



**City of Fresno**  
**Monthly Financial Report FY2015/2016**  
**For the Six months Ended December 31, 2015**  
**Unaudited - Intended For Internal Management Purposes Only**

**GENERAL FUND AT-A-GLANCE**

(in millions) Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	281,558	89,401	32%	77,323
Expenditures	(278,932)	(138,315)	50%	(125,585)
<b>Revenues Over Expenditures</b>	<b>2,626</b>	<b>(48,914)</b>		

**GENERAL FUND REVENUES**

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	82,233	26,440	32%	25,526
Prop. 172 Sales Tax	2,730	1,379	51%	1,420
Property Tax	111,136	1,340	1%	3,369
Business Tax	17,880	10,984	61%	10,049
Franchise Tax	12,225	3,603	29%	3,162
Other Local Taxes	11,612	6,922	60%	5,882
Card Room Receipts	1,010	480	48%	495
Charges For Services	16,420	7,416	45%	7,829
Parking & Community Development	13,734	7,357	54%	6,763
Intergovernmental Revenues	4,981	2,657	53%	2,388
Intragovernmental Revenues	11,522	5,209	45%	6,419
Transfers In/Out	(26,979)	(5,724)	21%	(16,607)
All Other Revenue Sources	23,054	21,338	93%	20,628
Total	281,558	89,401	32%	77,323

**GENERAL FUND REVENUES**

General Fund revenues for the six months ended December 31, 2015 were \$89.4 million. Revenues for the first six months of the prior fiscal year were \$77.3 million, including the transfer out of \$8.2 million to repay monies previously advanced to it by Water and Solid Waste. If the loan repayment is excluded from total revenues during the first six months of Fiscal Year 2015, the adjusted total is \$85.5 million; resulting in an adjusted increase of \$3.9 million over total revenues through the first six months of last fiscal year. The majority of the \$3.9 million increase between years is outlined below. It should be noted that the City does not utilize TRANS (Tax and Revenue Anticipation Notes) advances. Therefore, it is common for expenditures to exceed its revenues by a substantial amount early in the year. The City will continue to reflect deficit spending until January when the first semi-annual installment of Property Taxes will be received. In the prior fiscal year, expenditures exceeded revenues by \$48.3 million through December 31.

Sales Tax revenues, including those from the Sales Tax Swap were \$26.4 million through December 2015. Sales Tax revenues were \$25.5 million for the same period last fiscal year; a 3.6% increase. Property Tax received through December 31, 2015 decreased \$2.0 million (-60.2%) from the same period last year, primarily due to timing of property and supplemental taxes received the end of December 2014 and fewer delinquent taxes received this year. Business Taxes collected were \$11.0 million for the first six months of Fiscal Year 2015, an increase of \$0.9 million (9.3%) over the same period last fiscal year.

## GENERAL FUND REVENUES – continued

Franchise Taxes received during the first six months were \$3.6 million, an increase of \$0.4 million (13.9%) over the first six months of last fiscal year, mostly due to increased revenue from Roll-off Bin Franchise fees. Other Local Taxes received through December were \$6.9 million; an increase of \$1.0 million (17.7%) over the same period last year, due to increased revenues from Room Tax and Real Estate Transfer Taxes.

Revenues other than taxes, which include Charges for Services, Parking & Community Development, Intergovernmental and Intragovernmental Revenues, Transfers Out, and All Other Revenue Sources, will fluctuate from month to month depending upon various activity elements. Charges for Services decreased \$0.4 million (-5.3%) from the first six months of last fiscal year due to decreased subdivision inspection fees and vehicle release fees. Intergovernmental Revenues increased \$0.3 million (11.3%) compared to the first six months of last year due to increased reimbursements for state mandated costs. Intragovernmental Revenues decreased \$1.2 million (-18.9%) compared to the same period last fiscal year due to lower equipment and overhead reimbursements from capital. The \$21.3 million under All Other Revenue Sources includes General Fund carryover of \$20.4 million posted the beginning of December.

As of December 31, 2015, the City maintained nearly \$11.7 million in the General Fund Emergency Reserve. \$2.7 million of those funds are associated with the repayment of loans made by the City to the former RDA which were received in September 2015. 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	149,128	74,996	50%	68,418
Fire Department	52,784	29,183	55%	25,669
Parks, Recreation & Community Services	15,768	7,552	48%	6,394
Finance/Budget/Purchasing/Central Printing	8,245	3,946	48%	3,552
Public Works	9,178	3,020	33%	3,880
City Council Offices	3,335	1,408	42%	1,285
City Clerk's Office	709	394	56%	363
Office of the Mayor/City Manager	2,414	1,281	53%	1,029
Parking and Community Development	22,986	11,231	49%	10,240
Personnel	2,933	1,651	56%	1,478
CAO	4,245	2,186	51%	1,949
General City Purposes	9,180	1,467	16%	1,328
Pending Concessions	(1,973)	0	0%	0
<b>Total</b>	<b>278,932</b>	<b>138,315</b>	<b>50%</b>	<b>125,585</b>

**GENERAL FUND EXPENDITURES BY TYPE**

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	157,427	81,381	52%	74,322
Salaries and Benefits Others	34,859	18,348	53%	16,292
Overtime Public Protection	3,800	3,840	101%	2,599
Overtime Others	53	47	89%	52
Pension Obligation Bonds	12,740	3,734	29%	3,889
Operations and Maintenance	34,638	14,419	42%	13,168
Interdepartmental Charges	30,479	15,249	50%	14,175
Capital	4,936	1,297	26%	1,088
<b>Total</b>	<b>278,932</b>	<b>138,315</b>	<b>50%</b>	<b>125,585</b>

**GENERAL FUND EXPENDITURES**

General Fund expenditures for the six months ended December 31, 2015 were \$138.3 million. This is an increase of \$12.7 million (10.1%) over the same period last fiscal year.

Expenditures for departments significantly funded by the General Fund (Police, Fire, Parking & Community Development, and PARCS) were at acceptable levels for the six months ended December 31, 2015. Comparing the first six months this year with last year, the Police and Fire Departments experienced \$6.6 million (9.6%) and \$3.5 million (13.7%) increases respectively, due primarily to both overtime expenditures and costs associated with the addition of new staff that was added as part of the Fiscal Year 2016 budget plus additional costs for personal supplies, ammunition, equipment purchases and leases. Parking & Community Development experienced a \$1.0 million (9.7%) increase for the six months ended December 31, 2015 compared to the same period last year primarily due to increased costs for outside legal and consulting fees. PARCS experienced a \$1.2 million (18.1%) increase compared to the same period last year mainly due to increased personnel costs associated with the transfer of five staff to PARCS from Public Works and the addition of fourteen new permanent positions.

Savings for personnel costs related to the transfer of the employees to PARCS plus lower costs for utilities, rock & mineral products, and lower ID charges all contributed to the decrease of \$0.9 million (-22.2%) in Public Works expenditures compared to the same period last year.

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 thus far in accordance with current year budget estimates.

## GENERAL FUND EXPENDITURES – continued

By category, salaries are at reasonable levels and are consistent with the prior year. Overtime spiked at the beginning of Fiscal Year 2016, which is normal for summer months and during fire season. Operations and Maintenance costs for the first six months were up \$1.3 million (9.5%) over the same period last year due to costs for outside legal and consulting fees, rock & mineral products, landscaping, personal supplies, and ammunition. Expenditures related to Pension Obligation Bonds are recognized when paid.

Expenditures will be monitored and appropriations possibly 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
<b>Community Sanitation</b>				
Revenues	12,484	10,027	80%	9,718
Expenditures	(8,500)	(3,786)	45%	(3,549)
Total	3,984	6,241		6,169
<b>Transportation/FAX</b>				
Revenues	41,676	13,843	33%	22,261
Expenditures	(30,638)	(14,106)	46%	(13,144)
Total	11,038	(263)		9,117
<b>Airport Operating</b>				
Revenues	26,964	24,664	91%	19,077
Expenditures	(14,237)	(6,991)	49%	(6,621)
Total	12,727	17,673		12,456
<b>Sewer System</b>				
Revenues	156,183	128,897	83%	83,879
Expenditures	(87,639)	(21,881)	25%	(18,754)
Total	68,544	107,016		65,125
<b>Solid Waste System</b>				
Revenues	31,146	19,097	61%	17,102
Expenditures	(29,965)	(13,378)	45%	(14,493)
Total	1,181	5,719		2,609
<b>Water System</b>				
Revenues	127,202	88,894	70%	87,825
Expenditures	(99,676)	(32,319)	32%	(35,629)
Total	27,526	56,575		52,196

**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 2016 were established to support the ongoing operations and anticipated capital improvements for each enterprise during Fiscal Year 2016. The budgeted revenue figures include estimated carryover from the prior year. Actual carryover amounts from Fiscal Year 2015 to Fiscal Year 2016 are noted below, and are reflected in the revenue figures presented above. Because carryover is posted in August, early fiscal year Revenue results may appear high.

Transportation/FAX carryover dropped between fiscal years largely due to State funding, normally received during the month of June, which was received after fiscal year end and deposited on July 6, 2015. Excluding this deposit and carryover, Transportation/FAX YTD Revenues decreased \$1.7 million (-24.6%) compared to the prior year due to reduced fares and pass sales, lower State TDA funding, and no Federal alternative fuel rebate. Excluding carryover, Airport Operating and Sewer System YTD Revenues for the first six months of Fiscal Year 2016 increased \$0.5 million (5.4%) and \$1.1 million (4.2%) respectively compared to the same period last year.

Community Sanitation had about \$1.9 million more in carryover compared to the budget estimate. The carryover represents 58% of the total revenue received through December 31, 2015. Carryover this year is about \$0.7 million (12.6%) over last year's carryover. Water had slightly less carryover than estimated; but, the carryover of \$47 million is 52.5% of total revenues received through December 31, 2015. Water's carryover this year is up \$5.4 million (13.1%) over last year's carryover.

Sewer expenditures are up \$3.1 million (16.7%) over the same period last year, primarily due to an increase in the property category because of contract construction, utilities, and professional services. Water expenditures are down \$3.3 million (-9.3%). Items contributing to that decrease include utilities (down \$0.8 million), supplies (down \$0.8 million because of reductions in specialty chemical costs), professional and technical services (down \$0.7 million), outside repairs (down \$0.5 million), water purchases (down \$0.2 million), and property (down \$0.2 million because of lower land acquisition).

**ENTERPRISE OPERATING FUNDS – continued**

Fiscal Year 2016 Enterprise Operating Carryover Amounts:

Community Sanitation - \$5.8 million  
Transportation/FAX - \$0.1 million  
Airports - \$15.5 million  
Sewer System - \$101.2 million  
Solid Waste System - \$2.8 million  
Water System - \$46.7 million

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$28,955		\$28,955
No Neighborhood Left Behind/Selland	22,790		22,790
Parks Impact Fee Projects	30,455	\$2,145	32,600
City Hall Chiller/Conv Center Improvements	3,405	19,175	22,580
Public Safety Impact Fee Projects	37,870		37,870
City Hall Refinancing/Bee Bldg/Granite Park	34,405		34,405
Exhibit Hall Expansion Project		18,668	18,668
Stadium Project		34,425	34,425
Judgment Bonds:			
Pension Obligation Bonds	145,675		145,675
Judgment Obligation Bonds	1,025		1,025
Enterprise Bonds:			
Water		146,405	146,405
Sewer		195,615	195,615
Airport		52,630	52,630
<b>Total Bonds</b>	<b>\$304,580</b>	<b>\$469,063</b>	<b>\$773,643</b>
Notes and Loans			
CEC - MSC Solar System	\$412		\$412
HUD - Regional Medical Center	525		525
HUD - FMAAA	470		470
HUD - Neighborhood Streets/Parks	754		754
CIEDB - Roeding Business Park	1,787		1,787
SMG - Employee Benefits Cost Reimbursement		\$374	374
State Water Resources Control Board Loans		50,243	50,243
<b>Total Notes and Loans</b>	<b>\$3,948</b>	<b>\$50,617</b>	<b>\$54,565</b>
Capital Leases	\$16,350		\$16,350
<b>Total City Debt</b>	<b>\$324,878</b>	<b>\$519,680</b>	<b>\$844,558</b>

**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.