



**City of Fresno**  
**Monthly Financial Report**  
**For the Seven Months Ended January 31, 2021**  
**Unaudited – Intended for Internal Management Purposes Only**  
**(All figures in thousands)**

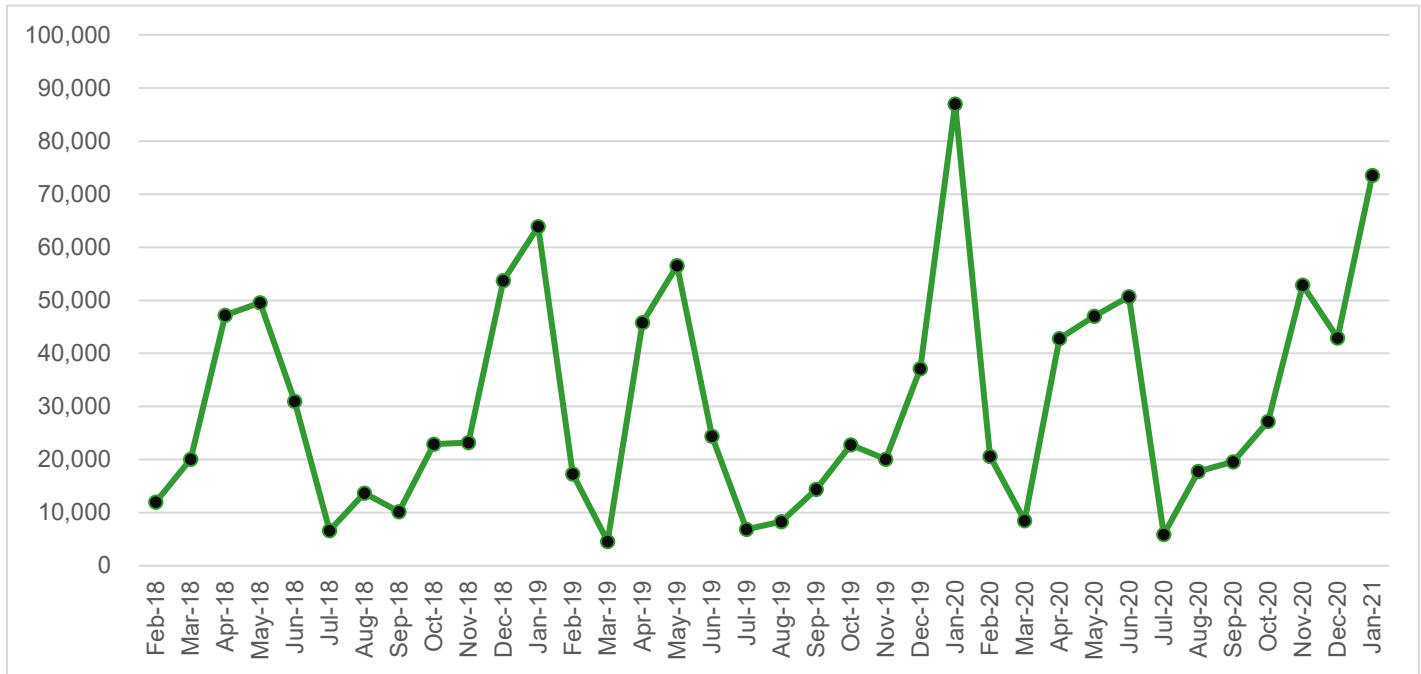
**GENERAL FUND AT-A-GLANCE**

Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	448,583	239,792	53%	196,563
Expenditures	<u>(431,865)</u>	<u>(243,669)</u>	56%	<u>(188,862)</u>
Revenues Over (Under) Expenditures	<u>16,718</u>	<u>(3,877)</u>		<u>7,701</u>

**GENERAL FUND REVENUES**

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	90,826	42,221	46%	40,018
Prop. 172 Sales Tax	3,284	1,593	49%	2,212
Property Tax	148,547	78,230	53%	74,249
Business Tax	18,900	11,972	63%	11,838
Franchise Tax	15,339	5,223	34%	4,515
Other Local Taxes	11,836	7,541	64%	10,008
Card Room Receipts	781	30	4%	572
Charges for Services	20,816	10,296	49%	10,793
Development Fees	17,945	9,299	52%	12,200
Intergovernmental Revenues	9,955	6,338	64%	5,774
Intragovernmental Revenues	13,793	7,220	52%	7,761
Transfers In/Out	68,218	33,592	49%	(9,379)
All Other Revenue Sources	<u>28,343</u>	<u>26,237</u>	93%	<u>26,002</u>
Total General Fund Revenues	<u>448,583</u>	<u>239,792</u>	53%	<u>196,563</u>

**HISTORICAL MONTHLY REVENUE**



**ANALYSIS OF GENERAL FUND REVENUES**

General Fund revenues for the seven months ended January 31, 2021 were \$239.8 million. This amount is an increase of \$43.2 million, or 22.0%, above actual revenues for the same period last fiscal year. Total revenues at the end of January 2021 are at 53.5% of the annual estimate for Fiscal Year 2021.

Sales Tax revenues during the first seven months of Fiscal Year 2020 increased \$2.2 million (5.5%) compared to first seven months of last fiscal year due to higher sales despite the pandemic.

Property Tax revenues during the seven months ended January 31, 2021 increased \$4.0 million (5.4%) compared to the same period last fiscal year mostly due to increased Real & Secured Property Tax, VLF Swap Tax, Delinquent Property Tax, and Property Tax Penalty & Interest.

COVID-19 impacts on the business community were the driving factor behind the \$2.5 million (-24.7%) decline in Other Local Taxes (specifically, Room Tax and Real Estate Transfer Tax) during the seven months ended January 31, 2021 compared to the same period last year.

Revenues other than taxes, which include Charges for Services, Development Fees, Intergovernmental and Intragovernmental Revenues, Transfers In/Out, and All Other Revenue Sources, will fluctuate from month to month depending upon various activity elements.

Development Fees during the seven months ended January 31, 2021 decreased \$2.9 million (-23.8%) compared to the same period last fiscal year mostly due to lower parking fees and penalties, plan check fees, Signs, Tents & Inspection fees, and Worker's Comp Verification fees.

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(All figures in thousands)

Transfers In/Out during the seven months ended January 31, 2021 increased \$43.0 million (458.2%) mostly due to increased Transfers In from the CARES Grant Fund for eligible expenditures, plus a transfer out last year for the construction of Fire Station 18 for which there was no similar transfer out this year.

As of January 31<sup>st</sup>, the City maintained \$35.3 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.

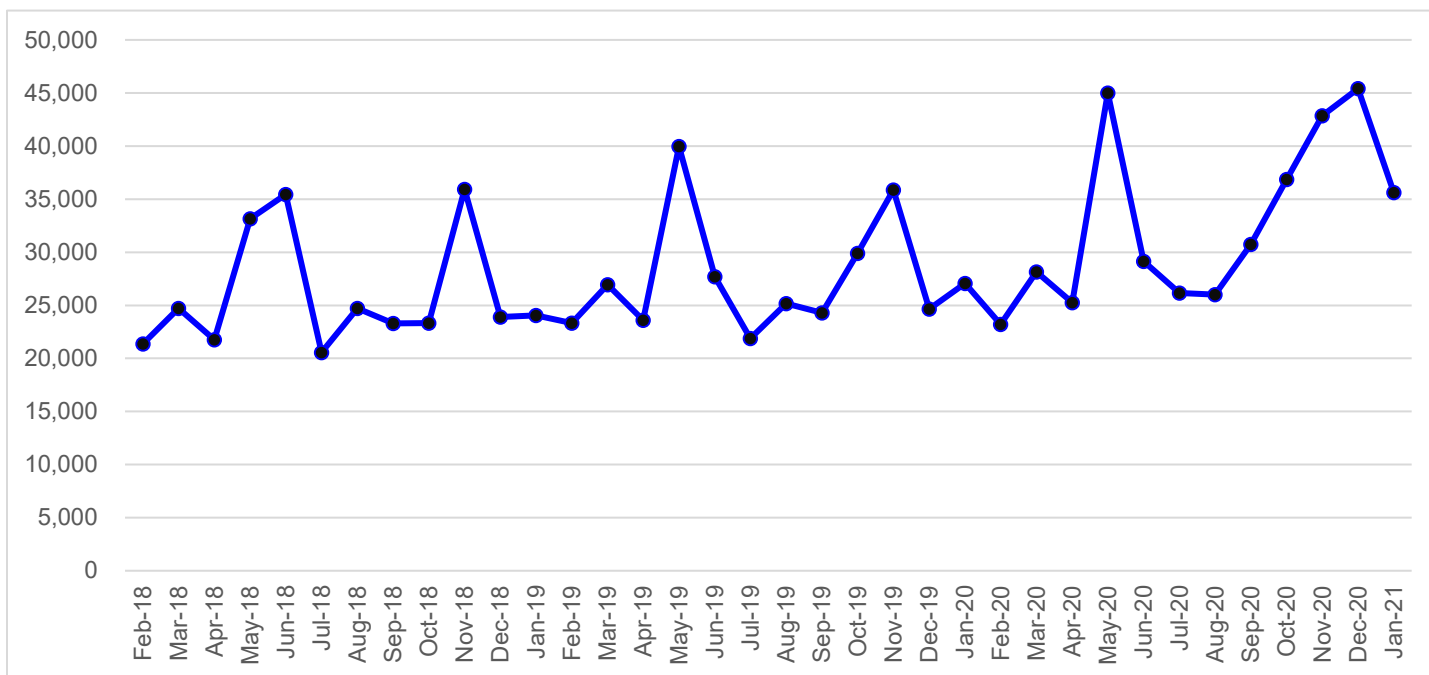
**GENERAL FUND EXPENDITURES BY DEPARTMENT**

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Police Department	191,207	106,170	56%	101,734
Fire Department	74,121	42,881	58%	39,243
Parks, Recreation & Community Services	29,619	12,795	43%	9,031
Finance/Purchasing	58,736	37,195	63%	3,264
Public Works	10,590	5,259	50%	4,875
City Council Offices	5,170	2,483	48%	1,863
City Clerk's Office	994	502	51%	507
Office of the Mayor/City Manager/Budget	5,114	2,880	56%	2,525
Planning and Development	25,478	10,519	41%	10,450
Personnel	3,761	1,996	53%	1,859
City Attorney's Office	20,090	9,593	48%	8,736
General City Purposes	15,305	11,396	74%	4,775
Attrition Savings	(8,320)	0	0%	0
<b>Total General Fund Expenditures</b>	<b>431,865</b>	<b>243,669</b>	<b>56%</b>	<b>188,862</b>

**GENERAL FUND EXPENDITURES BY TYPE**

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	204,984	117,286	57%	112,926
Salaries and Benefits Others	47,105	30,458	65%	28,317
Overtime Public Protection	4,408	5,442	123%	3,058
Overtime Others	146	117	80%	140
Pension Obligation Bonds	12,679	2,738	22%	2,979
Operations and Maintenance	100,624	56,057	56%	18,372
Interdepartmental Charges	50,071	24,564	49%	21,184
Capital	11,848	7,007	59%	1,886
<b>Total General Fund Expenditures</b>	<b>431,865</b>	<b>243,669</b>	<b>56%</b>	<b>188,862</b>

**HISTORICAL MONTHLY EXPENDITURES**



**ANALYSIS OF GENERAL FUND EXPENDITURES**

General Fund expenditures for the seven months ended January 31, 2021 were \$243.7 million. This is an increase of \$54.8 million (29.0%) from actual General Fund expenditures during the same period last fiscal year. Total expenditures at the end of January 2021 were at 56.4% of the annual budgeted amounts.

Comparing this fiscal year with last fiscal year, the Police and Fire Departments experienced increases of \$4.4 million (4.4%) and \$3.6 million (9.3%), respectively. The changes in the Police Department’s expenditures are primarily due to higher pension contributions, increased Worker’s Compensation, overtime costs, and interdepartmental charges. The Fire Department’s results stemmed from overtime for strike team responses to wild fires, higher pension contributions, and increased minimum staffing pay.

Expenditures for General City Purpose during the seven months ended January 31, 2021 increased \$6.6 million (138.7%) compared to the same period last year mostly due to increased costs for Animal Services contract, and expenditures for CARES Save Our Small Business and Outdoor Dining grants, Covid-19 related technical services, and DAWN Initiative payment to Fresno County EOC for which there were no similar expenditures last year.

Expenditures for Council Offices, the Clerk’s Office, the Mayor/City Manager’s Offices, and Personnel 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 Department expenditures during the first seven months of Fiscal Year 2021 increased \$3.8 million (41.7%) mostly due to higher personnel costs, the purchase of land, cost of COVID food distributions, and the cost for remodel of a new community center at Bulldog Lane and 6<sup>th</sup> Street for which there were no similar expenditures last year. Finance’s expenditures during the seven months ended January 31, 2021 increased \$33.9 million (1,039.6%) compared to the same period last fiscal year mostly due to COVID-19 mitigation expenses such as the Save Our Non-Profit grants and the purchase of a hotel as homeless housing, for which there were no similar expenditures last year.

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(All figures in thousands)

By category, Salaries/Benefits for Public Protection and Salaries/Benefits for Others increased \$4.4 million (3.9%) and increased \$2.1 million (7.6%) respectively during the first seven months of Fiscal Year 2021 compared to the same period last year. Overtime for Public Protection during the seven months ended January 31, 2021 increased \$2.4 million (78.0%) compared to last year.

Operations and Maintenance expenditures experienced a \$37.7 million (205.1%) increase for the first seven months of Fiscal Year 2021 compared to the same period last year, mostly due to increased costs for the Animal Services contract, the DAWN Initiative contract with Fresno County EOC, COVID-19 professional services contracts, food distribution, and grants for which there were no similar expenditures last year.

Interdepartmental charges during the first seven months of Fiscal Year 2021 increased \$3.4 million (16.0%) compared to the same period last year mostly due to timing differences in billing City Hall rent, plus increased costs for information systems, liability self-insurance, computer network, and PeopleSoft replacement charges. Capital expenditures experienced a \$5.1 million (271.5%) increase for the first seven months of Fiscal Year 2021, mostly due to increased cost for leased equipment, cost to refurbish two soccer fields, the purchase of a hotel, and the purchase of property located on North Sixth Street for which there were no similar expenditures 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.

<b>Enterprise Fund</b>	<b>Budget</b>	<b>YTD Actual</b>	<b>% of Budget</b>	<b>Prior Year</b>
<b>Community Sanitation</b>				
Revenues	8,768	5,049	58%	5,198
Carryover	<u>2,040</u>	<u>2,040</u>	100%	<u>1,192</u>
Available Resources	10,808	7,089	66%	6,390
Expenditures	<u>(9,926)</u>	<u>(5,084)</u>	51%	<u>(5,186)</u>
Available Resources Over/(Under) Expenditures	<u>882</u>	<u>2,005</u>		<u>1,204</u>
<b>Transportation/FAX</b>				
Revenues	61,452	15,205	25%	13,064
Carryover	<u>4,528</u>	<u>4,528</u>	100%	<u>(1,795)</u>
Available Resources	65,980	19,733	30%	11,269
Expenditures	<u>(29,544)</u>	<u>(15,995)</u>	54%	<u>(14,487)</u>
Available Resources Over/(Under) Expenditures	<u>36,436</u>	<u>3,738</u>		<u>(3,218)</u>
<b>Airport Operating</b>				
Revenues	6,464	8,337	129%	10,396
Carryover	<u>32,591</u>	<u>33,458</u>	103%	<u>37,015</u>
Available Resources	39,055	41,795	107%	47,411
Expenditures	<u>(19,892)</u>	<u>(10,543)</u>	53%	<u>(10,875)</u>
Available Resources Over/(Under) Expenditures	<u>19,163</u>	<u>31,252</u>		<u>36,536</u>
<b>Sewer System</b>				
Revenues	75,924	44,492	59%	23,365
Carryover	<u>67,536</u>	<u>67,536</u>	100%	<u>65,274</u>
Available Resources	143,460	112,028	78%	88,639
Expenditures	<u>(98,363)</u>	<u>(25,634)</u>	26%	<u>(28,250)</u>
Available Resources Over/(Under) Expenditures	<u>45,097</u>	<u>86,394</u>		<u>60,389</u>
<b>Solid Waste System</b>				
Revenues	42,438	19,424	46%	15,968
Carryover	<u>4,609</u>	<u>4,609</u>	100%	<u>4,840</u>
Available Resources	47,047	24,033	51%	20,808
Expenditures	<u>(44,333)</u>	<u>(19,032)</u>	43%	<u>(17,778)</u>
Available Resources Over/(Under) Expenditures	<u>2,714</u>	<u>5,001</u>		<u>3,030</u>
<b>Water System</b>				
Revenues	114,578	82,131	72%	83,390
Carryover	<u>121,519</u>	<u>121,519</u>	100%	<u>112,593</u>
Available Resources	236,097	203,650	86%	195,983
Expenditures	<u>(142,725)</u>	<u>(76,742)</u>	54%	<u>(62,039)</u>
Available Resources Over/(Under) Expenditures	<u>93,372</u>	<u>126,908</u>		<u>133,944</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 28.8% of total available resources during the seven months ended January 31, 2021. Transportation/FAX Revenues during the first seven months of this fiscal year increased \$2.1 million (16.4%) from the same period last fiscal year mostly due to higher State of California TDA payments and Low Carbon Fuel Standard payments for which there were no similar payments last year. These were partially offset by lower fare revenues. Transportation/FAX carryover represents about 22.9% of total available resources through January 31, 2021.

Airport YTD Revenues for the seven months ended January 31, 2021 decreased \$2.1 million (-19.8%) from the same period last fiscal year primarily due to lower customer facility charges, and fees for parking, landing, concessions, and federal inspections which were partially offset by a CARES grant payment for which there was no similar payment last year. Airport Operating carryover represents about 80.1% of total available resources through January 31<sup>st</sup>.

Sewer System YTD Revenues for the seven months ended January 31, 2021 increased \$21.1 million (90.4%), 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 and timing differences in payments from City of Clovis. Sewer System carryover represents about 60.3% of total available resources for this fiscal year.

Solid Waste YTD Revenues for the first seven months of Fiscal Year 2021 increased \$3.5 million (21.6%) primarily due to transfers in from the Residential Solid Waste Reserve Fund and the CARES Grant Fund for which there were no similar transfers last year. Solid Waste carryover represents about 19.2% of total available resources for this fiscal year.

Water System YTD Revenues for the first seven months of this fiscal year decreased \$1.3 million (-1.5%) primarily due to decreased customer charges and lower interest earnings. Water System carryover represents about 59.7% of total available resources through January 31, 2021.

Transportation/FAX expenditures during the seven months ended January 31, 2021 increased \$1.5 million (10.4%) mostly due to increased costs for salaries, Workers' Compensation, and CNG bus fuel.

Sewer System expenditures for the first seven months of Fiscal Year 2021 decreased \$2.6 million (-9.3%) 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. These were partially offset by increased costs for salaries and pension contributions.

Solid Waste expenditures during the seven months ended January 31, 2021 increased \$1.3 million (7.1%) compared to the same period last fiscal year mostly due to higher landfill tipping fees, Fleet ID charges, and costs for new equipment. Water System expenditures during the seven months ended January 31, 2021 increased \$14.7 million (23.7%) compared to the same period last fiscal year mostly due to payoff of the Water 2010-A bonds for which there was no similar payment last year. This was partially offset by lower expense for water purchases and contract construction.

**CITY DEBT**

<b>Debt Source (in thousands)</b>	<b>Governmental</b>	<b>Business-Type</b>	<b>Principal Outstanding</b>
<b>Lease Revenue Bonds:</b>			
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 <sup>1</sup>	17,145		17,145
<b>Judgment Bonds:</b>			
Pension Obligation Bonds	107,555		107,555
<b>Enterprise Bonds:</b>			
Water <sup>2</sup>		91,340	91,340
Sewer		885	885
Airport		78,144	78,144
<b>Total Bonds</b>	<b>\$231,840</b>	<b>\$217,253</b>	<b>\$449,093</b>
<b>Notes and Loans:</b>			
HUD – Neighborhood Streets and Parks	\$251		\$251
CIEDB – Roeding Business Park	1,397		1,397
State Water Resources Control Board Loans		\$325,115	325,115
Clean Water – Southwest Quadrant		49,029	49,029
Safe Drinking Water Loans		35,349	35,349
<b>Total Notes and Loans</b>	<b>\$1,648</b>	<b>\$409,493</b>	<b>\$411,141</b>
<b>Capital Leases</b>	<b>40,103</b>		<b>40,103</b>
<b>Total City Debt</b>	<b>\$273,591</b>	<b>\$626,746</b>	<b>\$900,337</b>

<sup>1</sup> Issuance of Animal Services Facility Bonds during November 2020 increased principal by \$17 million.

<sup>2</sup> Payoff of Water 2010 Series A-1 Bonds during December 2020 reduced principal by \$27.6 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.