



City of Fresno
Monthly Financial Report FY2015/2016
For the Seven months Ended January 31, 2016
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	281,583	158,315	56%	150,683
Expenditures	(278,957)	(158,156)	57%	(149,987)
Revenues Over Expenditures	2,626	159		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	82,233	33,575	41%	39,245
Prop. 172 Sales Tax	2,730	1,613	59%	1,629
Property Tax	111,136	59,733	54%	58,879
Business Tax	17,880	11,163	62%	10,292
Franchise Tax	12,225	3,618	30%	3,645
Other Local Taxes	11,612	7,751	67%	6,929
Card Room Receipts	1,010	571	57%	582
Charges For Services	16,420	8,237	50%	8,612
Parking & Community Development	13,734	8,423	61%	8,091
Intergovernmental Revenues	4,981	3,321	67%	2,400
Intragovernmental Revenues	11,522	6,096	53%	7,554
Transfers In/Out	(26,979)	(7,325)	27%	(17,986)
All Other Revenue Sources	23,079	21,539	93%	20,811
Total	281,583	158,315	56%	150,683

GENERAL FUND REVENUES

General Fund revenues for the seven months ended January 31, 2016 were \$158.3 million. Revenues for the first seven months of the prior fiscal year were \$150.7 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 seven months of Fiscal Year 2015, the adjusted total is \$158.9 million; resulting in an adjusted decrease of \$0.5 million thus far in Fiscal Year 2016 as compared to total revenues through the first seven months of last fiscal year. The City received the first semi-annual installment of Property Taxes this month. Overall, total revenues are at 56.2% of the annual estimate with 58% of the year completed.

Sales Tax revenues, including those from the Sales Tax Swap were \$35.2 million through January 2016. Sales Tax revenues were \$40.9 million for the same period last fiscal year; a -13.9% decrease due to lower Sales Tax Swap receipts caused by a State-imposed change in the distribution schedule of these revenues. Yet, once the Sales Tax Swap revenues are factored out, Sales Tax receipts are up \$1.1 million (3.8%) over the same time period last year. Property Tax received through January 31, 2016 increased \$0.9 million (1.5%) from the same period last year, primarily due to increased real and secured personal property taxes. Business Taxes collected were \$11.2 million for the first seven months of Fiscal Year 2016, an increase of \$0.9 million (8.5%) over the same period last fiscal year. Other Local Taxes received through January were \$7.8 million; an increase of \$0.8 million (11.9%) over the same period last year, due to increased revenues from Room Tax and Real Estate Transfer Taxes.

GENERAL FUND REVENUES – continued

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 (-4.4%) from the first seven months of last fiscal year due to decreased subdivision inspection fees and vehicle release fees. Intergovernmental Revenues increased \$0.9 million (38.4%) compared to the first seven months of last year due to increased reimbursements for state mandated costs and federal reimbursements. Intragovernmental Revenues decreased \$1.5 million (-19.3%) compared to the same period last fiscal year due to lower equipment and overhead reimbursements from capital funds. The \$21.5 million under All Other Revenue Sources includes General Fund carryover of \$20.4 million posted at the beginning of December.

As of January 31, 2016, 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	85,727	57%	\$81,715
Fire Department	52,784	33,286	63%	30,969
Parks, Recreation & Community Services	15,768	8,738	55%	7,509
Finance/Budget/Purchasing/Central Printing	8,245	4,654	56%	4,281
Public Works	9,178	3,321	36%	4,389
City Council Offices	3,335	1,597	48%	1,531
City Clerk's Office	709	443	62%	455
Office of the Mayor/City Manager	2,414	1,457	60%	1,260
Parking and Community Development	22,986	12,825	56%	12,105
Personnel	2,933	1,864	64%	1,787
CAO	4,245	2,520	59%	2,360
General City Purposes	9,205	1,724	19%	1,626
Pending Concessions	(1,973)	0	0%	0
Total	278,957	158,156	57%	149,987

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	157,297	93,111	59%	90,070
Salaries and Benefits Others	35,004	20,919	60%	19,774
Overtime Public Protection	3,800	4,213	111%	3,099
Overtime Others	53	54	102%	59
Pension Obligation Bonds	12,740	3,734	29%	3,890
Operations and Maintenance	34,696	16,397	47%	15,002
Interdepartmental Charges	30,541	17,696	58%	16,633
Capital	4,826	2,032	42%	1,460
Total	278,957	158,156	57%	149,987

GENERAL FUND EXPENDITURES

General Fund expenditures for the seven months ended January 31, 2016 were \$158.2 million. This is an increase of \$8.2 million (5.5%) 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 seven months ended January 31, 2016. Comparing the first seven months this year with last year, the Police and Fire Departments experienced \$4.0 million (4.9%) and \$2.3 million (7.5%) increases respectively, due primarily to both overtime expenditures and costs associated with the addition of new staff added as part of the Fiscal Year 2016 budget plus additional costs for personal supplies, equipment purchases and leases. PARCS experienced a \$1.2 million (16.4%) 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 plus increased capital expenditures for equipment and improvements.

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 \$1.1 million (-24.3%) 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 Public Protection however, is up \$1.1 million (36%) over the same period last year due to spikes in Fire interagency support during fire season particularly during the recent Statewide drought, additional police coverage as a result of high crime rates, the addition of 48 new officers in field training, and 69 police officers out on various long-term absences. While explainable, it must be noted that actual Overtime Public Protection expenses have already exceeded the annual budget for those costs. Operations and Maintenance costs for the first seven months were up \$1.4 million (9.3%) over the same period last year due to costs for outside legal and consulting fees, landscaping, inventory, personal supplies, special projects, training and conferences. 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
Community Sanitation				
Revenues	12,484	10,780	86%	9,948
Expenditures	(8,500)	(4,257)	50%	(4,263)
Total	3,984	6,523		5,685
Transportation/FAX				
Revenues	41,676	14,349	34%	23,398
Expenditures	(30,638)	(15,964)	52%	(15,396)
Total	11,038	(1,615)		8,002
Airport Operating				
Revenues	26,964	26,265	97%	20,488
Expenditures	(14,237)	(7,734)	54%	(7,690)
Total	12,727	18,531		12,798
Sewer System				
Revenues	156,183	135,113	87%	89,761
Expenditures	(87,639)	(26,160)	30%	(21,548)
Total	68,544	108,953		68,213
Solid Waste System				
Revenues	31,146	19,376	62%	20,224
Expenditures	(29,965)	(15,556)	52%	(17,290)
Total	1,181	3,820		2,934
Water System				
Revenues	127,202	93,747	74%	92,116
Expenditures	(99,676)	(35,088)	35%	(38,900)
Total	27,526	58,659		53,216

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 \$2.3 million (-23.9%) compared to the prior year as a result of decreased passenger revenues, lower State TDA funding, and no Federal alternative fuel rebate. Excluding carryover, Airport Operating and Sewer System YTD Revenues for the first seven months of Fiscal Year 2016 increased \$0.7 million (6.8%) and \$1.4 million (4.5%) 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 54% of the total revenue received through January 31, 2016. 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 49.8% of total revenues received through January 31, 2016. Water's carryover this year is up \$5.4 million (13.1%) over last year's carryover.

Sewer expenditures are up \$4.6 million (21.4%) over the same period last year, primarily due to an increase in contract construction expenses, professional services, specialty chemicals, and utilities. Water expenditures are down \$3.8 million (-9.8%). Items contributing to that decrease include reductions in utilities, specialty chemicals, ID charges, property, outside repairs, professional and technical services, and water purchases.

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
Total Bonds	\$304,580	\$469,063	\$773,643
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		\$371	371
State Water Resources Control Board Loans		48,931	48,931
Total Notes and Loans	\$3,948	\$49,302	\$53,250
Capital Leases	\$16,204		\$16,204
Total City Debt	\$324,732	\$518,365	\$843,097

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.