



City of Fresno
Monthly Financial Report FY2015/2016
For the Three Months Ended September 30, 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	274,973	26,952	10%	33,578
Expenditures	(272,347)	(68,501)	25%	(65,359)
Revenues Over Expenditures	2,626	(41,549)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	82,233	10,951	13%	10,802
Prop. 172 Sales Tax	2,730	698	26%	691
Property Tax	112,636	1,189	1%	1,592
Business Tax	17,880	2,194	12%	1,573
Franchise Tax	12,225	2,274	19%	1,145
Other Local Taxes	11,612	3,315	29%	2,732
Card Room Receipts	1,010	252	25%	240
Charges For Services	16,420	3,980	24%	4,128
Parking & Community Development	13,734	3,785	28%	3,590
Intergovernmental Revenues	4,826	1,666	35%	1,535
Intragovernmental Revenues	11,522	1,959	17%	2,289
Transfers In/Out	(26,979)	(5,717)	21%	(16,157)
All Other Revenue Sources	15,124	406	3%	19,418
Total	274,973	26,952	10%	33,578

GENERAL FUND REVENUES

General Fund revenues for the three months ended September 30, 2015 were \$27.0 million and do not include General Fund carryover from Fiscal Year 2015 into Fiscal Year 2016. Revenues for the first three months of the prior fiscal year were \$33.6 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 three months of Fiscal Year 2015, the adjusted total is \$22.9 million; resulting in an adjusted increase of \$4.1 million over total revenues through the first three months of last fiscal year. The majority of the \$4.1 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 \$11.0 million through September. Sales Tax revenues were \$10.8 million for the same period last fiscal year; a 1.4% increase. Property Tax received through September 30, 2015 decreased \$0.4 million (-25.3%) from the same period last year primarily due to fewer delinquent taxes received this year. Business Taxes collected were \$2.2 million for the first three months of Fiscal Year 2015, an increase of \$0.62 million (39.5%) over the same period last fiscal year primarily due to August 2015 journals totaling \$0.74 million to correct posting of some Fiscal Year 2015 business taxes.

Franchise Taxes received during the first three months were \$2.3 million, an increase of \$1.1 million (98.6%) over the first three months last fiscal year mostly due to increased revenue from Roll off Bin Franchise fees and timing of cable franchise fees. Other Local Taxes received through September were \$3.3 million; an increase of \$0.6 million (21.3%) 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 for the three months ended September 30, 2015 decreased \$0.15 million (-3.6%) from the first three months of last fiscal year due to decreased subdivision map and inspection fees. Intergovernmental Revenues received during the first three months of Fiscal Year 2015 were \$0.13 million (8.5%) more than the first three months last year due to State reimbursements to the Fire Department for fire season mutual aid. Intragovernmental Revenues decreased \$0.3 million (-14.4%) compared to the same period last fiscal year due to lower overhead reimbursements from capital.

As of September 30, 2015, the City maintained nearly \$11.7 million in the General Fund Emergency Reserve. \$2.7 million of funds associated with the repayment of loans made by the City to the RDA was received in September 2015. The use of this cash is restricted until such time as a declaration 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	36,422	24%	34,807
Fire Department	51,965	14,421	28%	13,500
Parks, Recreation & Community Services	15,413	3,595	23%	3,251
Finance/Budget/Purchasing/Central Printing	8,245	2,064	25%	1,947
Public Works	7,278	1,525	21%	2,117
City Council Offices	3,296	812	25%	770
City Clerk's Office	709	253	36%	226
Office of the Mayor/City Manager	2,414	653	27%	559
Parking and Community Development	21,894	6,072	28%	5,576
Personnel	2,933	886	30%	873
CAO	4,165	1,112	27%	1,095
General City Purposes	6,880	686	10%	638
Pending Concessions	(1,973)	0	0%	0
Total	272,347	68,501	25%	65,359

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	156,912	40,515	26%	40,281
Salaries and Benefits Others	34,765	9,373	27%	8,895
Overtime Public Protection	3,800	2,383	63%	1,500
Overtime Others	53	14	27%	23
Pension Obligation Bonds	12,740	2	0%	0
Operations and Maintenance	30,552	7,290	24%	6,575
Interdepartmental Charges	30,456	8,254	27%	7,547
Capital	3,069	670	22%	538
Total	272,347	68,501	25%	65,359

GENERAL FUND EXPENDITURES

General Fund expenditures for the three months ended September 30, 2015 were \$68.5 million. This is an increase of \$3.1 million (4.8%) 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 three months ended September 30, 2015. Comparing the first three months this year with last year, the Police and Fire Departments experienced \$1.6 million (4.6%) and \$0.9 million (6.8%) 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. Parking & Community Development experienced a \$0.5 million (8.9%) increase for the three months ended September 30, 2015 compared to the same period last year primarily due to increased costs for operations and maintenance.

Expenditures for PARCS, 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 three months were up \$0.7 million (10.9%) over the same period last year due to costs for service contracts on equipment, 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	8,141	67%	7,273
Expenditures	(8,137)	(1,744)	21%	(1,704)
Total	3,984	6,397		5,569
Transportation/FAX				
Revenues	41,676	9,095	22%	17,299
Expenditures	(30,638)	(6,551)	21%	(6,304)
Total	11,038	2,544		10,995
Airport Operating				
Revenues	28,700	20,030	70%	14,739
Expenditures	(14,487)	(4,007)	28%	(3,698)
Total	14,213	16,023		11,041
Sewer System				
Revenues	156,183	108,354	69%	63,315
Expenditures	(95,123)	(10,418)	11%	(10,202)
Total	61,060	97,936		53,113
Solid Waste System				
Revenues	31,146	10,314	33%	8,990
Expenditures	(29,965)	(6,473)	22%	(6,919)
Total	1,181	3,841		2,071
Water System				
Revenues	127,202	67,223	53%	67,921
Expenditures	(99,676)	(14,606)	15%	(17,203)
Total	27,526	52,617		50,718

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 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 three months of Fiscal Year 2016 increased \$0.2 million (4.6%) and \$1.1 million (18.8%) respectively compared to the same period last year.

Fiscal Year 2016 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	\$30,095		\$30,095
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	19,535	22,940
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	\$305,720	\$469,423	\$775,143
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		\$383	383
State Water Resources Control Board Loans		50,285	50,285
Total Notes and Loans	\$4,081	\$50,668	\$54,749
Capital Leases	\$9,334		\$9,334
Total City Debt	\$319,135	\$520,091	\$839,226

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.