



City of Fresno
Monthly Financial Report
For the Ten Months Ended April 30, 2020
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	355,120	268,508	76%	261,924
Expenditures	(349,914)	(265,474)	76%	(249,673)
Revenues Over (Under) Expenditures	5,206	3,034		12,251

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	95,171	64,483	68%	69,569
Prop. 172 Sales Tax	3,223	3,090	96%	2,703
Property Tax	140,218	102,471	73%	95,256
Business Tax	20,091	12,830	64%	15,786
Franchise Tax	15,423	12,451	81%	11,588
Other Local Taxes	15,792	13,156	83%	13,014
Card Room Receipts	1,070	781	73%	876
Charges for Services	18,796	16,053	85%	14,399
Development Fees	18,705	16,576	89%	14,822
Intergovernmental Revenues	9,947	6,946	70%	9,387
Intragovernmental Revenues	13,651	11,482	84%	12,256
Transfers In/Out	(24,572)	(18,828)	77%	(17,810)
All Other Revenue Sources	27,605	27,017	98%	20,078
Total General Fund Revenues	355,120	268,508	76%	261,924

ANALYSIS OF GENERAL FUND REVENUES

General Fund revenues for the ten months ended April 30, 2020 were \$268.5 million. This is an increase of \$6.6 million, or 2.5%, above actual revenues during the first ten months of last fiscal year. Total revenues at the end of April 2020 are at 75.6% of the annual estimate for Fiscal Year 2020.

Sales Tax revenues during the first ten months of Fiscal Year 2020 decreased \$5.1 million (-7.3%) compared to the first ten months of last fiscal year because Sales Tax revenue received during August 2019 was accrued as Fiscal Year 2019 revenue. Property Tax revenues during the ten months ended April 30, 2020 increased \$7.2 million (7.6%) compared to last year due to increased Unsecured Property Tax, Real and Personal Property Tax, and Vehicle License Fee (VLF) Swap revenue. This was partially offset by lower Supplemental Tax revenue compared to last fiscal year. Business Tax revenues during the first ten months of Fiscal Year 2020 decreased \$3.0 million (-18.7%) compared to last fiscal year due to timing differences in the receipt of business tax revenues.

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.

Charges for Services during the ten months ended April 30, 2020 increased \$1.7 million (11.5%) compared to same period last fiscal year mostly due to a payment from North Central Fire District this year for which there was no similar payment last year. Additionally, there have been increased fee revenues for Fig Garden Fire Protection contract, fire surcharge on permits, and subdivision tract and parcel maps. Development Fee revenues during the first ten months of Fiscal Year 2020 increased \$1.8 million (11.8%) due to higher revenues for building permits and plan checks.

Intergovernmental Revenues during the ten months ended April 30, 2020 decreased \$2.4 million (-26.0%) compared to the same period last fiscal year mostly due to lower payment from the Successor Agency, lower State reimbursements, and reduced revenues for school resource officers. Transfers Out during the ten months ended April 30, 2020 increased \$1.0 million (5.7%) mostly due to the transfer for the construction of Fire Station 18. All Other Revenues during the first ten months of Fiscal Year 2020 increased \$6.9 million (34.6%) mostly due to higher General Fund carryover into Fiscal Year 2020 compared to last fiscal year plus higher revenue for VLF in excess.

As of April 30th, the City maintained \$34.9 million in the General Fund Emergency Reserve. The balance is up from the beginning of the fiscal year due to interest/investment revenue. 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	181,120	139,479	77%	133,299
Fire Department	68,354	53,883	79%	48,993
Parks, Recreation & Community Services	21,019	13,272	63%	11,671
Finance/Purchasing	6,534	4,918	75%	5,535
Public Works	13,031	7,416	57%	7,504
City Council Offices	5,521	2,822	51%	2,690
City Clerk's Office	969	798	82%	726
Office of the Mayor/City Manager/Budget	4,499	3,550	79%	3,330
Planning and Development	21,957	15,260	69%	21,668
Personnel	3,519	2,794	79%	2,554
City Attorney's Office	16,590	12,819	77%	5,153
General City Purposes	13,714	8,463	62%	6,550
Attrition Savings	(6,913)	0	0%	0
Total General Fund Expenditures	349,914	265,474	76%	249,673

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	192,514	156,527	81%	145,484
Salaries and Benefits Others	43,835	39,497	90%	36,486
Overtime Public Protection	4,769	3,971	83%	5,733
Overtime Others	150	185	124%	145
Pension Obligation Bonds	12,674	2,979	24%	3,187
Operations and Maintenance	41,134	27,772	68%	27,959
Interdepartmental Charges	42,264	31,413	74%	23,236
Capital	12,574	3,130	25%	7,443
Total General Fund Expenditures	349,914	265,474	76%	249,673

ANALYSIS OF GENERAL FUND EXPENDITURES

General Fund expenditures for the ten months ended April 30, 2020 were \$265.5 million. This is an increase of \$15.8 million (6.3%) from actual General Fund expenditures during the same period last fiscal year. Total expenditures at the end of April 2020 were at 75.9% of the annual budgeted amounts.

Comparing this fiscal year with last fiscal year, the Police and Fire Departments experienced increases of \$6.2 million (4.6%) and \$4.9 million (10.0%) respectively. The changes in the Police Department's expenditures are primarily due to increased Police personnel costs and higher interdepartmental charges. The Fire Department's results stemmed from increased minimum staffing pay and interdepartmental charges, which were partially offset by decreased Fire overtime (as a result of a drop in requests for personnel fighting wildfires).

Parks, Recreation & Community Services' expenditures increased \$1.6 million (13.7%) during the first ten months of Fiscal Year 2020 compared to the same period last fiscal year, mostly due to higher costs for professional and consulting services, utility expense, and increased cost for temporary summer help.

City Attorney's Office expenditures increased \$7.7 million (148.8%) while Planning and Development's expenditures decreased \$6.4 million (-29.6%) compared to the first ten months of last fiscal year mostly due to the transfer in Fiscal Year 2020 of Code Enforcement from the former Development and Resource Management Department to the City Attorney's Office. The City Attorney's Office also experienced increased personnel and interdepartmental expenditures.

Expenditures for General City Purposes during the ten months ended April 30, 2020 increased \$1.9 million (29.2%) compared to the same period last year mostly due to expenditures for grant for housing, animal shelter study and design work, and District 2 special election for which there were no similar expenditures last year.

Expenditures for Council Offices, the Clerk's Office, the Mayor/City Manager's Offices, Finance, 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. Finance's expenditures during the ten months ended April 30, 2020 decreased \$0.6 million (-11.1%) compared to the same period last fiscal year mostly due to the transition in Fiscal Year 2020 of Central Printing from the General Fund to an Internal Service Fund.

By category, Salaries/Benefits for Public Protection and Others increased \$11.0 million (7.6%) and \$3.0 million (8.3%) respectively during the first ten months of Fiscal Year 2020 compared to the same period last year. Overtime for Public Protection during the ten months ended April 30, 2020 decreased \$1.8 million (-30.7%) compared to last year.

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Interdepartmental charges during the first ten months of Fiscal Year 2020 increased \$8.2 million (35.2%) compared to the same period last year mostly due to increased costs for fleet charges, liability self-insurance, and computer network replacement charges. Capital expenditures experienced a \$4.3 million (-57.9%) decrease for the first ten months of Fiscal Year 2020 compared to the same period last year, mostly due to police car lease payments and contract construction last fiscal year for which there are no similar expenditures this fiscal year.

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	9,510	7,542	79%	7,014
Carryover	<u>874</u>	<u>1,192</u>	136%	<u>3,954</u>
Available Resources	10,384	8,734	84%	10,968
Expenditures	<u>(10,384)</u>	<u>(7,198)</u>	69%	<u>(8,283)</u>
Available Resources Over/(Under) Expenditures	<u> </u>	<u>1,536</u>		<u>2,685</u>
Transportation/FAX				
Revenues	31,556	30,086	95%	25,101
Carryover	<u>(1,260)</u>	<u>(1,795)</u>	142%	<u>(2,640)</u>
Available Resources	30,296	28,291	93%	22,461
Expenditures	<u>(29,581)</u>	<u>(21,047)</u>	71%	<u>(25,569)</u>
Available Resources Over/(Under) Expenditures	<u>715</u>	<u>7,244</u>		<u>(3,108)</u>
Airport Operating				
Revenues	3,121	15,896	509%	17,805
Carryover	<u>37,316</u>	<u>37,015</u>	99%	<u>34,316</u>
Available Resources	40,437	52,911	131%	52,121
Expenditures	<u>(19,540)</u>	<u>(15,053)</u>	77%	<u>(13,442)</u>
Available Resources Over/(Under) Expenditures	<u>20,897</u>	<u>37,858</u>		<u>38,679</u>
Sewer System				
Revenues	49,529	42,549	86%	51,459
Carryover	<u>56,335</u>	<u>65,274</u>	116%	<u>41,100</u>
Available Resources	105,864	107,823	102%	92,559
Expenditures	<u>(86,617)</u>	<u>(38,444)</u>	44%	<u>(40,305)</u>
Available Resources Over/(Under) Expenditures	<u>19,247</u>	<u>69,379</u>		<u>52,254</u>
Solid Waste System				
Revenues	34,010	24,851	73%	27,397
Carryover	<u>4,989</u>	<u>4,840</u>	97%	<u>3,035</u>
Available Resources	38,999	29,691	76%	30,432
Expenditures	<u>(35,885)</u>	<u>(25,851)</u>	72%	<u>(24,747)</u>
Available Resources Over/(Under) Expenditures	<u>3,114</u>	<u>3,840</u>		<u>5,685</u>
Water System				
Revenues	117,532	105,696	90%	101,981
Carryover	<u>108,256</u>	<u>112,593</u>	104%	<u>89,619</u>
Available Resources	225,788	218,289	97%	191,600
Expenditures	<u>(141,208)</u>	<u>(74,689)</u>	53%	<u>(62,904)</u>
Available Resources Over/(Under) Expenditures	<u>84,580</u>	<u>143,600</u>		<u>128,696</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 2020 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 2019 to Fiscal Year 2020 are treated as a component of operating revenue and are detailed above. Because carryover is posted in August, early fiscal year Revenue results may appear high.

Community Sanitation carryover represents about 13.6% of total available resources during the ten months ended April 30, 2020. Transportation/FAX Revenues during the first ten months of this fiscal year increased \$5.0 million (19.9%) from the same period last fiscal year mostly due to a transfer out last year for capital projects for which there was no similar transfer this year, as well as higher State of California TDA payments. Airport YTD Revenues for the ten months ended April 30, 2020 decreased \$1.9 million (-10.7%) from the same period last fiscal year primarily due to increased transfers out for capital projects. This was partially offset by increased parking, rental, concession, and landing fees. Airport Operating carryover represents about 70.0% of total available resources through April 30th.

Sewer System YTD Revenues for the ten months ended April 30, 2020 decreased \$8.9 million (-17.3%) primarily due to a transfer out this year to deposit funds into an escrow account to defease the Series 2008 Sewer bonds. This was partially offset by increased City of Clovis share payments, and interest revenue. Sewer System carryover represents about 60.5% of total available resources for this fiscal year. Solid Waste Revenues for the first ten months of Fiscal Year 2020 decreased \$2.5 million (-9.3%) primarily due to a transfer out this year to the Fleet Replacement Fund for which there were no similar transfers last fiscal year. This was partially offset by increased customer charges. Solid Waste carryover represents about 16.3% of total available resources for this fiscal year.

Water System YTD Revenues for the first ten months of this fiscal year increased \$3.7 million (3.6%) primarily due to increased customer charges, BAB Subsidy payment, interest earnings, and timing of the annual transfer in to cover O&M costs related to DBCP. This was partially offset by a PG&E refund last year related to the Southeast Water Treatment Facility for which there was no similar payment this year. Water System carryover represents about 51.6% of total available resources through April 30, 2020.

Community Sanitation expenditures for the first ten months of this fiscal year decreased \$1.1 million (-13.1%) compared to the same period last fiscal year mainly due to lower interdepartmental overhead charges. Transportation/FAX expenditures for the first ten months of this fiscal year decreased \$4.5 million (-17.7%) compared to same period last fiscal year mainly due to lower costs for personnel, and technical/professional services. These decreases were partially offset by increased interdepartmental charges for liability self-insurance.

Airport Operating expenditures for the ten months ended April 30, 2020 increased \$1.6 million (12.0%) compared to the same period last fiscal year primarily due to increased costs for personnel, interdepartmental reimbursement to the General Fund, technical/professional services, utilities, and materials and parts. Water System expenditures during the ten months ended April 30, 2020 increased \$11.8 million (18.7%) compared to the same period last fiscal year mostly due to higher costs for contract construction, water purchases, personnel, and payments on State loans this year for which there were no similar payments last year. These increases are partially offset by lower expenditures for inventory, and engineering and design services.

CITY DEBT

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$22,870		\$22,870
No Neighborhood Left Behind/Selland Arena	8,115		8,115
Parks Impact Fee Projects	21,540	\$1,510	23,050
City Hall Chiller/Convention Center Improvements	2,710	8,865	11,575
Public Safety Impact Fee Projects	29,985		29,985
City Hall Refinancing/Bee Building/Granite Park	22,805		22,805
Exhibit Hall Expansion Project		11,785	11,785
Stadium Project		25,775	25,775
Judgment Bonds:			
Pension Obligation Bonds	116,160		116,160
Enterprise Bonds:			
Water		124,995	124,995
Sewer*		6,935	6,935
Airport**		80,865	80,865
Total Bonds	\$224,185	\$260,730	\$484,915
Notes and Loans:			
HUD – Neighborhood Streets and Parks	\$365		365
CIEDB – Roeding Business Park	1,481		1,481
State Water Resources Control Board Loans		\$328,334	\$328,334
Clean Water – Southwest Quadrant		36,997	36,997
Safe Drinking Water Loans		38,026	38,026
Total Notes and Loans	\$1,846	\$403,357	\$405,203
Capital Leases	39,835		39,835
Total City Debt	\$265,866	\$664,087	\$929,953

* Final defeasance of Sewer 2008 Bonds during September 2019 reduced principal by \$27.3 million.

** Issuance of Airport Parking Garage Bonds during May 2019 increased principal by \$35 million.

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.