

# City of Fresno 2014 CAFR OVERVIEW



CAFR

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the fiscal year ended June 30, 2014



2014 CAFR

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## Comprehensive Annual Financial Report

City of Fresno, California

For the fiscal year ended June 30, 2014

### Prepared by The City of Fresno Finance Department

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#### Special Thanks to

Renona Sawatzky, Accountant-Auditor II  
Janice Denman, Accountant-Auditor II  
CAFR, Single Audit and Fixed Asset Leads in all  
City Departments throughout the City



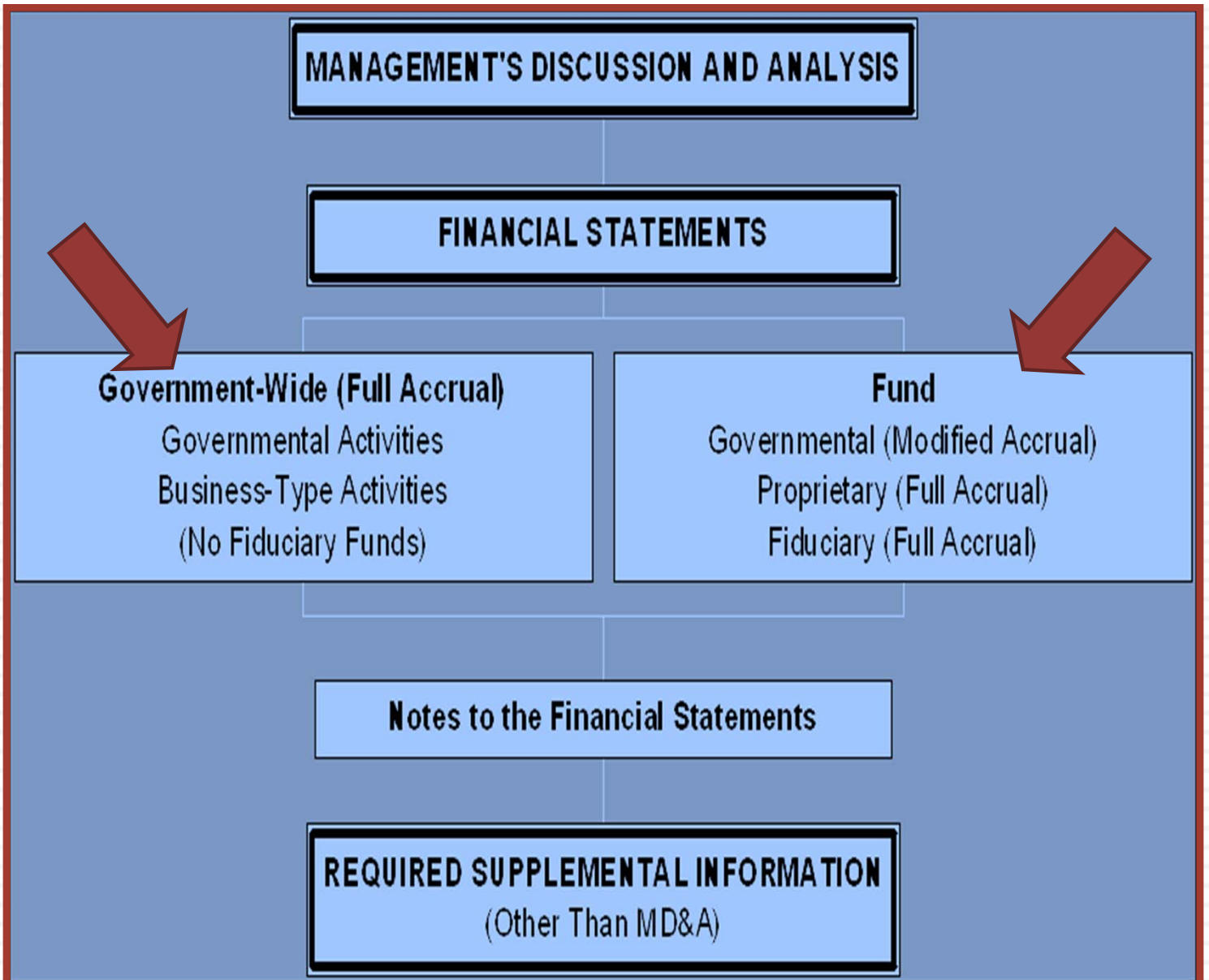
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City of Fresno, California

For the fiscal year ended June 30, 2014





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## Comprehensive Annual Financial Report

City of Fresno, California

For the fiscal year ended June 30, 2014

### CAFR Fund Grouping Structure



#### Governmental Activities

\*General Fund – Police, Fire, Public Works, Housing, Mayor, City Council, City Attorney, City Clerk, City Manager, General City Purpose, Finance, Budget, Purchasing, Central Printing, Personnel, Development and Parking

\*Grants Fund

High Speed Rail

Fresno Revitalization Corporation

Special Gas Tax

Measure C

Community Services

UGM Impact Fees

Low and Moderate Income Housing

Special Assessments

City Debt

Financing Authorities and Corporations

City Combined



#### Business-Type Activities

\*Airports



\*Convention Center

Public Utilities – \*Water, \*Sewer, \*Solid Waste, Community Sanitation

\*Transportation/FAX

\*Stadium

Parks and Recreation



Internal Service Funds - General Services which includes Fees, Facilities, Information Services, Utility Billings & Collections, as well as Risk Management, Health and Welfare Funds – Employees, and Retirees

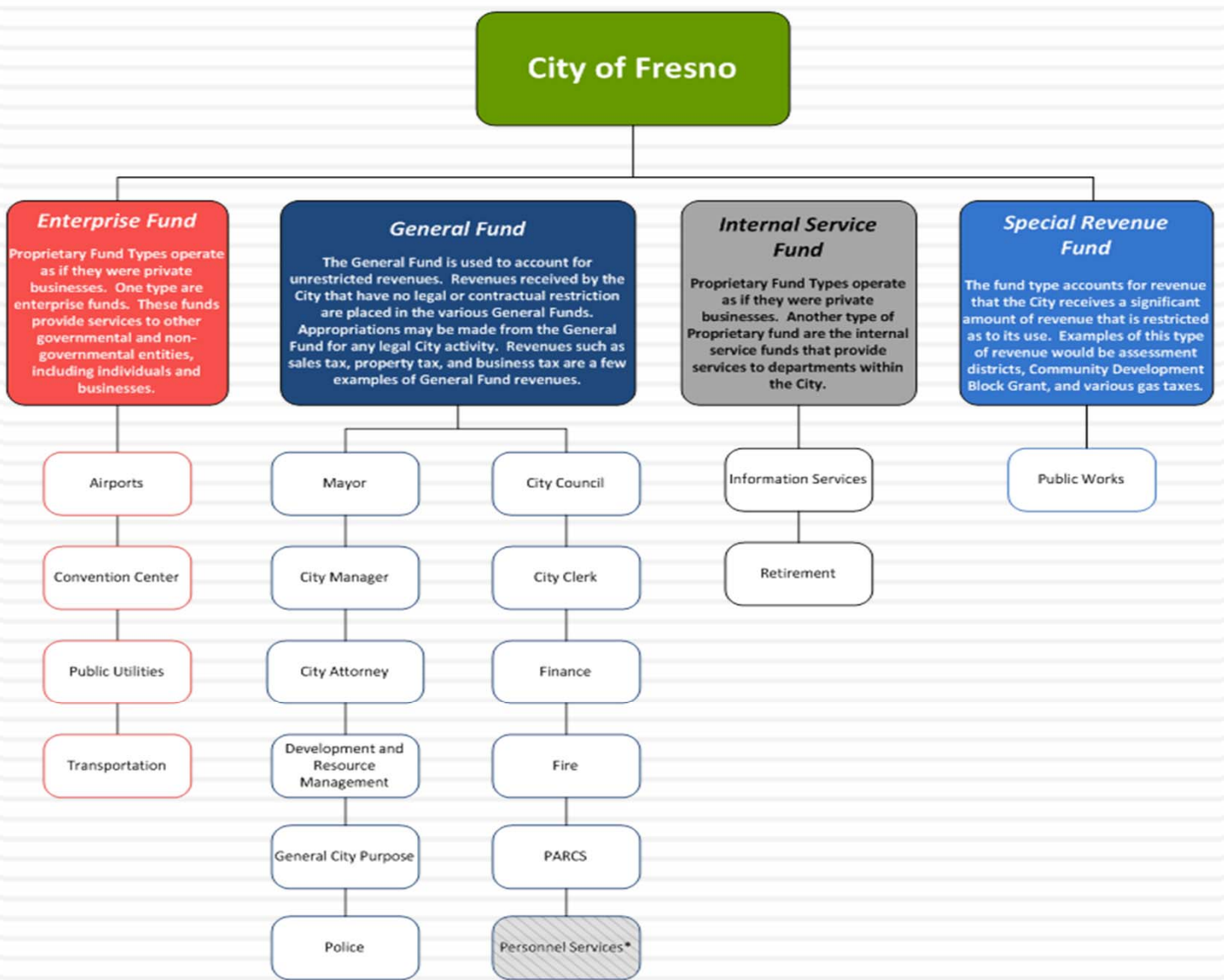
\* Represents Major Funds



# 2014 CAFR

## Comprehensive Annual Financial Report

City of Fresno, California  
For the fiscal year ended June 30, 2014



\*Risk Management within the Personnel Services Department remains an Internal Service Fund.



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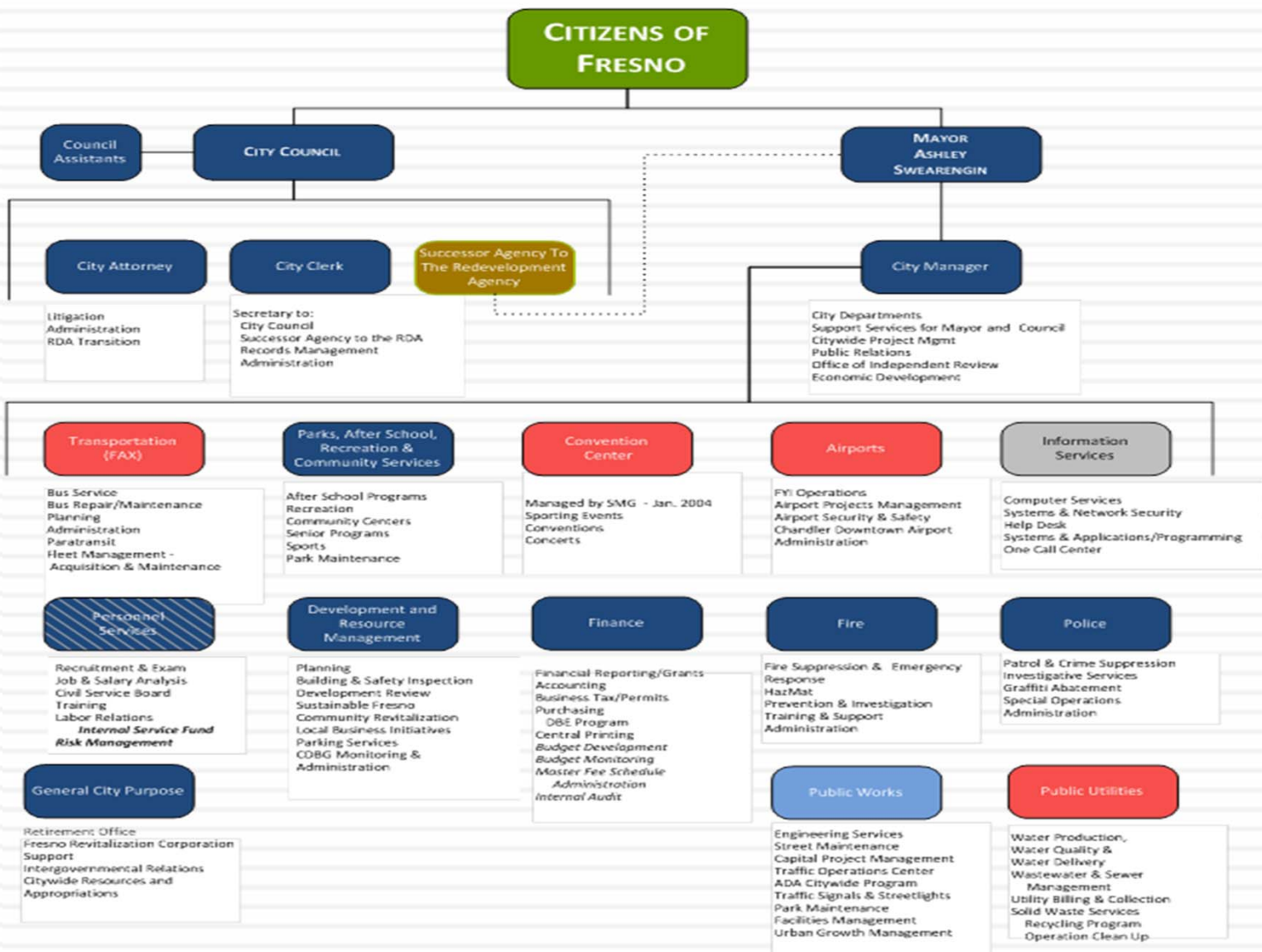
# 2014 CAFR

## Comprehensive Annual Financial Report

City of Fresno, California

For the fiscal year ended June 30, 2014

### City Organizational Chart





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## Comprehensive Annual Financial Report

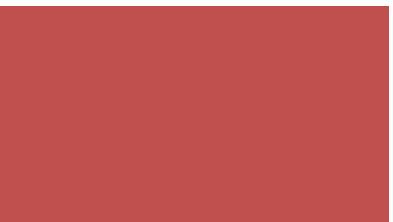
City of Fresno, California

For the fiscal year ended June 30, 2014

### CAFR Financial Audit - Auditors Report

#### ○ **Unmodified Opinion – no Going Concern**

- Historically auditor's role restricted to assessment of fair presentation of financial position and results of operations.
- Management's responsibility to report on financial position and results of operations.
- Auditor to evaluate management's assertions and issue a report on fairness of the financial statements
- Over the years Auditor's role, as perceived by the public, somewhat larger in context, encompasses an assessment of the entity's viability.
- Absent clear evidence to contrary, auditors assume entity will continue to exist.
- The Governmental Accounting Standards Board issued GASB Statement No. 56 which includes the requirement that the **management of the entity** being audited to evaluate whether there is substantial doubt about entity's ability to continue as a going concern for reasonable period of time, not to exceed one year and shortly thereafter.
- **Due to significant improvement in City's financial position, the Going Concern has been removed from Auditor's Opinion.**





CITY OF FRESNO, CALIFORNIA

STATEMENT OF NET POSITION

JUNE 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	City of Fresno Cultural Arts Properties
<b>Assets</b>				
Cash and Investments	\$ 145,478,510	\$ 217,156,644	\$ 362,635,154	\$ 764,740
Receivables, Net	57,881,700	39,912,646	97,794,346	401,328
Internal Balances	14,883,294	(14,883,294)	-	-
Inventories	797,104	5,242,797	6,039,901	-
Prepays	26,143	482,395	508,538	-
Other Assets	1,437,206	2,648,506	4,085,712	-
Property Held for Resale	10,758,051	-	10,758,051	-
Restricted Cash	13,541,897	224,885,677	238,427,574	-
Restricted Interest Receivable	-	345,284	345,284	-
Loans, Notes, Leases and Other Receivables, Net	76,623,020	39,978,625	116,601,645	-
Capital Assets:				
Land, Intangibles and Construction in Progress Not Being Depreciated	283,131,023	183,289,249	466,420,272	424,766
Facilities Infrastructure and Equipment Net of Accumulated Depreciation	628,608,234	1,128,369,825	1,756,978,059	11,924,000
<b>Total Assets</b>	<b>1,233,166,182</b>	<b>1,827,428,354</b>	<b>3,060,594,536</b>	<b>13,514,834</b>
<b>Deferred Outflows of Resources</b>				
Charge on Refunding	496,128	2,926,224	3,422,352	-
<b>Total Deferred Outflows of Resources</b>	<b>496,128</b>	<b>2,926,224</b>	<b>3,422,352</b>	<b>-</b>
<b>Liabilities</b>				
Accrued Liabilities	22,480,405	26,266,106	48,746,511	10
Unearned Revenue	4,155,613	58,599,177	62,754,790	231,251
Deposits from Others	13,992	14,778,123	14,792,115	-
Other Liabilities	-	9,272,951	9,272,951	-
Long-term Liabilities:				
Due Within One Year	50,780,470	22,357,516	73,137,986	-
Due in more than one year	486,450,524	599,700,763	1,086,151,287	16,660,000
<b>Total Liabilities</b>	<b>563,881,004</b>	<b>730,974,636</b>	<b>1,294,855,640</b>	<b>16,891,261</b>
<b>Net Position</b>				
Net Investment in Capital Assets	744,074,246	835,290,155	1,579,364,401	(4,311,234)
Restricted for:				
Public Protection	4,169,718	-	4,169,718	-
Public Ways and Facilities	44,639,738	-	44,639,738	-
Culture and Recreation	1,220,059	-	1,220,059	-
Community Development	91,093,211	-	91,093,211	-
Unrestricted (Deficit)	(215,415,666)	264,089,787	48,674,121	934,807
<b>Total Net Position (Deficit)</b>	<b>\$ 669,781,306</b>	<b>\$ 1,099,379,942</b>	<b>\$ 1,769,161,248</b>	<b>\$ (3,376,427)</b>

CITY OF FRESNO, CALIFORNIA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental activities</b>				
General Government	\$ 26,996,760	\$ 17,038,439	\$ 611,324	\$ -
Public Protection	192,123,894	18,897,968	8,235,025	1,529,298
Public Ways and Facilities	68,913,632	14,898,256	19,650,694	45,137,532
Culture and Recreation	17,895,491	4,679,666	233,271	2,984,324
Community Development	23,756,839	19,431,582	19,772,710	-
Interest on Long-term Debt	20,275,568	-	-	-
<b>Total Governmental Activities</b>	<b>349,962,184</b>	<b>74,945,911</b>	<b>48,503,024</b>	<b>49,651,154</b>
<b>Business-type Activities</b>				
Water System	63,374,787	90,095,940	-	1,569,643
Sewer System	65,145,492	76,201,230	-	4,701,823
Solid Waste Management	33,345,265	29,403,868	347,922	-
Transit	45,286,720	10,913,606	42,750,574	2,812,183
Airports	28,497,999	24,990,990	1,112,874	5,670,870
Fresno Convention Center	9,981,775	2,625,668	-	-
Community Sanitation	7,948,780	8,956,204	-	-
Parks and Recreation	372,173	328,798	-	-
Stadium	3,336,154	798,204	-	-
<b>Total Business-type Activities</b>	<b>257,289,145</b>	<b>244,314,508</b>	<b>44,211,370</b>	<b>14,754,519</b>
<b>Total Primary Government</b>	<b>\$ 607,251,329</b>	<b>\$ 319,260,419</b>	<b>\$ 92,714,394</b>	<b>\$ 64,405,673</b>
<b>Component Unit</b>				
City of Fresno Cultural Arts Properties	\$ 829,776	\$ 375,000	\$ -	\$ -

General Revenues:

Taxes and Licenses:

- Property Taxes
- Sales Taxes - Shared Revenues
- In Lieu Sales Tax
- Franchise Taxes
- Business Tax
- Room Tax
- Other Taxes

Investment earnings

Gain on Sale of Assets

Transfers:

Total General Revenues and Transfers

Change in Net Position

Net Position (Deficit) - Beginning

Prior Period Adjustment

Change in Application of Accounting Principle

Net Position (Deficit) - Beginning Restated

Net Position (Deficit) - Ending

**Net (Expense) Revenue and Changes in Net Position**

<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>City of Fresno Cultural Arts Properties</b>
\$ (9,346,997)	\$ -	\$ (9,346,997)	\$ -
(163,461,603)	-	(163,461,603)	-
10,772,850	-	10,772,850	-
(9,998,230)	-	(9,998,230)	-
15,447,453	-	15,447,453	-
(20,275,568)	-	(20,275,568)	-
<u>(176,862,095)</u>	<u>-</u>	<u>(176,862,095)</u>	<u>-</u>
-	28,290,796	28,290,796	-
-	15,757,561	15,757,561	-
-	(3,593,475)	(3,593,475)	-
-	11,189,643	11,189,643	-
-	3,276,735	3,276,735	-
-	(7,356,107)	(7,356,107)	-
-	1,007,424	1,007,424	-
-	(43,375)	(43,375)	-
-	(2,537,950)	(2,537,950)	-
<u>-</u>	<u>45,991,252</u>	<u>45,991,252</u>	<u>-</u>
<u>(176,862,095)</u>	<u>45,991,252</u>	<u>(130,870,843)</u>	<u>-</u>
			<u>(454,776)</u>
107,635,031	-	107,635,031	-
59,328,277	-	59,328,277	-
19,189,577	-	19,189,577	-
12,750,667	-	12,750,667	-
18,868,431	-	18,868,431	-
10,019,172	-	10,019,172	-
2,323,902	-	2,323,902	-
794,865	2,315,771	3,110,636	107,290
42,033	528	42,561	-
(5,698,503)	5,698,503	-	-
<u>225,253,452</u>	<u>8,014,802</u>	<u>233,268,254</u>	<u>107,290</u>
<u>48,391,357</u>	<u>54,006,054</u>	<u>102,397,411</u>	<u>(347,486)</u>
623,819,673	1,049,438,516	1,673,258,189	(3,028,941)
-	(236,053)	(236,053)	-
<u>(2,429,724)</u>	<u>(3,828,575)</u>	<u>(6,258,299)</u>	<u>-</u>
<u>621,389,949</u>	<u>1,045,373,888</u>	<u>1,666,763,837</u>	<u>(3,028,941)</u>
<u>\$ 669,781,306</u>	<u>\$ 1,099,379,942</u>	<u>\$ 1,769,161,248</u>	<u>\$ (3,376,427)</u>

## 2014 CAFR Government-Wide

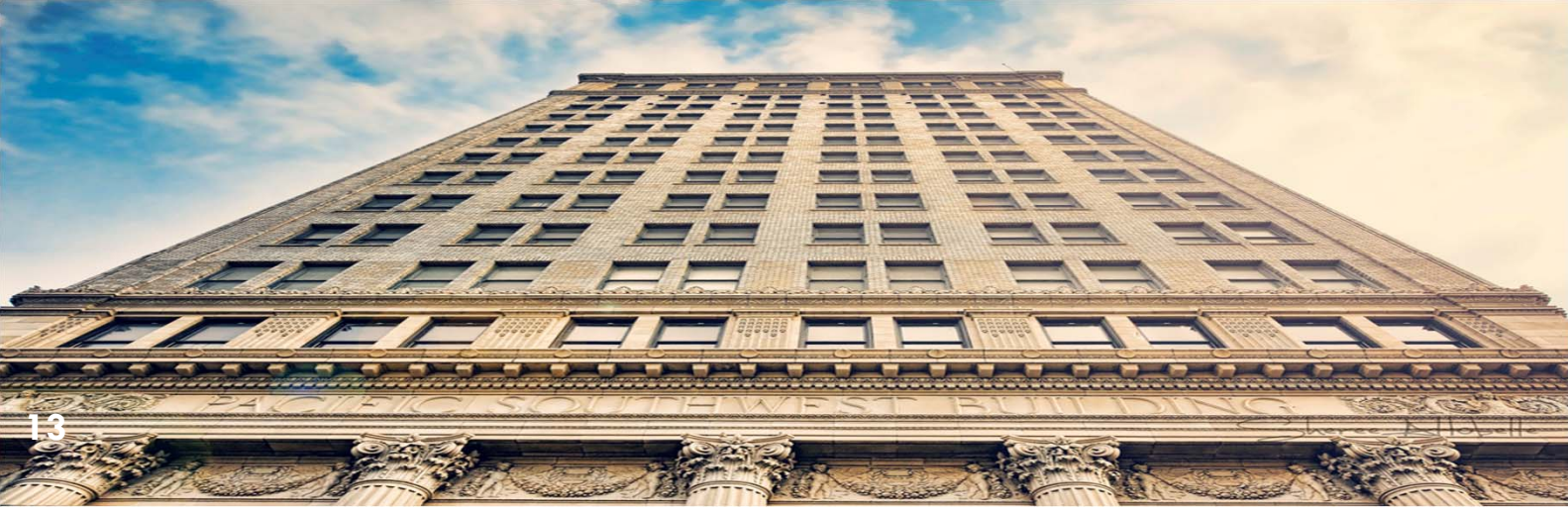
### Statement of Net Position Key Account Overview – Primary Government

#### Fiscal Year 2014

□	<b>Governmental</b>	
■	Cash	\$145,478,510
■	Restricted Cash	13,541,897
■	Capital Assets	911,739,257
■	Total Assets & Deferred	\$1,233,662,310
■	Long-term Liabilities	537,230,994
■	Total Liabilities	\$563,881,004
■	Restricted Net Position	141,122,726
■	Unrestricted (Deficit) NP	(215,415,666)
■	Total Net Position	\$669,781,306
□	<b>Business-Type</b>	
■	Cash	\$217,156,644
■	Restricted Cash	224,885,677
■	Capital Assets	1,311,659,074
■	Total Assets & Deferred	\$1,830,354,578
■	Long-term Liabilities	622,058,279
■	Total Liabilities	\$730,974,636
■	Restricted Net Position	-
■	Unrestricted (Deficit) NP	264,089,787
■	Total Net Position	\$1,099,379,942
□	<b>Total</b>	
■	Cash	\$362,635,154
■	Restricted Cash	238,427,574
■	Capital Assets	2,223,398,331
■	Total Assets & Deferred	\$3,064,016,888
■	Long-term Liabilities	1,159,289,273
■	Total Liabilities	\$1,294,855,640
■	Restricted Net Position	141,122,726
■	Unrestricted (Deficit) NP	48,674,121
■	Total Net Position	\$1,769,161,248

#### Fiscal Year 2013

□	<b>Governmental</b>	
■	Cash	\$119,176,581
■	Restricted Cash	13,095,078
■	Capital Assets	909,144,406
■	Total Assets	\$1,193,606,843
■	Long-term Liabilities	543,000,452
■	Total Liabilities	\$569,787,170
■	Restricted Net Position	125,617,431
■	Unrestricted (Deficit) NP	(235,758,951)
■	Total Net Position	\$623,819,673
□	<b>Business-Type</b>	
■	Cash	\$174,141,191
■	Restricted Cash	246,198,043
■	Capital Assets	1,281,308,931
■	Total Assets	\$1,794,108,688
■	Long-term Liabilities	633,730,195
■	Total Liabilities	\$744,670,172
■	Restricted Net Position	-
■	Unrestricted (Deficit) NP	219,982,783
■	Total Net Position	\$1,049,438,516
□	<b>Total</b>	
■	Cash	\$293,317,772
■	Restricted Cash	259,293,121
■	Capital Assets	2,190,453,337
■	Total Assets	\$2,987,715,531
■	Long-term Liabilities	1,176,730,647
■	Total Liabilities	\$1,314,457,342
■	Restricted Net Position	125,617,431
■	Unrestricted (Deficit) NP	(15,776,168)
■	Total Net Position	\$1,673,258,189



## 2014 CAFR Government-Wide Statement of Activities

### Fiscal Year 2014

<b>Governmental</b>	
■ Charges for Services	\$74,945,911
■ Operating Grants & Contrib	48,503,024
■ Capital Grants & Contrib	49,651,154
■ Property Taxes	107,635,031
■ Sales Taxes	78,517,854
■ Franchise Fees	12,750,667
■ Business Tax	18,868,431
■ Room Tax	10,019,172
■ Expenses	349,962,184
■ Chg in Net Position	\$48,391,357
<b>Business-Type</b>	
■ Charges for Services	\$244,314,508
■ Operating Grants & Contrib	44,211,370
■ Capital Grants & Contrib	14,754,519
■ Expenses	257,289,145
■ Chg in Net Position	\$54,006,054
<b>Total</b>	
■ Charges for Services	\$319,260,419
■ Operating Grants & Contrib	92,714,394
■ Capital Grants & Contrib	64,405,673
■ Property Taxes	107,635,031
■ Sales Taxes	78,517,854
■ Franchise Fees	12,750,667
■ Business Tax	18,868,431
■ Room Tax	10,019,172
■ Expenses	607,251,329
■ Chg in Net Position	\$102,397,411

### Fiscal Year 2013

<b>Governmental</b>	
■ Charges for Services	\$78,776,050
■ Operating Grants & Contrib	36,639,168
■ Capital Grants & Contrib	35,623,293
■ Property Taxes	103,745,342
■ Sales Taxes	74,689,243
■ Franchise Fees	12,503,295
■ Business Tax	16,469,555
■ Room Tax	9,560,200
■ Expenses	358,150,162
■ Chg in Net Position	(\$1,396,382)*
<b>Business-Type</b>	
■ Charges for Services	\$225,698,390
■ Operating Grants & Contrib	40,850,238
■ Capital Grants & Contrib	22,224,076
■ Expenses	262,603,733
■ Chg in Net Position	\$47,258,384*
<b>Total</b>	
■ Charges for Services	\$304,474,440
■ Operating Grants & Contrib	77,489,406
■ Capital Grants & Contrib	57,847,369
■ Property Taxes	103,745,342
■ Sales Taxes	74,689,243
■ Franchise Fees	12,503,295
■ Business Tax	16,469,555
■ Room Tax	9,560,200
■ Expenses	620,753,895
■ Chg in Net Position	\$45,862,002

\* Greatly impacted by merger of ISF Depts. and under-performing Enterprises



## Government-Wide Activity / Primary Government

- **Governmental cash** position (unrestricted) improved by \$26.3 million in 2014, going from \$119.2 million in 2013 to \$145.5 million in 2014 - largely due to growth in Property Taxes, Sales Tax and Business Tax as well as Operating and Capital Grants.
- **Governmental restricted cash** remained fairly flat with an increase of only \$446,819. This was largely due to no new issuance of debt and low interest rates.
- **Governmental capital assets** overall increased by a net \$2.6 million. Asset additions totaled \$51.3 million, asset disposals net of accumulated depreciation totaled \$1.1 million and depreciation expense amounted to \$47.6 million.
  - Capital Assets are discussed in more detail beginning on page 43 of the Management's Discussion and Analysis
- **Governmental long-term liabilities** decreased overall by \$5.77 million.
  - Decreased by \$16.46 million for payments on bonds and notes payable
  - Increased by \$.63 million due to the implementation of GASB 65
  - Long-term liabilities increased by \$2.99 million for new police Capital Leases and decreased by \$1.97 million for payments on all existing governmental capital leases
  - Increased by \$6.57 million for OPEB and increased by a net \$2.64 million to the Self-Insurance Liability
  - Decreased by a net \$0.17 million to the compensated absences and HRA liability
- **Governmental Restricted Net Position** increased by \$15.5 million with the greatest increase occurring in Community Development - \$13.08 million.
- **Governmental Unrestricted (Deficit) Net Position** decreased by \$20.3 million primarily the result of the Net Transfers Out being \$14.4 million less than in 2013, Advances to Others decreasing by \$4.3 million which increased Net Position and the impact of GASB 65 (\$2.4 million reduction to Net Position).
- **Governmental Charges for Services** declined by \$3.8 million primarily in Development Fees.
- **Governmental expenditures** declined by \$8.2 million during 2014 primarily in the area of General Government.
  - General Government includes Council, Office of the Mayor and City Manager, Economic Development, Finance/Budget, Business License, and Purchasing



## Government-Wide Activity / Primary Government - continued

- **Business-type cash** position improved by \$43.1 million in 2014 with 2013 going from \$174.1 million to \$217.2 million in 2014 largely due to increased revenues; no temporary loans being made in order to cover negative grant cash balances; repayments made by the General Fund on the Parking Loan and fewer capital assets being purchased with pay-as-you-go cash vs. bond proceeds.
- **Business-type expenditures** declined by \$5.3 million during 2014 primarily in the areas of Transit, Airports and Fresno Convention Center.
- **Business-type Charges for Services** increased by \$18.6 million primarily in the Water System.
- **Business-type restricted cash** decreased by \$21.3 million as a result of draws on trustee held bond proceeds.
- **Business-type capital assets** overall increased by a net \$30.4 million. Asset additions totaled \$560.1 million, assets disposals net of accumulated depreciation totaled \$282.9 million and depreciation expense amounted to \$246.8 million.
  - Capital Assets are discussed in more detail beginning on page 43 of the Management's Discussion and Analysis
- **Business-type long-term liabilities** decreased overall by \$11.67 million
  - Decreased by \$17.53 million for payments on bonds and notes payable
  - Increase of \$3.35 million due to implementation of GASB 65
  - Increase of \$8.36 million as a result of a new State Water loan
  - Increased by \$3.37 million as a result of a slightly larger OPEB obligation
  - Decreased of \$7.52 million as a result of the pay-down on the CVP Litigation Settlement
  - Increase by a net \$.14 million to the compensated absences and HRA liability
  - Decreased by \$1.84 million as a result of the reduction on the Landfill Closure Obligation
- **Business-type Net Position** increased overall by a net \$49.9 million; Water reflected an increase of \$27.8 million, Sewer showed an increase of \$16.6 million, followed by Transit with a \$9.3 million increase, Airports with a \$3.1 million increase and various other enterprise funds, reflecting a combined increase of \$2.5 million. Solid Waste however reflected a decrease of (\$5.6 million). Business-type activities were also impacted by the implementation of GASB 65 which reduced Net Position by in numerous funds by and overall (\$3.8 million).

CITY OF FRESNO, CALIFORNIA

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

June 30, 2014

	General Fund	Grants Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and Investments	\$ 1,822,066	\$ 4,841,484	\$ 77,476,783	\$ 84,140,333
Receivables, Net	11,358,825	-	445,518	11,804,343
Grants Receivable	717,850	8,601,097	240,978	9,559,925
Intergovernmental Receivables	30,293,621	-	5,906,416	36,200,037
Due From Other Funds	14,048,999	76,079	81,712	14,206,790
Advances to Other Funds, Net	12,690,500	-	62,208	12,752,708
Property Held for Resale	-	-	10,758,051	10,758,051
Restricted Cash	2,351,228	-	10,722,116	13,073,344
Loans, Notes, Leases, Other Receivables, Net	-	51,856,806	24,766,214	76,623,020
<b>Total Assets</b>	<b>\$ 73,283,089</b>	<b>\$ 65,375,466</b>	<b>\$ 130,459,996</b>	<b>\$ 269,118,551</b>
<b>Liabilities</b>				
Accrued Liabilities	\$ 8,732,415	\$ 2,529,682	\$ 3,619,481	\$ 14,881,578
Unearned Revenue	1,886,520	2,191,186	77,907	4,155,613
Due to Other Funds	1,481,607	8,233,278	5,851,761	15,566,646
Advances From Other Funds	9,999,150	-	12,752,708	22,751,858
Deposits From Others	9,992	-	4,000	13,992
<b>Total Liabilities</b>	<b>22,109,684</b>	<b>12,954,146</b>	<b>22,305,857</b>	<b>57,369,687</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue-Property Tax	5,953,926	-	-	5,953,926
Unavailable Revenue-Sales Tax	7,902,282	-	-	7,902,282
Unavailable Revenue-Other	13,070,786	6,568,208	240,978	19,879,972
<b>Total Deferred Inflows of Resources</b>	<b>26,926,994</b>	<b>6,568,208</b>	<b>240,978</b>	<b>33,736,180</b>
<b>Fund Balances (Deficit)</b>				
Nonspendable	12,690,500	-	-	12,690,500
Restricted	7,001	52,811,306	92,951,704	145,770,011
Committed	2,351,228	-	-	2,351,228
Assigned	1,006,021	-	15,752,156	16,758,177
Unassigned	8,191,661	(6,958,194)	(790,699)	442,768
<b>Total Fund Balances</b>	<b>24,246,411</b>	<b>45,853,112</b>	<b>107,913,161</b>	<b>178,012,684</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 73,283,089</b>	<b>\$ 65,375,466</b>	<b>\$ 130,459,996</b>	<b>\$ 269,118,551</b>

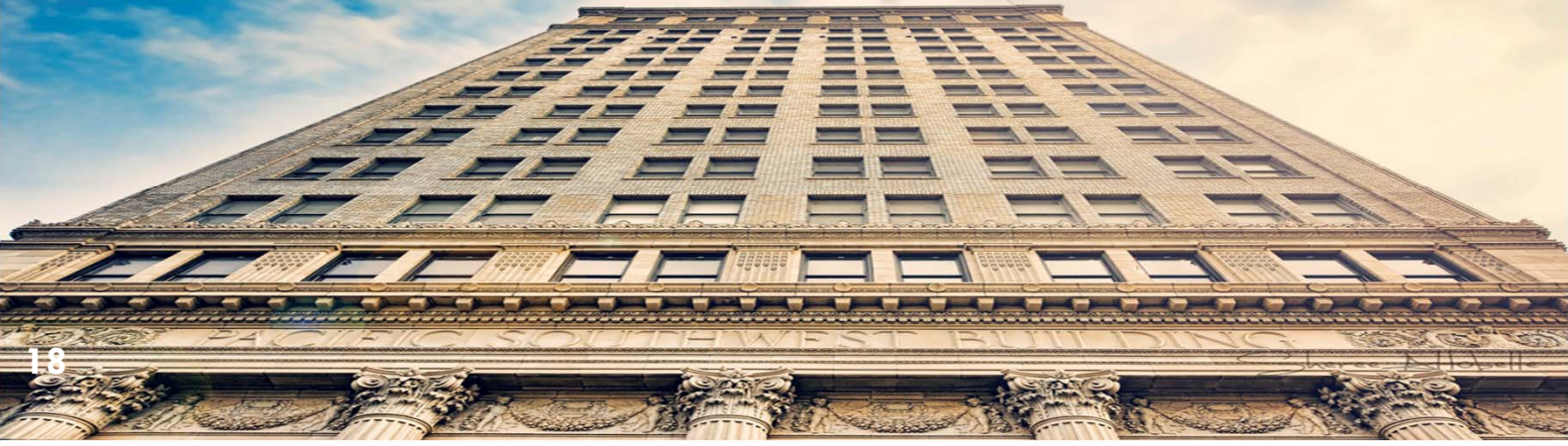


CITY OF FRESNO, CALIFORNIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

YEAR ENDED JUNE 30, 2014

	General Fund	Grants Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 229,233,932	\$ -	\$ 34,236,596	\$ 263,470,528
Licenses and Permits	6,331,223	-	-	6,331,223
Intergovernmental	3,582,916	42,620,337	2,706,594	48,909,847
Charges for Services	23,219,560	1,522,936	21,534,284	46,276,780
Fines	3,746,494	-	-	3,746,494
Use of Money and Property	849,576	50,435	684,665	1,584,676
Miscellaneous	1,215,108	2,357,620	2,038,845	5,611,573
<b>Total Revenues</b>	<b>268,178,809</b>	<b>46,551,328</b>	<b>61,200,984</b>	<b>375,931,121</b>
<b>Expenditures</b>				
Current:				
General Government	10,207,630	22,064	1,512,031	11,741,725
Public Protection	172,512,191	5,717,689	7,681,197	185,911,077
Public Ways and Facilities	3,852,658	3,882,059	31,454,797	39,189,514
Culture and Recreation	11,454,584	562,430	2,230,125	14,247,139
Community Development	15,807,536	6,920,161	938,363	23,666,060
Capital Outlay	1,334,543	16,772,097	10,268,708	28,375,348
Debt Service:				
Principal	1,474,922	-	16,339,080	17,814,002
Interest	365,519	-	19,981,387	20,346,906
<b>Total Expenditures</b>	<b>217,009,583</b>	<b>33,876,500</b>	<b>90,405,688</b>	<b>341,291,771</b>
Excess (Deficiency) of Revenue Over (Under) Expenditures	51,169,226	12,674,828	(29,204,704)	34,639,350
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,634,814	1,458,996	38,622,125	42,715,935
Transfers Out	(36,955,161)	(1,181,969)	(9,130,348)	(47,267,478)
Capital Lease Financing	620,983	-	-	620,983
Sale of Capital Assets	8,300	-	-	8,300
<b>Total Other Financing Sources (Uses)</b>	<b>(33,691,064)</b>	<b>277,027</b>	<b>29,491,777</b>	<b>(3,922,260)</b>
<b>Net Changes in Fund Balances</b>	<b>17,478,162</b>	<b>12,951,855</b>	<b>287,073</b>	<b>30,717,090</b>
Fund Balances - Beginning	6,768,249	32,901,257	107,626,088	147,295,594
Fund Balances - Ending	\$ 24,246,411	\$ 45,853,112	\$ 107,913,161	\$ 178,012,684



## 2014 CAFR General Fund

### Financial Statement Key Account Overview

#### Fiscal Year 2014

#### Fiscal Year 2013

<b>Assets</b>	
▪ Cash	\$1,822,066
▪ Receivables, net	11,358,825
▪ Grants Receivable	717,850
▪ Intergovernmental	30,293,621
▪ Due from Other Funds	14,048,999
▪ Restricted Cash.	2,351,228
<b>Liabilities</b>	
▪ Accrued Liabilities	\$8,732,415
▪ Unearned Revenue	1,886,520
▪ Advances from Other Funds	9,999,150
<b>Deferred Inflows</b>	\$26,926,994
<b>Fund Balances (Deficit)</b>	
▪ Restricted	\$7,001
▪ Committed	2,351,228
▪ Assigned	1,006,021
▪ Unassigned	8,191,661
▪ Total Fund Balances	24,246,411
<b>Revenues</b>	
▪ Taxes	\$229,233,932
▪ Licenses and Permits	6,331,223
▪ Charges for Services	23,219,560
▪ Fines	3,746,494
<b>Expenditures</b>	
▪ General Government	\$10,207,630
▪ Public Ways and Facilities	3,852,658
▪ Culture and Recreation	11,454,584
▪ Capital Outlay	1,334,543
▪ Debt Service – Prin & Int	1,840,441
<b>Net Chg in Fund Bal</b>	<b>\$17,478,162</b>

<b>Assets</b>	
▪ Cash	\$1,034,497
▪ Receivables, net	14,256,150
▪ Grants Receivable	455,104
▪ Intergovernmental	26,790,259
▪ Due from Other Funds	2,422,899
▪ Restricted Cash	1,902,776
<b>Liabilities</b>	
▪ Accrued Liabilities	\$10,285,849
▪ Deferred Revenue	27,320,536
▪ Advances from Other Funds	14,316,057
<b>Deferred Inflows</b>	-
<b>Fund Balances (Deficit)</b>	
▪ Restricted	\$435,369
▪ Committed	1,902,776
▪ Assigned	1,094,848
▪ Unassigned	(9,355,244)
▪ Total Fund Balances	6,768,249
<b>Revenues</b>	
▪ Taxes	\$212,806,359
▪ Licenses and Permits	5,096,783
▪ Charges for Services	23,302,578
▪ Fines	4,192,516
<b>Expenditures</b>	
▪ General Government	\$11,623,475
▪ Public Ways and Facilities	1,982,216
▪ Culture and Recreation	10,755,869
▪ Capital Outlay	706,192
▪ Debt Service – Prin & Int	2,125,442
<b>Net Chg in Fund Bal</b>	<b>(\$8,276,465)</b>



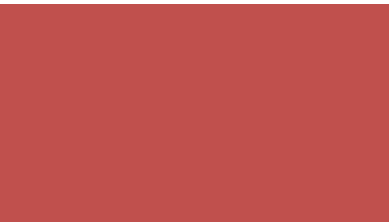
## 2014 CAFR General Fund Overview

- **General Fund cash** at the end of 2014 was up \$787,569 from 2013 due to increased revenues of \$15.2 million, controlled expenditures (which increased only \$2.1 million over 2013) and substantially reduced net transfers out, \$14.4 million below the prior year. The increase in revenue was in Sales and Property Taxes, Business License/Tax and Room Taxes. Charges for Services were slightly down, less than 1% and Fines were down by approximately 10%. General Fund cash would have been higher at the end of 2014 had the not had to cover \$13.1 million in negative Grant Fund cash.
- While general **Receivables** in 2014 were less than the balance in 2013, \$11.4 million compared to \$14.3 million, (due to enhanced collection efforts), **Grants Receivable** increased \$262,746, (\$717,850 vs. \$455,104, a 58% increase). Grants Receivable have a significant impact on the General Fund's cash flow, not only throughout the year, but particularly at year end. Nearly all of the City's Grants are reimbursement Grants. The City must "up front" the cash for the grant expenditures and then request reimbursement. Grant reimbursements are slow.
- **Intergovernmental Receivables** also increased significantly, up by \$3.5 million (\$30.3 million in 2014 from \$26.8 million in 2013). These represent amounts due from other governmental agencies, the largest being \$7.1 million in property taxes due at June 30, 2014, Sales Tax due of \$17 million and Code Enforcement assessments of \$5.3.
- **Due from Other Funds** increased significantly at the end of June 2014, \$11.6 million (\$14 million vs. \$2.4 million or 480%) due to the delay in Grant reimbursements. and Grant expenditures incurred but reimbursement not yet requested. At June 30, 2014, grant related funds had negative cash balances of approximately \$8.2 million which required temporarily loans from the General Fund in order to close the books. Measure C required a temporary loan of nearly \$4.9 million to cover expenditures incurred .
- **Restricted Cash** represents cash formerly identified as the "Emergency Reserve" and represents \$800,00 set aside for the 27<sup>th</sup> pay period and \$1.6 million as the Reserve for Economic Uncertainty. This balance increased \$448,452 in 2004 as a result of an additional \$400,000 being added to the 27<sup>th</sup> pay period reserve and interest earnings.
- **Unearned Revenue / Deferred Inflow** GASB Statement #65 changed the way entities report certain assets and liabilities. Generally speaking, what was once called Deferred Revenue is now called either Unearned Revenue or Deferred Inflows or Outflows. These would include items such as unamortized losses on the refunding of debt or revenues received in advance of being earned.
- **Advances from Other Funds** consists primarily of the loans from the Water System and Commercial Solid Waste Funds to the General Fund to eliminated the Parking Deficit (\$8.2 million at June 30, 2014) and two smaller amounts due to Sewer (\$362, 483) and Airports (\$1.5 million).



## 2014 CAFR General Fund Overview - continued

- **The Committed** fund balance increased slightly from the \$1.9 million at the end of 2013 to \$2.35 million at the end of 2014. By the end of 2014 this balance consisted of \$1,550,986 set aside for emergencies and \$800,241 set aside for the 27<sup>th</sup> Pay Period. In the 2015 Budget, the Mayor outlined a plan to grow the General Fund Emergency Reserve to approximately \$27.7 million by the end of FY 2019. The source of the estimated annual Reserve contributions is RDA debt repayments and budget surpluses.
- No funds have been transferred out of the Emergency Reserve since 2011.
- The **Unassigned** fund balance at June 30, 2013 was a deficit (\$9,355,244), whereas at June 30, 2014 the unassigned fund balance was \$8,191,661, a recovery of \$17,546,905.
- **Revenues** as noted previously grew significantly in 2014 in the areas of Property Taxes, Sales Tax, Business License and Room Tax. Overall, revenues increased \$15.2 million or 6%.
  - **Property Tax** in 2014 increased nearly \$3.9 million or 4% over 2013
  - **Sales Tax** also increased nearly \$3.9 million or 5%
  - **Business Tax** grew by \$2.4 million or nearly 15%
  - **Room Tax** increased \$458,972 or 4.8%
  - **Fines** declined by \$446,012 or by 10.6%
- **Expenditures** overall increased \$2.1 million or slightly less than 1%.
  - **General Government** expenditures declined \$1.4 million. This category includes Council, Office of the Mayor and City Manager, Economic Development, Finance/Budget, Business License, and Purchasing
  - **Public Protection** expenditures were flat with an increase of only \$39,072
  - **Public Ways and Facilities** increased \$1.9 million or 94%
  - **Culture and Recreation** increased \$698,715 or approximately 7%
  - **Community Development** increased \$560,880 or 4%
  - **Debt Service** payments decreased by \$285,001 in 2014 as compared to 2013 or 13%
- **Net Change in Fund Balance** went from a deficit \$8,276,465 at the end of 2013 (a shortfall of Revenues over Expenditures and Other Sources and (Uses) including Transfers), to a positive \$17,478,162 at the end of 2014.
- **Fund Balance** for the General Fund at the end of 2013 was \$6,768,249 and grew to \$24,246,411 by the end of 2014.





### Where Do I Find.....?

• **Primary Statements**

Page 55 **Statement of Net Position**

- Cash and Investments
- Receivables, Net
- Restricted Cash
- Loans, Notes, Leases
- Capital Assets
- Long-term Liabilities

Page 60 **Balance Sheet**

\$2,351,228 – Committed  
Designated, for Emergency Reserve and  
27<sup>th</sup> pay period

Page 62 **Statement of Revenues**

Expenditures and Changes in Fund  
Balances

**Footnotes of Interest**

- Going Concern
- Fund Position/Deficit
- Interfund Activity
- OPEB
- Commitments and Contingencies
- Subsequent Events

• **Detailed Information**

**Footnotes**

- Note 3 Page 115
- Note 5 Page 133
- Note 3 Page 131
- Note 5 Page 133
- Note 6 Page 134
- Note 7 Page 140

➤ Pages 230 & 231

➤ Pages 100 & 276

➤ Pages 232 & 233

**Footnotes**

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- Note 2 Page 103
- Note 8 Page 159
- Note 11 Page 188
- Note 13 Page 193
- Note 17 Page 211



### Additional Helpful Page References

- Proprietary Statements

Pages 64 thru 67

**Statement of Net Position**

**Proprietary Funds**

**Nonmajor Enterprise** Funds

**Internal Service** Funds

- Detailed Information

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- Page 250

Pages 68 thru 69

**Statement of Revenues, Expenses  
and Changes in Fund Net Assets**

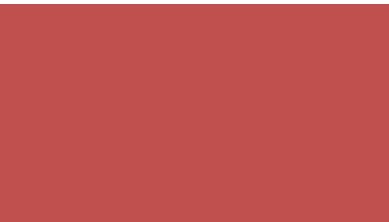
**Proprietary Funds**

**Nonmajor Enterprise** Funds

**Internal Service** Funds

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## Total Government-wide Assets Per Person / Peer Cities Comparison

City	Total Assets (including deferred outflows)	Population US Census Bureau	Assets per Person	Population Ranking	Per Capita Asset Rank
Los Angeles	\$51,142,737,000 2013 CAFR	3,884,307	\$13,167	1	3
San Diego	\$13,024,920,000 2014 CAFR	1,355,896	\$9,606	2	10
San Jose	\$10,515,452,000 2014 CAFR	998,537	\$10,531	3	8
San Francisco	\$26,656,668,000 2014 CAFR	837,442	\$31,831	4	1
Fresno	\$3,064,016,888 2014 CAFR	509,924	\$6,009	5	18
Sacramento	\$3,941,214,000 2013 CAFR	479,686	\$8,216	6	11
Long Beach	\$8,334,764,000 2013 CAFR	469,428	\$17,755	7	2
Oakland	\$2,875,485,000 2014 CAFR	406,253	\$7,078	8	15
Bakersfield	\$2,643,579,372 2014 CAFR	363,630	\$7,270	9	14
Anaheim	\$4,219,399,000 2014 CAFR	345,012	\$12,230	10	5
Santa Ana	\$1,500,362,320 2014 CAFR	334,227	\$4,489	11	24
Riverside	\$4,137,777,000 2014 CAFR	316,619	\$13,069	12	4
Stockton	\$2,178,883,965 2014 CAFR	298,118	\$7,309	13	13
Chula Vista	\$1,217,041,330 2014 CAFR	256,780	\$4,740	14	23
Irvine	\$2,370,905,000 2014 CAFR*	236,716	\$10,016	15	9
Fremont	\$1,156,384,764 2014 CAFR*	224,922	\$5,141	16	22
San Bernardino	\$933,003,653 2012 CAFR	213,708	\$4,366	17	25
Modesto	\$1,657,309,198 2013 CAFR	204,933	\$8,087	18	12
Oxnard	\$2,320,001,983 2014 CAFR	203,007	\$11,428	19	6
Fontana	\$1,217,091,515 2014 CAFR	203,003	\$5,995	20	19
Moreno Valley	\$1,191,780,850 2014 CAFR	201,175	\$5,924	21	20
Huntington Beach	\$1,077,553,000 2013 CAFR	197,575	\$5,454	22	21
Glendale	\$2,194,939,000 2014 CAFR	196,021	\$11,198	23	7
Santa Clarita	\$1,152,197,054 2014 CAFR	179,590	\$6,416	24	16
Garden Grove	\$1,063,044,573 2014 CAFR	175,140	\$6,070	25	17

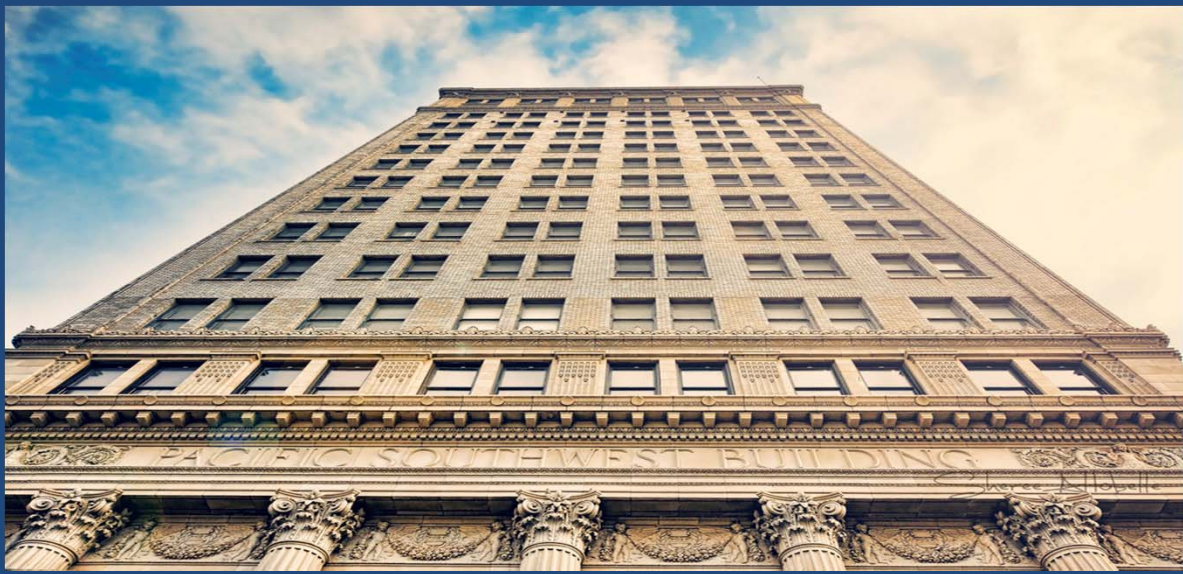
\*These cities have governmental activities only.

Only figures for Primary Governments were used. In cases where Component Units were reflected in separate Columns, Component Unit numbers were excluded.

City of Fresno as compared to Peer Cities as of June 30, 2014 CAFRs (2013 when 2014 not available)

# City of Fresno, California

CAFR  
2014



<http://www.fresno.gov>