1,025		1,025
Enterprise Bonds:			
Water		141,395	141,395
Sewer		195,615	195,615
Airport		52,630	52,630
Total Bonds	\$293,545	\$461,178	\$754,723
Notes and Loans:			
CEC – MSC Solar System	\$276		\$276
HUD – Regional Medical Center	525		525
HUD – FMAAA	470		470
HUD – Neighborhood Streets and Parks	754		754
CIEDB – Roeding Business Park	1,787		1,787
SMG – Employee Benefits Cost Reimbursement		\$349	349
State Water Resources Control Board Loans		48,862	48,862
Total Notes and Loans	\$3,812	\$49,211	\$53,023
Capital Leases	\$16,020		\$16,020
Total City Debt	\$313,377	\$510,389	\$823,766

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.