



City of Fresno
Monthly Financial Report
For the Twelve Months Ended June 30, 2021
Unaudited – Intended for Internal Management Purposes Only
(All figures in thousands)

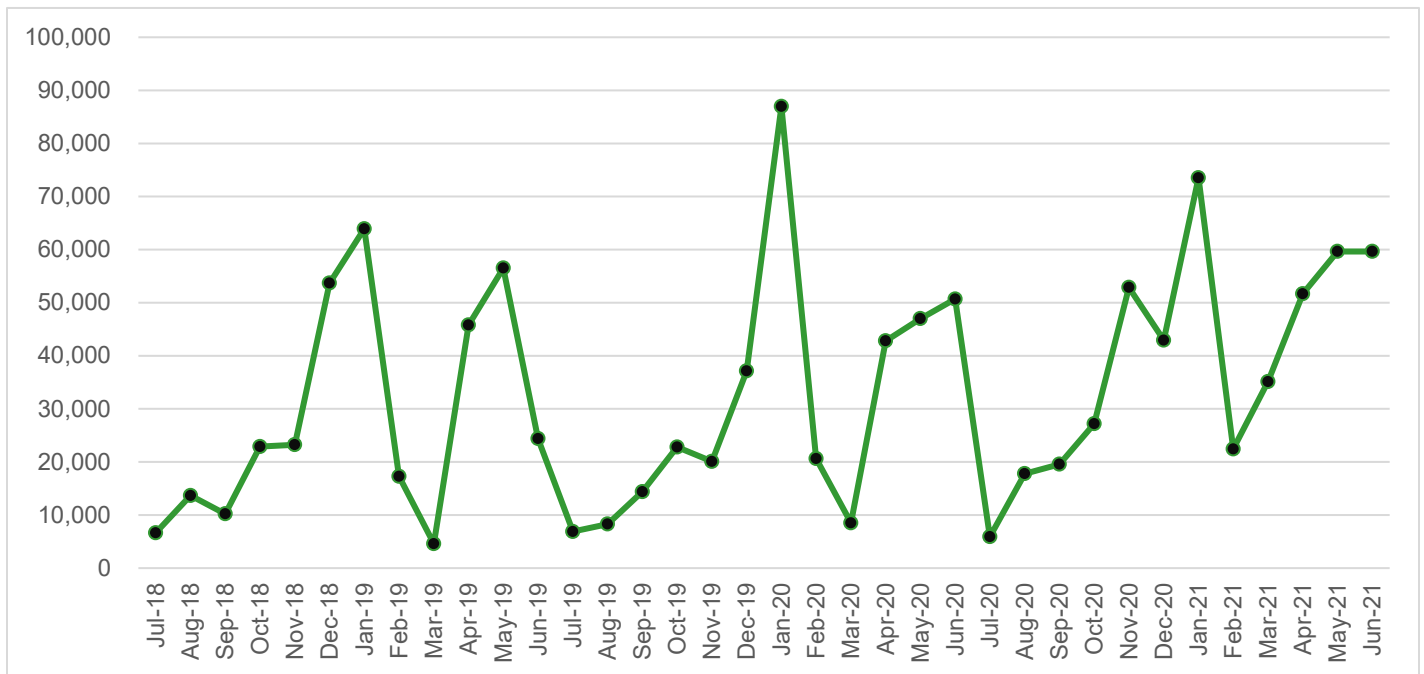
GENERAL FUND

Description	Amended Budget	YTD Actual	% of Budget	Prior Year Actual	Change from Prior Year	% Change from Prior Year
CARRYOVER	25,332	25,332	100.0%	24,806	526	2.1%
REVENUES						
Sales Tax	91,836	121,693	132.5%	95,060	26,633	28.0%
Economic Incentives	(700)	(2,053)	293.3%	0	(2,053)	
Total Sales Tax, Net of EI	91,136	119,640	131.3%	95,060	24,580	25.9%
Property Tax	149,247	152,188	102.0%	141,332	10,856	7.7%
Economic Incentives	(700)	(709)	101.3%	0	(709)	
Total Property Tax, Net of EI	148,547	151,479	102.0%	141,332	10,147	7.2%
Business License	18,828	19,332	102.7%	19,805	(473)	-2.4%
Franchise Fees:						
Comcast	3,315	3,246	97.9%	3,242	4	0.1%
AT&T	400	392	98.0%	362	30	8.3%
PG&E	5,780	5,905	102.2%	5,482	423	7.7%
Subtotal	9,495	9,543	100.5%	9,086	457	5.0%
Roll-Off Bins	1,094	1,508	137.8%	1,094	414	37.8%
Comm. Solid Waste	4,751	5,660	119.1%	4,751	909	19.1%
Total Franchise Fees	15,340	16,711	108.9%	14,931	1,780	11.9%
Room Tax	10,204	11,981	117.4%	13,104	(1,123)	-8.6%
Other Taxes and Fees	5,697	5,294	92.9%	5,944	(650)	-10.9%
Charges for Current Services	37,726	36,946	97.9%	37,684	(738)	-2.0%
Charges for CS – NC Agreement	1,035	1,051	101.5%	1,018	33	3.2%
Total Charges for Current Services	38,761	37,997	98.0%	38,702	(705)	-1.8%
Intergovernmental Revenues	6,665	9,145	137.2%	4,598	4,547	98.9%
Intergovmntl – RDA Debt Repymt	3,290	3,319	100.9%	3,290	29	0.9%
Total Intergovernmental Revenues	9,955	12,464	125.2%	7,888	4,576	58.0%
Intragovernmental Revenues	13,792	12,211	88.5%	13,237	(1,026)	-7.8%
Cannabis	72	410	569.4%	0	410	
All Other	3,011	2,330	77.4%	2,670	(340)	-12.7%
Total Operating Revenues	355,343	389,849	109.7%	352,673	37,176	10.5%
TOTAL RESOURCES	380,675	415,181	109.1%	377,479	37,702	10.0%
EXPENDITURES						
Employee Services	193,226	194,902	100.9%	185,506	9,396	5.1%
Attrition	(8,320)	0	0.0%	0	0	
Total Employee Services	184,906	194,902	105.4%	185,506	9,396	5.1%
Health & Welfare	22,585	20,881	92.5%	20,405	476	2.3%
Retirement Contribution	31,425	30,497	97.0%	25,414	5,083	20.0%
Pension Obligation Bonds	12,679	12,628	99.6%	12,722	(94)	-0.7%
Workers' Compensation	15,247	16,769	110.0%	14,787	1,982	13.4%

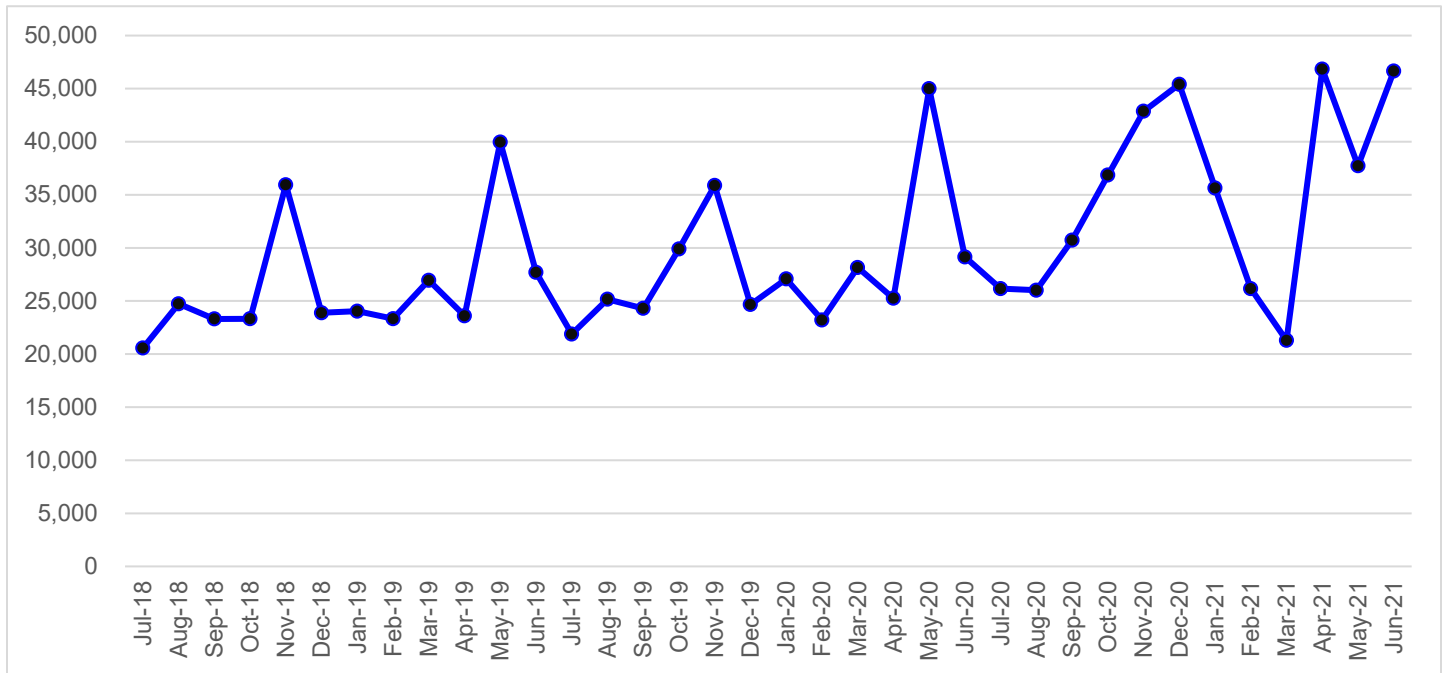
City of Fresno
Monthly Financial Report
 For the Twelve Months Ended June 30, 2021
 (All figures in thousands)

Description	Amended Budget	YTD Actual	% of Budget	Prior Year Actual	Change from Prior Year	% Change from Prior Year
Operations & Maintenance	89,224	77,276	86.6%	35,907	41,369	115.2%
Interdepartmental Charges	50,858	47,707	93.8%	40,276	7,431	18.5%
Minor Capital (incl. Fire Leases)	22,670	22,008	97.1%	4,598	17,410	378.6%
TOTAL EXPENDITURES	429,594	422,668	98.4%	339,615	83,053	24.5%
TRANSFERS						
General Fund Debt Obligation	(18,428)	(19,457)	105.6%	(16,779)	(2,678)	16.0%
Net Transfers between Funds	(6,517)	4,742	-72.8%	(6,439)	11,181	-173.6%
CARES Fund Reimbursements	68,009	68,308	100.4%	11,918	56,390	473.1%
Reserve for 27 th Pay Period	0	(400)		0	(400)	
TOTAL TRANSFERS	43,064	53,193	123.5%	(11,300)	64,493	-570.7%
NET BALANCE	(5,855)	45,706		26,564	19,142	72.1%

HISTORICAL MONTHLY TOTAL RESOURCES AND TRANSFERS



HISTORICAL MONTHLY EXPENDITURES



ANALYSIS OF GENERAL FUND

General Fund total resources for the year ended June 30, 2021 were \$415.2 million. This amount is an increase of \$37.7 million, or 10.0%, above actual resources for the same period last fiscal year. Total resources at the end of June 2021 are at 109.1% of the annual estimate for Fiscal Year 2021.

Revenues that increased during Fiscal Year 2021 compared to last fiscal year include:

- Sales Tax revenues increased \$24.6 million or 25.9%.
- Property Tax revenues increased \$10.1 million or 7.2%, mostly due to increased Real & Secured Personal Property Tax, and Secured Override Tax, VLF Swap Tax, Delinquent Property Tax, Supplemental Tax, and Unsecured Personal Property Tax.
- Franchise Tax revenues increased \$1.8 million or 11.9% mostly due to higher fees for commercial solid waste, PG&E, and roll-off bins.

COVID-19 impacts on the business community were the driving factor behind the \$1.1 million (-8.6%) decline in Room Tax and the \$0.7 million (-10.9%) decline in Other Local Taxes and Fees (specifically Card Room Receipts and Prop 172 Tax) during the twelve months ended June 30, 2021 compared to the same period last year.

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

Total Charges for Current Services during the twelve months ended June 30, 2021 decreased \$0.7 million (-1.8%) compared to the same period last fiscal year mostly due to lower parking fees and penalties, Housing Code-Enforcement fees, plan check fees which were partially offset by increased permits for new construction and alterations.

Monthly Financial Report

For the Twelve Months Ended June 30, 2021

(All figures in thousands)

Intergovernmental Revenues during the twelve months ended June 30, 2021 increased \$4.6 million (58.0%) compared to the same period last fiscal year mostly due to receipt of a State grant for which there was no similar revenue last fiscal year, and increased reimbursements for school resource officers.

General Fund expenditures for the twelve months ended June 30, 2021 were \$422.7 million. This is an increase of \$83.1 million (24.5%) from actual General Fund expenditures during the same period last fiscal year. Total expenditures at the end of June 2021 were at 98.4% of the annual budgeted amounts.

Expenditures that increased during Fiscal Year 2021 compared to last fiscal year include:

- Employee Services increased \$9.4 million (5.1%) mainly due to increased salaries, public protection overtime, minimum staffing, and accrued leave payoffs.
- Retirement Contributions and Workers' Compensation increased \$5.1 million (20.0%) and \$2.0 million (13.4%) respectively.
- Interdepartmental charges during Fiscal Year 2021 increased \$7.4 million (18.5%) mostly due to increased costs for information systems, liability self-insurance, overhead, security assessment, and Facilities Management charges.
- Operations and Maintenance expenditures increased \$41.4 million (115.2%) 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.
- Capital expenditures increased \$17.4 million (378.6%) mostly due to the cost to refurbish two soccer fields, the purchase and repairs of a hotel for homeless housing, 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.

Transfers In/Out during the twelve months ended June 30, 2021 increased \$64.5 million (570.7%) mostly due to increased Transfers In from the CARES Grant Fund for eligible expenditures, plus transfers out last year for the construction of Fire Station 18 and parking revenues to Convention Center for which there were no similar transfers out this year. These were partially offset by increased transfers out for General Fund portion of debt obligations.

As of June 30, 2021, the City maintained \$35.5 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.

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	9,120	104%	10,268
Carryover	<u>2,040</u>	<u>2,040</u>	100%	<u>1,192</u>
Available Resources	10,808	11,160	103%	11,460
Expenditures	<u>(9,926)</u>	<u>(8,677)</u>	87%	<u>(9,415)</u>
Available Resources Over/(Under) Expenditures	<u>882</u>	<u>2,483</u>		<u>2,045</u>
Transportation/FAX				
Revenues	61,452	34,127	56%	32,376
Carryover	<u>4,528</u>	<u>4,528</u>	100%	<u>(1,795)</u>
Available Resources	65,980	38,655	59%	30,581
Expenditures	<u>(29,544)</u>	<u>(27,764)</u>	94%	<u>(26,053)</u>
Available Resources Over/(Under) Expenditures	<u>36,436</u>	<u>10,891</u>		<u>4,528</u>
Airport Operating				
Revenues	6,264	18,272	292%	15,257
Carryover	<u>32,791</u>	<u>33,458</u>	102%	<u>37,015</u>
Available Resources	39,055	51,730	132%	52,272
Expenditures	<u>(19,892)</u>	<u>(19,476)</u>	98%	<u>(18,871)</u>
Available Resources Over/(Under) Expenditures	<u>19,163</u>	<u>32,254</u>		<u>33,401</u>
Sewer System				
Revenues	75,924	67,168	88%	56,178
Carryover	<u>67,536</u>	<u>67,536</u>	100%	<u>65,274</u>
Available Resources	143,460	134,704	94%	121,452
Expenditures	<u>(98,363)</u>	<u>(50,907)</u>	52%	<u>(55,216)</u>
Available Resources Over/(Under) Expenditures	<u>45,097</u>	<u>83,797</u>		<u>66,236</u>
Solid Waste System				
Revenues	42,438	37,349	88%	31,728
Carryover	<u>4,609</u>	<u>4,609</u>	100%	<u>4,840</u>
Available Resources	47,047	41,958	89%	36,568
Expenditures	<u>(44,333)</u>	<u>(36,875)</u>	83%	<u>(31,922)</u>
Available Resources Over/(Under) Expenditures	<u>2,714</u>	<u>5,083</u>		<u>4,646</u>
Water System				
Revenues	114,578	125,093	109%	124,235
Carryover	<u>121,519</u>	<u>121,519</u>	100%	<u>112,593</u>
Available Resources	236,097	246,612	104%	236,828
Expenditures	<u>(142,725)</u>	<u>(122,466)</u>	86%	<u>(115,054)</u>
Available Resources Over/(Under) Expenditures	<u>93,372</u>	<u>124,146</u>		<u>121,774</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 Revenues for the twelve months ended June 30, 2021 decreased \$1.1 million (-11.2%) from the same period last fiscal year primarily due to lower customer charges and lower transfers-in. Community Sanitation carryover represents about 18.3% of total available resources during the twelve months ended June 30, 2021. Transportation/FAX Revenues during this fiscal year increased \$1.8 million (5.4%) from last fiscal year mostly due to increased TDA revenue and Low Carbon Fuel credits which were partially offset by lower fare and advertising revenues. Transportation/FAX carryover represents about 11.7% of total available resources through June 30, 2021.

Airport YTD Revenues for the twelve months ended June 30, 2021 increased \$3.0 million (19.8%) from the same period last fiscal year primarily due to CARES grant payments for which there were no similar payments last year. This was partially offset by increased transfers out, plus lower customer facility charges, and fees for parking, concessions, federal inspections, landing, and airport security. Airport Operating carryover represents about 64.7% of total available resources through June 30, 2021.

Sewer System YTD Revenues for the twelve months ended June 30, 2021 increased \$11.0 million (19.6%), 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 an advance to the General Fund, lower customer charges, and interest earnings. Sewer System carryover represents about 50.1% of total available resources for this fiscal year.

Solid Waste YTD Revenues for Fiscal Year 2021 increased \$5.6 million (17.7%) primarily due to lower transfer out to the Vehicle Replacement fund and transfers in from the Residential Solid Waste Reserve Fund and the CARES Grant Fund plus a loan from the Water Division to assist with costs for the new Administration and Maintenance Facility for which there were no similar transfers in last year. Solid Waste carryover represents about 11.0% of total available resources for this fiscal year. Water System carryover represents about 49.3% of total available resources through June 30, 2021.

Transportation/FAX expenditures during the twelve months ended June 30, 2021 increased \$1.7 million (6.6%) mostly due to increased costs for salaries, Workers' Compensation, pension contributions, and CNG bus fuel. Sewer System expenditures during the twelve months ended June 30, 2021 decreased \$4.3 million (-7.8%) compared to the same period last fiscal year mostly due to lower costs for professional and technical services, contract construction, and a payment on the State loan last year for which there was no similar payment this year.

Solid Waste expenditures during the twelve months ended June 30, 2021 increased \$5.0 million (15.5%) compared to the same period last fiscal year mostly due to higher landfill tipping fees, overtime, replacement garbage cans, and pension contributions plus the cost to purchase land for the new Administration and Maintenance Facility for which there was no similar cost last year. Water System expenditures during the twelve months ended June 30, 2021 increased \$7.4 million (6.4%) compared to the same period last fiscal year mostly due to increased costs for specialty chemicals, plus payoff of the Water 2010-A bonds and an interfund loan to Solid Waste for which there were no similar payments last year. This was partially offset by lower expense for water purchases and contract construction.

CITY DEBT

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$21,410		\$21,410
No Neighborhood Left Behind/Selland Arena	5,535		5,535
Parks Impact Fee Projects	20,775	\$1,455	22,230
City Hall Chiller/Convention Center Improvements	2,710	6,425	9,135
Public Safety Impact Fee Projects	28,875		28,875
City Hall Refinancing/Bee Building/Granite Park	19,240		19,240
Exhibit Hall Expansion Project		7,994	7,994
Stadium Project		23,300	23,300
Animal Services Facility ¹	17,145		17,145
Judgment Bonds:			
Pension Obligation Bonds	98,395		98,395
Enterprise Bonds:			
Water ²		91,340	91,340
Sewer		885	885
Airport		78,144	78,144
Total Bonds	\$214,085	\$209,543	\$423,628
Notes and Loans:			
HUD – Neighborhood Streets and Parks	\$251		\$251
CIEDB – Roeding Business Park	1,397		1,397
State Water Resources Control Board Loans		\$329,754	329,754
Clean Water – Southwest Quadrant		59,525	59,525
Safe Drinking Water Loans		35,271	35,271
Total Notes and Loans	\$1,648	\$424,550	\$426,198
Capital Leases	41,153		41,153
Total City Debt	\$256,886	\$634,093	\$890,979

¹ Issuance of Animal Services Facility Bonds during November 2020 increased principal by \$17.1 million.

² 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.