



City of Fresno
Monthly Financial Report
For the One Month Ended July 31, 2018
Unaudited – Intended for Internal Management Purposes Only
(All figures in thousands)

GENERAL FUND AT-A-GLANCE

Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	323,496	6,645	2%	6,152
Expenditures	(321,362)	(20,564)	6%	(20,687)
Revenues Over (Under) Expenditures	<u>2,134</u>	<u>(13,919)</u>		<u>(14,535)</u>

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	97,665	0	0%	0
Prop. 172 Sales Tax	3,156	227	7%	234
Property Tax	131,683	0	0%	0
Business Tax	19,640	838	4%	971
Franchise Tax	14,350	536	4%	390
Other Local Taxes	14,544	1,597	11%	1,298
Card Room Receipts	971	79	8%	78
Charges for Services	16,519	1,474	9%	1,300
Development Fees	19,266	1,596	8%	1,479
Intergovernmental Revenues	10,132	302	3%	320
Intragovernmental Revenues	14,591	0	0%	22
Transfers In/Out	(31,597)	(149)	0%	(123)
All Other Revenue Sources	12,576	145	1%	183
Total General Fund Revenues	<u>323,496</u>	<u>6,645</u>	<u>2%</u>	<u>6,152</u>

ANALYSIS OF GENERAL FUND REVENUES

General Fund revenues for Fiscal Year 2019 are projected to be \$323.5 million. This estimated amount is a decrease, in total, from the amount of revenues actually realized in Fiscal Year 2018, which were \$324.9 million. General Fund revenues for July 2018 were \$6.6 million. This is an increase of \$0.5 million, or 8.0%, above revenues for July 2017. Total revenues at the end of July 2018 are at 2.1% of the annual estimate for Fiscal Year 2019.

Business Tax revenues during July 2018 decreased \$0.1 million (-13.7%) from last July mostly due to improved timely collections during Fiscal Year 2018. Other Local Taxes during July 2018 increased \$0.3 million (23.0%) over July 2017 due to increased room and real estate transfer taxes.

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.

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Charges for Services increased \$0.2 million (13.4%) from last July mostly due to increased revenue from street work permits, subdivision inspection, and vehicle release fees.

As of July 31st, the City maintained \$27.4 million in the General Fund Emergency Reserve. \$3.5 million of those funds are associated with the repayment of loans made by the City to the former RDA which were received in July 2018. 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	170,718	11,188	7%	10,905
Fire Department	62,226	4,406	7%	4,734
Parks, Recreation & Community Services	17,082	775	5%	1,009
Finance/Purchasing/Central Printing	7,389	598	8%	407
Public Works	9,093	422	5%	1,069
City Council Offices	4,187	300	7%	167
City Clerk's Office	910	76	8%	65
Office of the Mayor/City Manager/Budget	4,134	287	7%	255
Development and Resource Management (DARM)	30,384	1,261	4%	1,448
Personnel	3,224	199	6%	195
City Attorney's Office	6,331	421	7%	378
General City Purposes	11,131	631	6%	55
Attrition Savings	(5,447)	0	0%	0
Total General Fund Expenditures	<u>321,362</u>	<u>20,564</u>	<u>7%</u>	<u>20,687</u>

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	183,827	12,704	7%	11,942
Salaries and Benefits Others	42,004	3,374	8%	3,170
Overtime Public Protection	4,787	603	13%	555
Overtime Others	68	19	28%	10
Pension Obligation Bonds	12,720	0	0%	0
Operations and Maintenance	39,306	3,068	8%	3,853
Interdepartmental Charges	26,312	634	2%	647
Capital	12,338	162	1%	510
Total General Fund Expenditures	<u>321,362</u>	<u>20,564</u>	<u>6%</u>	<u>20,687</u>

ANALYSIS OF GENERAL FUND EXPENDITURES

Total General Fund expenditures are budgeted to be \$321.4 million for Fiscal Year 2019. This is an increase of \$15.0 million (4.9%) over actual General Fund expenditures during Fiscal Year 2018, which totaled \$306.4 million.

Comparing July 2018 with July 2017, the Police and Fire Departments experienced an increase of \$0.3 million (2.6%) and a decrease of \$0.3 million (-6.9%) respectively. The changes in those two departments' expenditures are primarily due to increased Police personnel costs, which were partially offset by savings in Fire operations and maintenance costs. General City Purposes expenditures increased \$0.6 million (1,047.3%) during July 2018 compared to last July mostly due to CDBG payment to HUD and timing of payment for July animal control services.

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.

By category, Salaries/Benefits for Public Protection and Others increased \$0.7 million (6.4%) and \$0.2 million (6.4%) respectively. Operations and Maintenance during July 2018 is down \$0.8 million (-20.4%) compared to last July primarily due to lower expenditures for rock and mineral products and professional services.

Capital expenditures during July 2018 decreased \$0.3 million (-68.2%) compared to last year due to timing of payments for leased equipment and payment for fire truck equipment during July 2017 for which there is no similar payment during July 2018.

Expenditures are 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	8,296	778	9%	771
Carryover	<u>3,155</u>	<u>0</u>	0%	<u>0</u>
Available Resources	11,451	778	7%	771
Expenditures	<u>(11,384)</u>	<u>(613)</u>	5%	<u>(595)</u>
Available Resources Over/(Under) Expenditures	<u>67</u>	<u>165</u>		<u>176</u>
Transportation/FAX				
Revenues	31,791	1,235	4%	485
Carryover	<u>196</u>	<u>0</u>	0%	<u>0</u>
Available Resources	31,987	1,235	4%	485
Expenditures	<u>(30,172)</u>	<u>(2,181)</u>	7%	<u>(2,060)</u>
Available Resources Over/(Under) Expenditures	<u>1,815</u>	<u>(946)</u>		<u>(1,575)</u>
Airport Operating				
Revenues	12,789	2,497	20%	903
Carryover	<u>32,396</u>	<u>0</u>	0%	<u>0</u>
Available Resources	45,185	2,497	6%	903
Expenditures	<u>(17,561)</u>	<u>(1,701)</u>	10%	<u>(1,755)</u>
Available Resources Over/(Under) Expenditures	<u>27,624</u>	<u>796</u>		<u>(852)</u>
Sewer System				
Revenues	87,338	6,972	8%	5,388
Carryover	<u>35,991</u>	<u>0</u>	0%	<u>0</u>
Available Resources	123,329	6,972	6%	5,388
Expenditures	<u>(109,097)</u>	<u>(3,245)</u>	3%	<u>(5,140)</u>
Available Resources Over/(Under) Expenditures	<u>14,232</u>	<u>3,727</u>		<u>248</u>
Solid Waste System				
Revenues	38,640	2,573	7%	2,507
Carryover	<u>2,846</u>	<u>0</u>	0%	<u>0</u>
Available Resources	41,486	2,573	6%	2,507
Expenditures	<u>(38,432)</u>	<u>(1,834)</u>	5%	<u>(2,001)</u>
Available Resources Over/(Under) Expenditures	<u>3,054</u>	<u>739</u>		<u>506</u>
Water System				
Revenues	117,542	10,249	9%	8,764
Carryover	<u>89,909</u>	<u>0</u>	0%	<u>0</u>
Available Resources	207,451	10,249	5%	8,764
Expenditures	<u>(119,342)</u>	<u>(5,362)</u>	4%	<u>(3,857)</u>
Available Resources Over/(Under) Expenditures	<u>88,109</u>	<u>4,887</u>		<u>4,907</u>

ANALYSIS OF ENTERPRISE OPERATING FUNDS

Actual revenues and expenditures for Enterprise Operations are recorded on the cash basis of accounting for monthly financial reporting purposes: meaning, revenues are recognized when the cash is received 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 2019 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 2018 to Fiscal Year 2019 will be posted in August and reflected in next month's report.

Transportation/FAX Revenues during July 2018 increased \$0.8 million (154.6%) from last July mostly due to receipt of State of Good Repair tax allocation in July 2018 for which no similar revenue was received last July. Airport Operating Revenues for July 2018 increased \$1.6 million (176.5%) primarily due to increased rentals and concessions, landing fees, and parking revenue, plus reduced transfers out to other Airport funds.

Sewer System Revenues for July 2018 increased \$1.6 million (29.4%) mainly due to reduced transfers out to other Sewer funds and timing of Clovis payment for share of operations and maintenance. Water System Revenues for July 2018 increased \$1.5 million (16.9%) primarily due to increased customer charges.

Sewer System expenditures during July 2018 decreased \$1.9 million (-36.9%) compared to last fiscal year primarily due to purchase of specialty chemicals last July for which there was not a similar expenditure in July 2018. Water System expenditures during July 2018 increased \$1.5 million (39.0%) compared to July 2017 mostly due to increased fees for engineering & design services, utilities, and outside repairs of improvements.

CITY DEBT

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$25,570		\$25,570
No Neighborhood Left Behind/Selland Arena	12,945		12,945
Parks Impact Fee Projects	22,965	\$1,615	24,580
City Hall Chiller/Convention Center Improvements	2,710	13,315	16,025
Public Safety Impact Fee Projects	32,065		32,065
City Hall Refinancing/Bee Building/Granite Park	29,020		29,020
Exhibit Hall Expansion Project		14,017	14,017
Stadium Project		28,035	28,035
Judgment Bonds:			
Pension Obligation Bonds	124,245		124,245
Enterprise Bonds:			
Water		130,725	130,725
Sewer		176,915	176,915
Airport		47,715	47,715
Total Bonds	\$249,520	\$412,337	\$661,857
Notes and Loans:			
HUD – FMAAA	\$255		\$255
HUD – Neighborhood Streets and Parks	572		572
CIEDB – Roeding Business Park	1,639		1,639
SMG – Employee Benefits Cost Reimbursement		\$267	267
State Water Resources Control Board Loans		299,749	299,749
Clean Water – Southwest Quadrant		20,206	20,206
Safe Drinking Water Loans		42,150	42,150
Total Notes and Loans	\$2,466	\$362,372	\$364,838
Capital Leases	28,507		28,507
Total City Debt	\$280,493	\$774,709	\$1,055,202

SUMMARY AND CONTACT INFORMATION

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.