



City of Fresno
Monthly Financial Report
For the Five Months Ended November 30, 2020
Unaudited – Intended for Internal Management Purposes Only
(All figures in thousands)

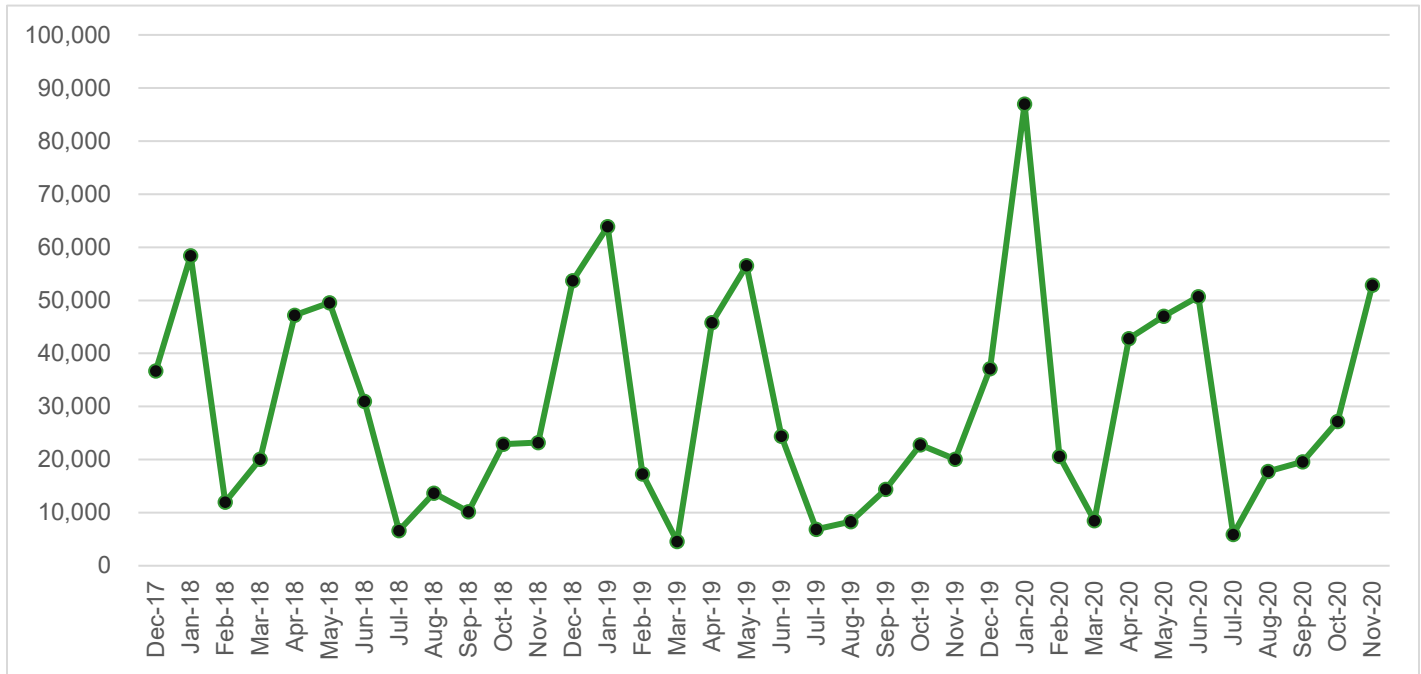
GENERAL FUND AT-A-GLANCE

Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	447,583	123,328	28%	72,472
Expenditures	<u>(437,992)</u>	<u>(162,625)</u>	37%	<u>(137,127)</u>
Revenues Over (Under) Expenditures	<u>9,591</u>	<u>(39,297)</u>		<u>(64,655)</u>

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	90,826	25,764	28%	25,365
Prop. 172 Sales Tax	3,284	751	23%	1,633
Property Tax	148,547	2,216	1%	1,045
Business Tax	18,900	10,453	55%	11,365
Franchise Tax	15,339	3,811	25%	3,263
Other Local Taxes	11,836	5,742	49%	7,113
Card Room Receipts	781	30	4%	399
Charges for Services	20,816	6,500	31%	7,706
Development Fees	17,945	6,933	39%	8,640
Intergovernmental Revenues	9,955	5,922	59%	5,174
Intragovernmental Revenues	13,793	4,562	33%	4,876
Transfers In/Out	67,218	24,607	37%	(5,017)
All Other Revenue Sources	<u>28,343</u>	<u>26,037</u>	92%	<u>910</u>
Total General Fund Revenues	<u>447,583</u>	<u>123,328</u>	28%	<u>72,472</u>

HISTORICAL MONTHLY REVENUE



ANALYSIS OF GENERAL FUND REVENUES

General Fund revenues for the five months ended November 30, 2020 were \$123.3 million. This amount is an increase of \$50.9 million, or 70.2%, above actual revenues for the same period last fiscal year. Total revenues at the end of November 2020 are at 27.6% of the annual estimate for Fiscal Year 2021.

Property Tax revenues during the five months ended November 30, 2020 increased \$1.2 million (112.1%) compared to the same period last fiscal year mostly due to increased Delinquent Property Tax and Supplemental Tax revenues. Prop. 172 Sales Tax revenues during the first five months of Fiscal Year 2021 decreased \$0.9 million (-54.0%) compared to the same period last fiscal year mostly due to timing differences in the receipt of these funds.

Business Tax revenues during the first five months of Fiscal Year 2021 decreased \$0.9 million (-8.0%) mostly due to the effect COVID-19 closures had on the business community. COVID-19 impacts on the business community were also the driving factor behind the \$1.4 million (-19.3%) decline in Other Local Taxes (specifically, Room Tax) during the five months ended November 30, 2020 compared to the same period last year.

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 first five months of Fiscal Year 2021 decreased \$1.2 million (-15.7%) compared to the same period last fiscal year mostly due to lower vehicle release fees, vehicle code fines, traffic signal and traffic control fees, and a payment from North Central Fire District last year for which there was no similar payment this year.

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Development Fees during the five months ended November 30, 2020 decreased \$1.7 million (-19.8%) compared to the same period last fiscal year mostly due to lower parking fees and penalties. Transfers In/Out during the five months ended November 30, 2020 increased \$29.6 million (590.5%) mostly due to increased Transfers In from the CARES Grant Fund for eligible expenditures. All Other Revenues during the first five months of Fiscal Year 2021 increased \$25.1 million due to timing difference in the posting of General Fund carryover.

As of November 30th, the City maintained \$35.2 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.

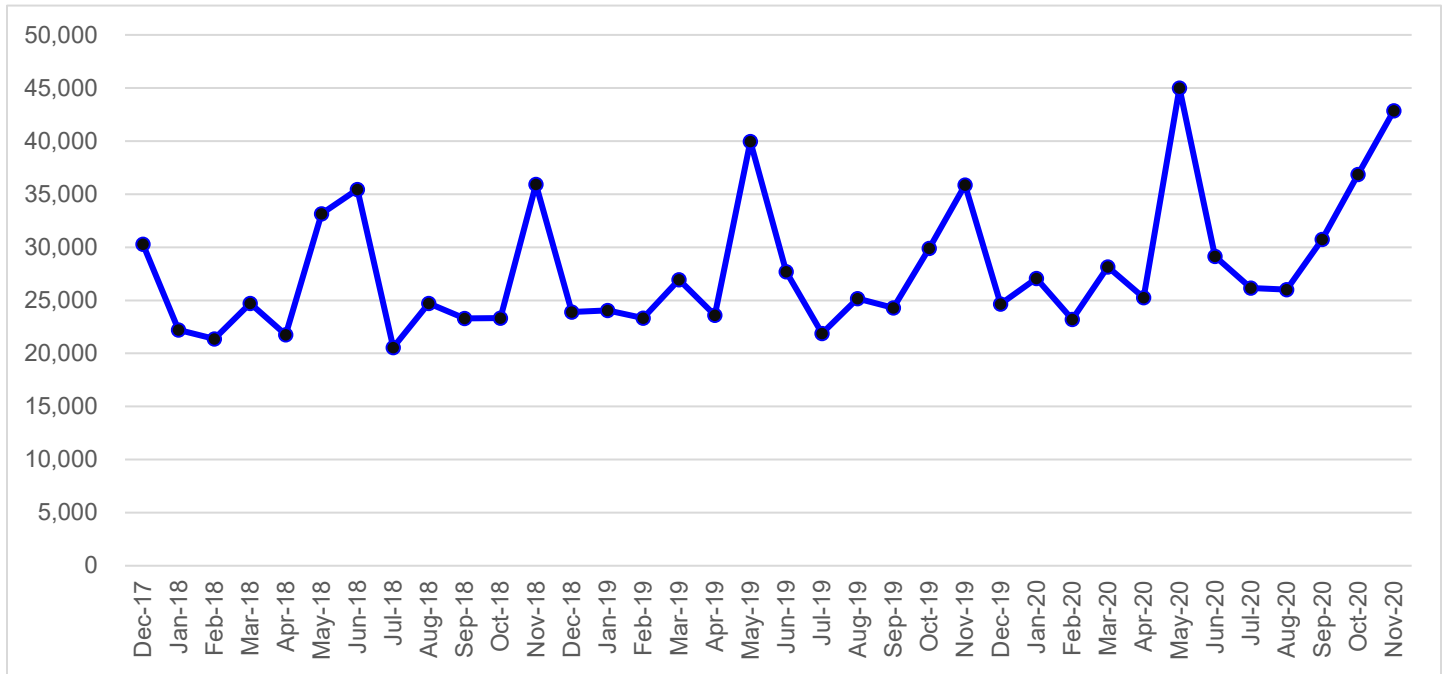
GENERAL FUND EXPENDITURES BY DEPARTMENT

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Police Department	196,582	72,317	37%	74,015
Fire Department	74,121	29,893	40%	28,434
Parks, Recreation & Community Services	29,107	7,897	27%	6,797
Finance/Purchasing	58,960	19,282	33%	2,293
Public Works	10,673	3,854	36%	3,492
City Council Offices	5,001	2,003	40%	1,361
City Clerk's Office	994	354	36%	369
Office of the Mayor/City Manager/Budget	5,114	1,905	37%	1,825
Planning and Development	26,465	7,273	27%	7,458
Personnel	3,900	1,456	37%	1,366
City Attorney's Office	20,090	6,725	33%	6,397
General City Purposes	15,305	9,666	63%	3,320
Attrition Savings	(8,320)	0	0%	0
Total General Fund Expenditures	<u>437,992</u>	<u>162,625</u>	37%	<u>137,127</u>

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	210,259	83,444	40%	81,971
Salaries and Benefits Others	48,727	21,789	45%	20,890
Overtime Public Protection	4,408	4,635	105%	2,431
Overtime Others	147	94	64%	115
Pension Obligation Bonds	12,679	0	0%	2,979
Operations and Maintenance	103,682	35,325	34%	13,695
Interdepartmental Charges	46,295	14,035	30%	13,473
Capital	11,795	3,303	28%	1,573
Total General Fund Expenditures	<u>437,992</u>	<u>162,625</u>	37%	<u>137,127</u>

HISTORICAL MONTHLY EXPENDITURES



ANALYSIS OF GENERAL FUND EXPENDITURES

General Fund expenditures for the five months ended November 30, 2020 were \$162.6 million. This is an increase of \$25.5 million (18.6%) from actual General Fund expenditures during the same period last fiscal year. Total expenditures at the end of November 2020 were at 37.1% of the annual budgeted amounts.

Comparing this fiscal year with last fiscal year, the Police and Fire Departments experienced a decrease of \$1.7 million (-2.3%) and an increase of \$1.5 million (5.1%), respectively. The changes in the Police Department’s expenditures are primarily due to timing of pension obligation bond payment, service contracts on equipment, and ammunition. These were partially offset by increased cost of leased equipment. The Fire Department’s results stemmed from overtime for strike team responses to wild fires which was partially offset by savings due to timing of the pension obligation bond payment.

Expenditures for General City Purpose during the five months ended November 30, 2020 increased \$6.3 million (191.1%) compared to the same period last year mostly due to expenditures for CARES Save Our Small Business and Outdoor Dining grants for which there were no similar expenditures last year.

Expenditures for Council Offices, the Clerk’s Office, the Mayor/City Manager’s Offices, Finance, Personnel, and Parks and Recreation Departments were materially consistent with the amounts expended in the prior year and are at acceptable levels in accordance with current year budget estimates.

Parks and Recreation expenditures during the first five months of Fiscal Year 2021 increased \$1.1 million (16.2%) mostly due to purchase of land and cost to refurbish two soccer fields for which there were no similar expenditures last year plus increased costs for personnel. Finance’s expenditures during the five months ended November 30, 2020 increased \$17.0

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million (740.9%) compared to the same period last fiscal year mostly due to COVID-19 professional services contracts for which there were no similar expenditures last year.

By category, Salaries/Benefits for Public Protection and Others increased \$1.5 million (1.8%) and increased \$0.9 million (4.3%) respectively during the first five months of Fiscal Year 2021 compared to the same period last year. Overtime for Public Protection during the five months ended November 30, 2020 increased \$2.2 million (90.7%) compared to last year.

Operations and Maintenance expenditures experienced a \$21.6 million (157.9%) increase for the first five months of Fiscal Year 2021 compared to the same period last year, mostly due to COVID-19 professional services contracts and grants for which there were no similar expenditures last year.

Capital expenditures experienced a \$1.7 million (110.0%) increase for the first five months of Fiscal Year 2021, mostly due to increased cost for leased equipment, and purchase of property located on North Sixth Street for which there was no similar expenditure last 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	8,768	3,878	44%	3,991
Carryover	<u>2,040</u>	<u>2,040</u>	100%	<u>1,192</u>
Available Resources	10,808	5,918	55%	5,183
Expenditures	<u>(10,012)</u>	<u>(3,687)</u>	37%	<u>(3,682)</u>
Available Resources Over/(Under) Expenditures	<u>796</u>	<u>2,231</u>		<u>1,501</u>
Transportation/FAX				
Revenues	61,452	14,403	23%	9,987
Carryover	<u>4,528</u>	<u>4,528</u>	100%	<u>(1,795)</u>
Available Resources	65,980	18,931	29%	8,192
Expenditures	<u>(29,544)</u>	<u>(11,084)</u>	38%	<u>(10,204)</u>
Available Resources Over/(Under) Expenditures	<u>36,436</u>	<u>7,847</u>		<u>(2,012)</u>
Airport Operating				
Revenues	6,478	2,072	32%	7,587
Carryover	<u>32,591</u>	<u>33,458</u>	103%	<u>37,015</u>
Available Resources	39,069	35,530	91%	44,602
Expenditures	<u>(19,892)</u>	<u>(7,457)</u>	37%	<u>(7,624)</u>
Available Resources Over/(Under) Expenditures	<u>19,177</u>	<u>28,073</u>		<u>36,978</u>
Sewer System				
Revenues	75,924	32,754	43%	9,506
Carryover	<u>67,536</u>	<u>67,536</u>	100%	<u>65,274</u>
Available Resources	143,460	100,290	70%	74,780
Expenditures	<u>(98,363)</u>	<u>(15,840)</u>	16%	<u>(20,078)</u>
Available Resources Over/(Under) Expenditures	<u>45,097</u>	<u>84,450</u>		<u>54,702</u>
Solid Waste System				
Revenues	42,438	12,719	30%	13,511
Carryover	<u>4,609</u>	<u>4,609</u>	100%	<u>4,840</u>
Available Resources	47,047	17,328	37%	18,351
Expenditures	<u>(44,333)</u>	<u>(13,034)</u>	29%	<u>(12,537)</u>
Available Resources Over/(Under) Expenditures	<u>2,714</u>	<u>4,294</u>		<u>5,814</u>
Water System				
Revenues	114,578	62,543	55%	63,768
Carryover	<u>121,519</u>	<u>121,519</u>	100%	<u>112,593</u>
Available Resources	236,097	184,062	78%	176,361
Expenditures	<u>(142,725)</u>	<u>(31,487)</u>	22%	<u>(45,460)</u>
Available Resources Over/(Under) Expenditures	<u>93,372</u>	<u>152,575</u>		<u>130,901</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 2021 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 2020 to Fiscal Year 2021 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 34.5% of total available resources during the five months ended November 30, 2020. Transportation/FAX Revenues during the first five months of this fiscal year increased \$4.4 million (44.2%) from the same period last fiscal year mostly due to higher State of California TDA payments which was partially offset by lower fare revenues. Transportation/FAX carryover represents about 23.9% of total available resources through November 30, 2020.

Airport YTD Revenues for the five months ended November 30, 2020 decreased \$5.5 million (-72.7%) from the same period last fiscal year primarily due to lower customer facility charges, and fees for parking, landing, concessions, and federal inspection. Airport Operating carryover represents about 94.2% of total available resources through November 30th.

Sewer System YTD Revenues for the five months ended November 30, 2020 increased \$23.2 million (244.6%) primarily due to a transfer out last year to deposit funds into an escrow account to defease the Series 2008 Sewer bonds for which a similar entry does not exist this fiscal year. This was partially offset by lower customer charges. Sewer System carryover represents about 67.3% of total available resources for this fiscal year.

Solid Waste carryover represents about 26.6% of total available resources for this fiscal year. Water System YTD Revenues for the first five months of this fiscal year decreased \$1.2 million (-1.9%) primarily due to lower BAB Subsidy payment, and interest earnings. Water System carryover represents about 66.0% of total available resources through November 30, 2020.

Sewer System expenditures for the first five months of Fiscal Year 2021 decreased \$4.2 million (-21.1%) compared to the same period last fiscal year mostly due to lower costs for professional and technical services, utilities, timing of payment for software maintenance, and a payment on the State loan last year for which there was no similar payment this year.

Water System expenditures during the five months ended November 30, 2020 decreased \$14.0 million (-30.7%) compared to the same period last fiscal year mostly due to timing of payments on State loans, and lower expense for water purchases and utilities. This was partially offset by increased cost for personnel.

CITY DEBT

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$21,985		\$21,985
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		11,539	11,539
Stadium Project		24,970	24,970
Animal Services Facility*	17,145		17,145
Judgment Bonds:			
Pension Obligation Bonds	107,555		107,555
Enterprise Bonds:			
Water		118,975	118,975
Sewer		885	885
Airport		78,144	78,144
Total Bonds	\$231,840	\$244,888	\$476,728
Notes and Loans:			
HUD – Neighborhood Streets and Parks	\$251		\$251
CIEDB – Roeding Business Park	1,397		1,397
State Water Resources Control Board Loans		\$328,321	328,321
Clean Water – Southwest Quadrant		49,029	49,029
Safe Drinking Water Loans		36,664	36,664
Total Notes and Loans	\$1,648	\$414,014	\$415,662
Capital Leases	41,414		41,414
Total City Debt	\$274,902	\$658,902	\$933,804

* Issuance of Animal Services Facility Bonds during November 2020 increased principal by \$17 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.