



City of Fresno
Monthly Financial Report FY2015/2016
For the Four Months Ended October 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	274,993	38,897	14%	49,285
Expenditures	(272,367)	(88,489)	32%	(84,280)
Revenues Over Expenditures	2,626	(49,592)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	82,233	15,153	18%	14,836
Prop. 172 Sales Tax	2,730	698	26%	869
Property Tax	112,636	1,288	1%	1,678
Business Tax	17,880	5,042	28%	5,883
Franchise Tax	12,225	1,711	14%	1,479
Other Local Taxes	11,612	4,563	39%	4,210
Card Room Receipts	1,010	340	34%	318
Charges For Services	16,420	5,140	31%	5,434
Parking & Community Development	13,734	5,096	37%	4,746
Intergovernmental Revenues	4,846	2,110	44%	2,433
Intragovernmental Revenues	11,522	3,070	27%	3,824
Transfers In/Out	(26,979)	(5,835)	22%	(16,173)
All Other Revenue Sources	15,124	521	3%	19,748
Total	274,993	38,897	14%	49,285

GENERAL FUND REVENUES

General Fund revenues for the four months ended October 31, 2015 were \$38.9 million and do not include General Fund carryover from Fiscal Year 2015 into Fiscal Year 2016. Revenues for the first four months of the prior fiscal year were \$49.3 million including \$18.9 million carryover from Fiscal Year 2014 (included in All Other Revenue Sources) and transfer out of \$8.2 million to repay monies previously advanced to it by Water and Solid Waste. If the carryover and loan repayment are excluded from total revenues during the first four months of Fiscal Year 2015, the adjusted total is \$38.6 million; resulting in an adjusted increase of \$0.3 million over total revenues through the first four months of last fiscal year. The majority of the \$0.3 million increase between years is outlined below. 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.

Sales Tax revenues, including those from the Sales Tax Swap were \$15.1 million through October. Sales Tax revenues were \$14.8 million for the same period last fiscal year; a 2.1% increase. Property Tax received through October 31, 2015 decreased \$0.4 million (-23.2%) from the same period last year primarily due to fewer delinquent taxes received this year. Business Taxes collected were \$5.0 million for the first four months of Fiscal Year 2015, a decrease of \$0.8 million (-14.3%) over the same period last fiscal year primarily due to timing of payments received from local businesses.

Franchise Taxes received during the first four months were \$1.7 million, an increase of \$0.2 million (15.7%) over the first four months last fiscal year mostly due to increased revenue from Roll off Bin Franchise fees. Other Local Taxes received through October were \$4.5 million; an increase of \$0.4 million (8.4%) over the same period last year due to increased revenues from Real Estate Transfer Taxes and Room Tax.

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 \$0.3 million (-5.4%) from the first four months of last fiscal year due to decreased conditional use permit and subdivision inspection fees. Intergovernmental Revenues decreased \$0.3 million (-13.3%) compared to the first four months of last year due to lower federal grant receipts. Intragovernmental Revenues decreased \$0.75 million (-19.7%) compared to the same period last fiscal year due to lower equipment and overhead reimbursements from capital.

As of October 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	47,015	32%	45,359
Fire Department	51,965	18,765	36%	17,282
Parks, Recreation & Community Services	15,433	4,966	32%	4,203
Finance/Budget/Purchasing/Central Printing	8,245	2,694	33%	2,454
Public Works	7,278	1,865	26%	2,706
City Council Offices	3,296	993	30%	938
City Clerk's Office	709	296	42%	272
Office of the Mayor/City Manager	2,414	838	35%	712
Parking and Community Development	21,894	7,617	35%	7,009
Personnel	2,933	1,092	37%	1,071
CAO	4,165	1,431	34%	1,366
General City Purposes	6,880	917	13%	908
Pending Concessions	(1,973)	0	0%	0
Total	272,367	88,489	32%	84,280

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	156,911	52,294	33%	51,401
Salaries and Benefits Others	34,775	11,994	34%	11,331
Overtime Public Protection	3,800	2,785	73%	1,893
Overtime Others	53	21	40%	34
Pension Obligation Bonds	12,740	2	0%	0
Operations and Maintenance	30,527	9,797	32%	8,936
Interdepartmental Charges	30,486	10,621	35%	9,838
Capital	3,075	975	32%	847
Total	272,367	88,489	32%	84,280

GENERAL FUND EXPENDITURES

General Fund expenditures for the four months ended October 31, 2015 were \$88.5 million. This is an increase of \$4.2 million (5.0%) 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 four months ended October 31, 2015. Comparing the first four months this year with last year, the Police and Fire Departments experienced \$1.7 million (3.7%) and \$1.5 million (8.6%) 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 equipment purchases and leases. Parking & Community Development experienced a \$0.6 million (8.7%) increase for the four months ended October 31, 2015 compared to the same period last year primarily due to increased costs for operations and maintenance. PARCS experienced a \$0.8 million (18.2%) 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.

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.

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 four months were up \$0.9 million (9.6%) over the same period last year due to costs for personal supplies, ammunition, landscaping, outside legal and consulting fees. 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	12,121	8,860	73%	8,158
Expenditures	(8,137)	(2,347)	29%	(2,298)
Total	3,984	6,513		5,860
Transportation/FAX				
Revenues	41,676	12,703	30%	20,952
Expenditures	(30,638)	(8,739)	29%	(8,448)
Total	11,038	3,964		12,504
Airport Operating				
Revenues	28,136	21,703	77%	16,258
Expenditures	(14,487)	(4,914)	34%	(4,632)
Total	13,649	16,789		11,626
Sewer System				
Revenues	156,183	115,148	74%	71,030
Expenditures	(96,473)	(15,642)	16%	(13,069)
Total	59,710	99,506		57,961
Solid Waste System				
Revenues	31,146	12,680	41%	11,901
Expenditures	(29,965)	(8,652)	29%	(9,471)
Total	1,181	4,028		2,430
Water System				
Revenues	127,202	74,302	58%	75,826
Expenditures	(99,676)	(18,263)	18%	(21,860)
Total	27,526	56,039		53,966

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 carryover, Airport Operating and Sewer System YTD Revenues for the first four months of Fiscal Year 2016 increased \$0.35 million (6.0%) and \$0.2 million (1.6%) 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 almost two-thirds of the total revenue received through October 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 62.8% of total revenues received through October 31, 2015. Water's carryover this year is up \$5.4 million (13.1%) over last year's carryover.

Sewer expenditures are up \$2.6 million (19.7%) over the same period last year, primarily due to an increase of \$2.5 million in the property category because of contract construction. Community Sanitation ID charges are down \$0.1 million compared to the same period last year because several ID accounts (UBC charges, self-insurance, and fixed charges) that were billed to Community Sanitation last fiscal year were not billed this year. Water expenditures are down \$3.6 million (-16.5%). Items contributing to that decrease include utilities (down \$0.6 million), supplies (down \$0.9 million because of reductions in specialty chemical costs), 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
Total Bonds	\$304,580	\$469,063	\$773,643
Notes and Loans			
CEC - MSC Solar System	\$545		\$545
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		\$380	380
State Water Resources Control Board Loans		50,243	50,243
Total Notes and Loans	\$4,081	\$50,623	\$54,704
Capital Leases	\$9,005		\$9,005
Total City Debt	\$317,666	\$519,686	\$837,352

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.