



City of Fresno
Monthly Financial Report FY2015/2016
For the Two Months Ended August 31, 2015
Unaudited - Intended For Internal Management Purposes Only

GENERAL FUND AT-A-GLANCE

(in millions) Category	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Revenues	274,973	17,162	6%	24,814
Expenditures	(272,347)	(47,747)	18%	(45,745)
Revenues Over Expenditures	2,626	(30,585)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Sales & Use Tax	82,233	5,418	7%	5,206
Prop. 172 Sales Tax	2,730	463	17%	470
Property Tax	112,636	0	0%	0
Business Tax	17,880	1,953	11%	1,390
Franchise Tax	12,225	1,917	16%	812
Other Local Taxes	11,612	2,408	21%	2,113
Card Room Receipts	1,010	164	16%	157
Charges For Services	16,420	2,376	14%	2,901
Parking & Community Development	13,734	2,468	18%	2,473
Intergovernmental Revenues	4,826	943	20%	558
Intragovernmental Revenues	11,522	989	9%	1,298
Transfers In/Out	(26,979)	(2,182)	8%	(11,743)
All Other Revenue Sources	15,124	245	2%	19,179
Total	274,973	17,162	6%	24,814

GENERAL FUND REVENUES

General Fund revenues for the two months ended August 31, 2015 were \$17.2 million and do not include General Fund carryover from Fiscal Year 2015 into Fiscal Year 2016. Revenues for the first two months of the prior fiscal year were \$24.8 million including \$18.9 million carryover from Fiscal Year 2014 (included in All Other Revenue Sources) and transfer out of \$8.2 million to repay monies previously advanced to it by Water and Solid Waste. If the carryover and loan repayment are excluded from total revenues during the first two months of Fiscal Year 2015, the adjusted total is \$14.1 million; resulting in an adjusted increase of \$3.1 million over total revenues through the first two months of last fiscal year. The majority of the \$3.1 million increase between years is outlined below. The City does not utilize TRANS (Tax and Revenue Anticipation Notes) advances. Therefore, it is common for expenditures to exceed its revenues by a substantial amount early in the year.

Sales Tax revenues, including those from the Sales Tax Swap were \$5.4 million through August. Sales Tax revenues were \$5.2 million for the same period last fiscal year; a 4.1% increase. Business Taxes collected were \$2.0 million for the first two months of Fiscal Year 2015, an increase of \$0.46 million (40.5%) over the same period last fiscal year due to August 2015 journals to correct posting of some Fiscal Year 2015 business taxes.

Franchise Taxes received during the first two months were \$1.9 million, an increase of \$1.1 million (136.1%) over the first two months last fiscal year mostly due to increased revenue from Roll off Bin Franchise fees and timing of cable franchise fees. Other Local Taxes received through August were \$2.4 million; an increase of \$0.3 million (14.0%) over the same period last year due to increased revenues from Real Estate Transfer Taxes and Room Tax.

GENERAL FUND REVENUES – continued

Revenues other than taxes, which include Charges for Services, Parking & Community Development, 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 for the two months ended August 31, 2015 decreased \$0.5 million (-18.1%) from the first two months of last fiscal year due to decreased vehicle code fines and subdivision inspection fees. Intergovernmental Revenues received during the first two months of Fiscal Year 2015 were \$0.3 million (69%) more than the first two months last year due to a large FEMA reimbursement to the Fire Department plus State reimbursements to the Fire Department for fire season mutual aid. Intragovernmental Revenues decreased \$0.3 million (-23.8%) over the same period last fiscal year due to lower overhead reimbursements from capital.

As of August 31, 2015, the City maintained just over \$8.9 million in the General Fund Emergency Reserve. The use of this cash is restricted until such time as a declaration 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	149,128	25,012	17%	23,994
Fire Department	51,965	10,172	20%	9,819
Parks, Recreation & Community Services	15,413	2,426	16%	2,120
Finance/Budget/Purchasing/Central Printing	8,245	1,534	19%	1,419
Public Works	7,278	1,157	16%	1,267
City Council Offices	3,296	622	19%	601
City Clerk's Office	709	207	29%	182
Office of the Mayor/City Manager	2,414	472	20%	402
Parking and Community Development	21,894	4,250	19%	3,915
Personnel	2,933	649	22%	676
CAO	4,165	806	19%	831
General City Purposes	6,880	440	6%	519
Pending Concessions	(1,973)	0	0%	0
Total	272,347	47,747	18%	45,745

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	% of Budget	Prior Year Actuals
Salaries and Benefits Public Protection	156,984	28,826	18%	29,050
Salaries and Benefits Others	34,748	6,740	19%	6,471
Overtime Public Protection	3,800	1,566	41%	1,023
Overtime Others	53	9	17%	16
Pension Obligation Bonds	12,740	2	0%	0
Operations and Maintenance	30,695	5,054	16%	4,247
Interdepartmental Charges	30,218	5,080	17%	4,429
Capital	3,109	470	15%	509
Total	272,347	47,747	18%	45,745

GENERAL FUND EXPENDITURES

General Fund expenditures for the two months ended August 31, 2015 were \$47.7 million. This is an increase of \$2.0 million (4.4%) over the same period last fiscal year.

Expenditures for departments significantly funded by the General Fund (Police, Fire, Parking & Community Development, and PARCS) were at acceptable levels for the two months ended August 31, 2015. Comparing the first two months this year with last year, the Police and Fire Departments experienced \$1.0 million (4.2%) and \$0.4 million (3.6%) increases respectively, due primarily to both overtime expenditures and costs associated with the addition of new staff that was added as part of the Fiscal Year 2016 budget. Parking & Community Development experienced a \$0.3 million (14.4%) increase for the two months ended August 31, 2015 compared to the same period last year due to increased costs for operations and maintenance.

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

By category, salaries are at reasonable levels and are consistent with the prior year. Overtime spiked during the first two months, which is normal for summer months and during fire season. Operations and Maintenance costs the first two months were up \$0.8 million (19.0%) over the same period last year due to costs for service contracts on equipment, ammunition, landscaping, outside legal and consulting fees. Expenditures related to Pension Obligation Bonds are recognized when paid.

Expenditures will be 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	12,121	7,339	61%	6,452
Expenditures	(8,137)	(1,192)	15%	(984)
Total	3,984	6,147		5,468
Transportation/FAX				
Revenues	41,676	8,097	19%	15,122
Expenditures	(30,638)	(4,399)	14%	(4,014)
Total	11,038	3,698		11,108
Airport Operating				
Revenues	28,700	18,661	65%	13,259
Expenditures	(14,487)	(3,029)	21%	(2,731)
Total	14,213	15,632		10,528
Sewer System				
Revenues	156,183	101,894	65%	55,295
Expenditures	(88,023)	(7,613)	9%	(7,173)
Total	68,160	94,281		48,122
Solid Waste System				
Revenues	31,146	7,699	25%	6,097
Expenditures	(29,965)	(4,270)	14%	(4,061)
Total	1,181	3,429		2,036
Water System				
Revenues	127,202	59,280	47%	56,784
Expenditures	(99,676)	(6,971)	7%	(8,617)
Total	27,526	52,309		48,167

ENTERPRISE OPERATING FUNDS

Actual revenues and expenditures for Enterprise Operations are recorded on the cash basis of accounting for monthly financial reporting purposes which means revenues are recognized when the cash is receipted 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 2016 were established to support the ongoing operations and anticipated capital improvements for each enterprise during Fiscal Year 2016. The budgeted revenue figures include estimated carryover from the prior year. Actual carryover amounts from Fiscal Year 2015 to Fiscal Year 2016 are noted below, and are reflected in the revenue figures presented above. Because carryover is posted in August, early fiscal year results may appear high.

Transportation/FAX carryover dropped between fiscal years largely due to State funding, normally received during the month of June, which was received after fiscal year end and deposited on July 6, 2015. Airport Operating and Sewer System increased YTD Revenues are primarily due to increased carryover this year of \$5.1 million and \$43.9 million respectively over carryover included in Prior Year Revenues.

Fiscal Year 2016 Carryover Amounts:

Community Sanitation - \$5.8 million
Transportation/FAX - \$0.1 million
Airports - \$15.5 million
Sewer System - \$101.2 million
Solid Waste System - \$2.8 million
Water System - \$46.7 million

Debt Source (in thousands)	Governmental	Business-Type	Principal Outstanding
Lease Revenue Bonds:			
Various Capital Projects	\$30,095		\$30,095
No Neighborhood Left Behind/Selland	22,790		22,790
Parks Impact Fee Projects	30,455	\$2,145	32,600
City Hall Chiller/Conv Center Improvements	3,405	19,535	22,940
Public Safety Impact Fee Projects	37,870		37,870
City Hall Refinancing/Bee Bldg/Granite Park	34,405		34,405
Exhibit Hall Expansion Project		19,853	19,853
Stadium Project		34,425	34,425
Judgment Bonds:			
Pension Obligation Bonds	145,675		145,675
Judgment Obligation Bonds	1,025		1,025
Enterprise Bonds:			
Water		146,405	146,405
Sewer		204,270	204,270
Airport		52,630	52,630
Total Bonds	\$305,720	\$479,263	\$784,983
Notes and Loans			
CEC - MSC Solar System	\$545		\$545
HUD - Regional Medical Center	525		525
HUD - FMAAA	470		470
HUD - Neighborhood Streets/Parks	754		754
CIEDB - Roeding Business Park	1,787		1,787
SMG - Employee Benefits Cost Reimbursement		\$380	380
State Water Resources Control Board Loans		51,687	51,687
Total Notes and Loans	\$4,081	\$52,067	\$56,148
Capital Leases	\$9,689		\$9,689
Total City Debt	\$319,490	\$531,330	\$850,820

SUMMARY

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.